

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
---	---	---

Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>08/01/2013</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☒ the final return/report; ☐ an amended return/report; ☒ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☒ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>CANTEX INTERNATIONAL INC. DBA TECH SEAL INTERNATIONAL 401K PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2012</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/2012</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/2012</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>CANTEX INTERNATIONAL INC.</u> <u>TECH SEAL INTERNATIONAL</u> <u>PO BOX 91282</u> <u>HOUSTON, TX 77291</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>76-0433673</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>713-691-0668</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>332900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>76-0433673</u>	2c Sponsor's telephone number <u>713-691-0668</u>	2d Business code (see instructions) <u>332900</u>	
2b Employer Identification Number (EIN) <u>76-0433673</u>					
2c Sponsor's telephone number <u>713-691-0668</u>					
2d Business code (see instructions) <u>332900</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/09/2014	MICHELLE STEWART
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/09/2014	MICHELLE STEWART
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional) <u>AMERICAN UNITED LIFE INSURANCE COMP</u> <u>AMERICAN UNITED LIFE INSURANCE COMP</u> <u>ONE AMERICAN SQUARE, PO BOX 368</u> <u>INDIANAPOLIS, IN 46206-0368</u>			Preparer's telephone number (optional) <u>800-261-9618</u>

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		3c Administrator's telephone number 4b EIN 4c PN	
5 Total number of participants at the beginning of the plan year		5	124
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).			
a Active participants		6a	0
b Retired or separated participants receiving benefits		6b	0
c Other retired or separated participants entitled to future benefits.....		6c	0
d Subtotal. Add lines 6a , 6b , and 6c		6d	0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits		6e	0
f Total. Add lines 6d and 6e		6f	0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3D			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☐ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ <u>1</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
---	---	---

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 08/01/2013

A Name of plan CANTEX INTERNATIONAL INC. DBA TECH SEAL INTERNATIONAL 401K PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 CANTEX INTERNATIONAL INC.	D Employer Identification Number (EIN) 76-0433673

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
---------------	---

1 Coverage Information:

(a) Name of insurance carrier

AMERICAN UNITED LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
35-0145825	60895	G36754	0	01/01/2013	08/01/2013

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
2496	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

SECURIAN FINANCIAL SERVICES
400 ROBERT STREET NORTH
SAINT PAUL, MN 55101

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
2496	0 N/A		3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	0

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ **GROUP ANNUITY CONTRACT**

b Balance at the end of the previous year	7b	45028
--	-----------	-------

c Additions: (1) Contributions deposited during the year	7c(1)	22126	
(2) Dividends and credits	7c(2)	0	
(3) Interest credited during the year	7c(3)	159	
(4) Transferred from separate account	7c(4)	1966	
(5) Other (specify below)	7c(5)	0	
▶			

(6) Total additions	7c(6)	24251
---------------------------	--------------	-------

d Total of balance and additions (add lines 7b and 7c(6))	7d	69279
---	-----------	-------

e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	1967
(2) Administration charge made by carrier	7e(2)	90
(3) Transferred to separate account	7e(3)	1967
(4) Other (specify below)	7e(4)	65255

▶ **TRANSFER TO OUTSIDE SOURCE**

(5) Total deductions	7e(5)	69279
----------------------------	--------------	-------

f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0
---	-----------	---

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2013
		This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning **01/01/2013** and ending **08/01/2013**

A Name of plan CANTEX INTERNATIONAL INC. DBA TECH SEAL INTERNATIONAL 401K PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 CANTEX INTERNATIONAL INC.	D Employer Identification Number (EIN) 76-0433673

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
AMERICAN UNITED LIFE INSURANCE CO

35-0145825

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

AMERICAN UNITED LIFE INSURANCE CO

35-0145825

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 50 52 59 60 63 64 66 67	NONE	1282	Yes ☒ No ☐	Yes ☐ No ☒	4084	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	66 67	4084
(d) Enter name and EIN (address) of source of indirect compensation AMERICAN UNITED LIFE INSURANCE CO 35-0145825		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. ASSET CHARGE		
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation FRED ALGER & COMPANY INC 13-2510833		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. REVENUE SHARING FORMULA - SEE ATTACHED		
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation ALLIANCEBERNSTEIN INVESTMENTS 13-4064930		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. REVENUE SHARING FORMULA - SEE ATTACHED		

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
AMERICAN CENTURY INVESTMENTS 20-2036524	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
AMERICAN FUNDS 95-1411037	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DWS INVESTMENTS 13-3241232	REVENUE SHARING FORMULA - SEE ATTACHED	

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
GOLDMAN SACHS ASSET MANAGEMENT 13-4166989	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
LORD ABBETT FUNDS 13-5620131	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPENHEIMER FUNDS INC. 13-2527171	REVENUE SHARING FORMULA - SEE ATTACHED	

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ALLIANZ GLOBAL INVESTORS 06-1349805	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIONEER INVESTMENTS 13-1961193	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL INVESTMENTS 22-3468527	REVENUE SHARING FORMULA - SEE ATTACHED	

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
STATE STREET GLOBAL ADVISORS 04-1867445	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	52 59 60 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
T ROWE PRICE 52-1184650	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
--	--	--

For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>08/01/2013</u>		
A Name of plan <u>CANTEX INTERNATIONAL INC. DBA TECH SEAL INTERNATIONAL 401K PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CANTEX INTERNATIONAL INC.</u>	D Employer Identification Number (EIN) <u>76-0433673</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	7045	0
(2) Participant contributions.....	1b(2)	12572	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	0	0
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans.....	1c(8)	17345	0
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	683301	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	45028	0
(15) Other.....	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	765291	0

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	765291	0
---	-----------	--------	---

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	90035	
(B) Participants	2a(1)(B)	161979	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		252014

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	159	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	134	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		293

(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0

(3) Rents	2b(3)		0
-----------------	--------------	--	---

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		97588
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		349895

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	22386	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other.....	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		22386
f Corrective distributions (see instructions).....	2f		293
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	982	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other.....	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		982
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		23661

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		326234
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		1091525

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PRICE WATERHOUSE COOPER

(2) EIN: 99-9999999

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?		X	
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	X		

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☒ Yes ☐ No Amount: 0

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
QUESTCO COMPANIES RETIREMENT PLAN	76-0355090	001

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 08/01/2013

A Name of plan <u>CANTEX INTERNATIONAL INC. DBA TECH SEAL INTERNATIONAL 401K PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CANTEX INTERNATIONAL INC.</u>	D Employer Identification Number (EIN) <u>76-0433673</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>35-0145825</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a		
b Enter the amount contributed by the employer to the plan for this plan year.....	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?.....	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

American United Life Insurance Company

Report on American United Life Insurance Company's Description of its OmniPlus Retirement Plan Processing System and on the Suitability of the Design and Operating Effectiveness of Controls for the Period October 1, 2012 through September 30, 2013

*American United Life
Insurance Company, a
OneAmerica Financial
Partner*



The Report on American United Life Insurance Company's Description of its OmniPlus Retirement Plan Processing System and on the Suitability of the Design and Operating Effectiveness of Controls is confidential. This report is intended solely for use by management of American United Life Insurance Company, its user entities, and the independent auditors of its user entities.

Table of Contents

I.	Report of Independent Service Auditors	3
II.	AUL's Assertion	6
III.	Description of AUL's OmniPlus Retirement Plan Processing System	8
	Overview of Operations	8
	Control Environment	10
	Service Organizations Used	12
	Overview of the Processing Environment	12
	General Computer Controls	14
	Changes to Application Software	15
	Physical Access	18
	Logical Access	19
	Computer Processing	22
	Application Controls	23
	Contract/Plan Administration	24
	Participant Recordkeeping	26
	Asset Recording	28
	Benefit Payments	30
	Asset Management Variable Accounts - Calculation of Unit Values	32
	Asset Management Variable Accounts - Internal Recording of Variable Accounts	33
	Asset Management - Fixed Interest Accounts	34
	Participant and Contract Reporting	36
	Complementary User Entity Controls	37
IV.	AUL's Control Objectives and Related Controls and PwC's Tests of Operating Effectiveness	38
	Control Objective 1: Changes to Application Software	39
	Control Objective 2: Physical Access	41
	Control Objective 3: Logical Access	43
	Control Objective 4: Computer Processing	45
	Control Objective 5: Contract/Plan Administration	46
	Control Objective 6: Participant Recordkeeping	47
	Control Objective 7: Asset Recording	48
	Control Objective 8: Benefit Payments	51

This report is intended solely for use by management of American United Life Insurance Company, its user entities, and the independent auditors of its user entities, and is not intended and should not be used by anyone other than these specified parties.

	Control Objective 9: Asset Management Variable Accounts - Calculation of Unit Values	53
	Control Objective 10: Asset Management Variable Accounts - Internal Recording of Variable Accounts	55
	Control Objective 11: Asset Management - Fixed Interest Accounts	57
	Control Objective 12: Participant and Contract Reporting.....	59
V.	Other Information Provided by AUL.....	60
	Monitoring Adherence with Applicable Federal Legislation	60

This report is intended solely for use by management of American United Life Insurance Company, its user entities, and the independent auditors of its user entities, and is not intended and should not be used by anyone other than these specified parties.



I. Report of Independent Service Auditors

To the Management of American United Life Insurance Company®:

Scope

We have examined American United Life Insurance Company's® ("AUL") description of its OmniPlus Retirement Plan Processing system for processing user entities' transactions throughout the period of October 1, 2012 to September 30, 2013 (the "description") and the suitability of the design and operating effectiveness of AUL's controls to achieve the related control objectives stated in the description. The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls contemplated in the design of AUL's controls are suitably designed and operating effectively, along with related controls at the service organization. We have not evaluated the suitability of the design or operating effectiveness of such complementary user entity controls.

AUL uses a subservice organization to perform asset custodial services, trade execution, and participant security level account reporting for plans which utilize a brokerage window. AUL also uses a subservice organization to perform services related to their data center, IT infrastructure, computer operations, and help desk function. The description in section III includes only those control objectives and the related controls of AUL and excludes the control objectives and related controls performed by the asset custodial services, trade execution, and participant security level account reporting for plans which utilize a brokerage window subservice organization and the data center, IT infrastructure, computer operations, and help desk function subservice organization. Our examination did not extend to the controls of the asset custodial services, trade execution, and participant security level account reporting for plans which utilize a brokerage window subservice organization and the data center, IT infrastructure, computer operations, and help desk function subservice organization.

Service organization's responsibilities

In section II, AUL has provided an assertion about the fairness of the presentation of the description and suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description. AUL is responsible for preparing the description and for the assertion, including the completeness, accuracy, and method of presentation of the description and the assertion, providing the services covered by the description, specifying the control objectives and stating them in the description, identifying the risks that threaten the achievement of the control objectives, selecting the criteria, and designing, implementing, and documenting controls that are suitably designed and operating effectively to achieve the related control objectives stated in the description.

Service auditor's responsibilities

Our responsibility is to express an opinion on the fairness of the presentation of the description and on the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description, based on our examination. We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether, in all material respects, the description is fairly presented and the controls were suitably



designed and operating effectively to achieve the related control objectives stated in the description throughout the period October 1, 2012 to September 30, 2013.

An examination of a description of a service organization's system and the suitability of the design and operating effectiveness of the service organization's controls to achieve the related control objectives stated in the description involves performing procedures to obtain evidence about the fairness of the presentation of the description and the suitability of the design and operating effectiveness of those controls to achieve the related control objectives stated in the description. Our procedures included assessing the risks that the description is not fairly presented and that the controls were not suitably designed or operating effectively to achieve the related control objectives stated in the description. Our procedures also included testing the operating effectiveness of those controls that we consider necessary to provide reasonable assurance that the related control objectives stated in the description were achieved. An examination engagement of this type also includes evaluating the overall presentation of the description and the suitability of the control objectives stated therein, and the suitability of the criteria specified by the service organization and described in management's assertion in section II. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Inherent limitations

Because of their nature, controls at a service organization may not prevent, or detect and correct, all errors or omissions in processing or reporting transactions. Also, the projection to the future of any evaluation of the fairness of the presentation of the description, or conclusions about the suitability of the design or operating effectiveness of the controls to achieve the related control objectives is subject to the risk that controls at a service organization may become inadequate or fail.

Other information provided by the service organization

The information included in Section V, "Other Information Provided by AUL", is presented by management of AUL to provide additional information and is not a part of AUL's description of its OmniPlus Retirement Plan Processing system made available to user entities during the period October 1, 2012 to September 30, 2013. Information about AUL's Monitoring Adherence with Applicable Federal Legislation has not been subjected to the procedures applied in the examination of the description of the OmniPlus Retirement Plan Processing system and of the suitability of the design and operating effectiveness of controls to achieve the related control objectives stated in the description of the OmniPlus Retirement Plan Processing system and accordingly, we express no opinion on it.

Opinion

In our opinion, in all material respects, based on the criteria described in AUL's assertion in section II,

- a. the description fairly presents the OmniPlus Retirement Plan Processing system that was designed and implemented throughout the period October 1, 2012 to September 30, 2013.
- b. the controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period October 1, 2012 to September 30, 2013 and user entities applied the complementary user entity controls contemplated in the design of AUL's controls throughout the period October 1, 2012 to September 30, 2013.



- c. the controls tested, which together with the complementary user entity controls referred to in the scope section of this report, if operating effectively, were those necessary to provide reasonable assurance that the control objectives stated in the description were achieved, operated effectively throughout the period October 1, 2012 to September 30, 2013.

Description of tests of controls

The specific controls tested and the nature, timing, and results of those tests are listed in section IV.

Intended users and purpose

This report, including the description of tests of controls and results thereof in section IV is intended solely for the information and use of AUL, user entities of AUL's OmniPlus Retirement Plan Processing system during some or all of the period October 1, 2012 to September 30, 2013, and the independent auditors of such user entities, who have a sufficient understanding to consider it, along with other information including information about controls implemented by user entities themselves, when assessing the risks of material misstatements of user entities' financial statements. This report is not intended to be and should not be used by anyone other than these specified parties. If report recipients are not user entities that have contracted for services with AUL for the period specified above or their independent auditors (herein referred to as a "non-specified user") and have obtained this report, or have access to it, use of this report is the non-specified user's sole responsibility and at the non-specified user's sole and exclusive risk. Non-specified users may not rely on this report and do not acquire any rights against PricewaterhouseCoopers LLP as a result of such access. Further, PricewaterhouseCoopers LLP does not assume any duties or obligations to any non-specified user who obtains this report and/or has access to it.

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP".

December 18, 2013

II. AUL's Assertion

American United Life Insurance Company's Assertion

We have prepared the description of American United Life Insurance Company's OmniPlus Retirement Plan Processing system (the "description") for user entities of the system during some or all of the period October 1, 2012 to September 30, 2013 and their user auditors who have a sufficient understanding to consider it, along with other information, including information about controls implemented by user entities of the system themselves, when assessing the risks of material misstatement of user entities' financial statements. We confirm, to the best of our knowledge and belief, that:

- a. the description fairly presents the OmniPlus Retirement Plan Processing system made available to user entities of the system during some or all of the period October 1, 2012 to September 30, 2013 for processing their transactions. The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls contemplated in the design of AUL's controls are suitably designed and operating effectively, along with related controls at AUL. AUL uses a subservice organization to perform asset custodial services, trade execution, and participant security level account reporting for plans which utilize a brokerage window. AUL also uses a subservice organization to perform services related to their data center, IT infrastructure, computer operations, and help desk function. The description includes only those control objectives and related controls of the service organization, and excludes the control objectives and related controls of the asset custodial services, trade execution, and participant security level account reporting for plans which utilize a brokerage window subservice organization and the data center, IT infrastructure, computer operations, and help desk function subservice organization. The criteria we used in making this assertion were that the description:
 1. presents how the system made available to user entities of the system was designed and implemented to process relevant transactions, including, if applicable:
 - (1) the types of services provided, including, as appropriate, the classes of transactions processed.
 - (2) the procedures, within both automated and manual systems, by which services are provided, including, as appropriate, procedures by which transactions are authorized, recorded, processed, corrected as necessary, and transferred to the reports presented to user entities of the system.
 - (3) the related accounting records, supporting information, and specific accounts that are used to initiate, authorize, record, process, and report transactions; this includes the correction of incorrect information and how information is transferred to the reports presented to user entities of the system.
 - (4) how the system captures and addresses significant events and conditions, other than transactions.
 - (5) the process used to prepare reports or other information provided to user entities' of the system.
 - (6) specified control objectives and controls designed to achieve those objectives including, as applicable, complementary user entity controls contemplated in the design of the service organization's controls.
 - (7) other aspects of our control environment, risk assessment process, information and communication systems (including the related business processes), control activities, and monitoring controls that are relevant to processing and reporting transactions of user entities of the system.
 2. does not omit or distort information relevant to the scope of the OmniPlus Retirement Plan Processing system, while acknowledging that the description is prepared to meet the common

- needs of a broad range of user entities of the system and the independent auditors of those user entities, and may not, therefore, include every aspect of the OmniPlus Retirement Plan Processing system that each individual user entity of the system and its auditor may consider important in its own particular environment.
- b. the description includes relevant details of changes to the service organization's system during the audit period covered by the description when the description covers a period of time.
 - c. the controls related to the control objectives stated in the description, which together with the complementary user entity controls referred to above, if operating effectively, were suitably designed and operated effectively throughout the period October 1, 2012 to September 30, 2013, to achieve those control objectives. The criteria we used in making this assertion were that:
 - i. the risks that threaten the achievement of the control objectives stated in the description have been identified by the service organization;
 - ii. the controls identified in the description would, if operating as described, provide reasonable assurance that those risks would not prevent the control objectives stated in the description from being achieved; and
 - iii. the controls were consistently applied as designed, including whether manual controls were applied by individuals who have the appropriate competence and authority.

III. Description of AUL's OmniPlus Retirement Plan Processing System

Overview of Operations

About OneAmerica

OneAmerica Financial Partners, Inc., ("OneAmerica"), is headquartered in Indianapolis, IN. The companies of OneAmerica® can trace their solid foundation 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 its 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.

About AUL

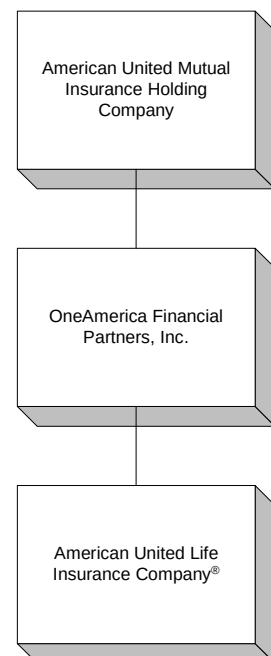
American United Life Insurance Company® ("AUL" or "the company") is the founding member of OneAmerica® and offers a wide range of retirement plans, products, and services for individuals and employers. As a leader in the retirement services industry, OneAmerica/AUL provides local service through a national network of experienced professionals specializing in the 401(k) and 403(b) (non-profit) markets. OneAmerica/AUL also offers contracts and services to governmental entities that sponsor qualified Deferred Compensation Plans for their employees.

AUL is a stock insurance company that is wholly owned by OneAmerica. OneAmerica, a stock insurance holding company, was formed on December 17, 2000, as part of the conversion of AUL to a mutual holding company structure. OneAmerica is wholly owned by the American United Mutual Insurance Holding Company ("AUMIHC"), a mutual holding company domiciled in the state of Indiana.

AUL is comprised of three business divisions: Retirement Services, Employee Benefits, and Individual Operations. The Retirement Services Division, through the issuance of Group Annuity Contracts, provides contracts and services in the qualified and nonqualified retirement market. Contracts are issued to retirement Plan Sponsors, who offer their employees profit sharing and thrift type plans, including 401(k), IRA, and Tax Deferred Annuity plans. The Retirement Services Division also offers contracts and services to governmental entities that sponsor qualified Deferred Compensation Plans for their employees. The Retirement Services Division provides services to approximately 10,000 contract holders and 503,000 participants.

AUL's Retirement Services Division, with a staff of approximately 426 employees, provides quality support services at every level of client and participant interaction. The services provided may include:

- Administration Assistance
- Contract/Plan Assistance
- Flexible Plan Reporting
- Government Compliance Filing
- Internet Transaction Services
- Investment Services
- Recordkeeping Services
- Toll-free Telephone Services



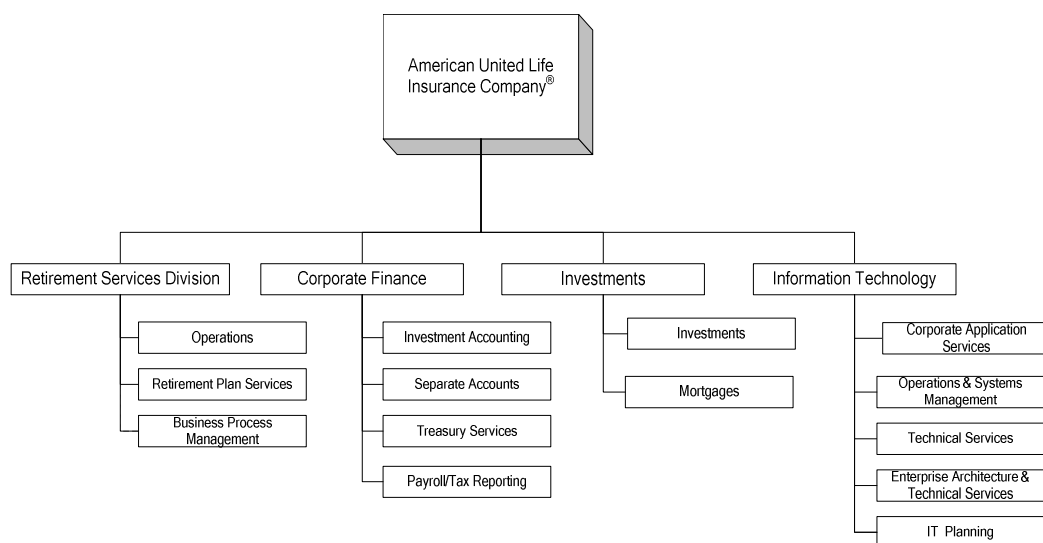
AUL's Retirement Services Division continually refines its processes and the related controls to align its products and services with client needs. Through the issuance of Group Annuity Contracts, the Retirement Services Division provides the contract holder with investment opportunities. The contract holder or Plan Sponsor may offer various investment options to plan participants or, in some contracts, the contract holder or Plan Sponsor may choose to control all investing of plan assets. Investment options are selected through a contract issued by AUL and accepted by the contract holder. The contract holder or Plan Sponsor may also choose from a variety of available investment options including a fixed guarantee vehicle, backed by the General Account of AUL.

Control Environment

The AUMIHC Board of Directors is comprised primarily of outside executives who meet quarterly to review AUL's financial results and discuss other matters pertinent to AUL. The Audit Committee of the Board, which also meets quarterly, is comprised of outside independent directors who are responsible for: (1) reviewing the results of external financial audits, (2) reviewing the effects of accounting and regulatory pronouncements on AUL, and (3) overseeing Internal Audit activities and reviewing the findings and recommendations identified as a result of their activities. An open channel of communication exists between the Board, the Audit Committee, and management.

The AUL organizational structure, which involves a "strategic business unit" approach, provides the overall framework for planning, directing, and controlling the company's operations. The existence of the three separate business divisions (Retirement Services, Employee Benefits, and Individual Operations) allows AUL to clearly define responsibilities and lines of reporting and communication, which permits employees to focus on the specific business issues affecting their uses. These business divisions are supported by nine corporate functions: Actuarial, Corporate Finance, Executive, Corporate Communications, Internal Audit, Legal, Human Resources, Investments, and Information Technology.

The organization chart below depicts the significant areas involved in the processing of transactions for retirement plan recordkeeping users.



AUL maintains a formal Code of Ethics policy and an ethics education process for all employees. New employees receive ethics training within three months from when they are hired.

AUL has developed formal controls covering all critical aspects of employment services including hiring, training and development, performance management plans, and terminations. In addition, all new employees are directed to the online employee handbook, which documents various company policies and administrative matters. Updates to company policies are communicated to existing personnel via e-mail and the AUL intranet site.

The Human Resources department is primarily responsible for recruiting and evaluating job applicants in accordance with the company's hiring practices and policies. The sensitivity of a particular job will determine the level of background checks performed on applicants prior to or following their employment. In addition, all employees are bonded under a blanket bond, and Human Resources randomly selects employees for background checks throughout the year.

Employee Development Plans must be performed annually for all employees by their immediate supervisors. Employee Semi Annual Goal Plans are also utilized for employees. Progress appraisals are performed periodically for new employees.

AUL offers a wide range of in-house training programs covering a variety of topics such as general leadership and management development, customer service, and other industry specific topics. Each division offers formal job specific training to enhance on the job learning and performance. The classes are offered to new and existing personnel.

AUL also supports individual development through industry associated education programs, such as Life Office Management Association, Inc., Certified Employee Benefits Specialist, and American Society of Pension Actuaries, as well as job related courses taken by employees outside the workplace.

The AUL Internal Audit Department, which reports directly to the Audit Committee and administratively to the Chairman, President, and CEO of the company, consists of a staff of 11 experienced employees with backgrounds in accounting, auditing, financial services, and information systems. The department is structured into two teams: Financial & Operational and Systems. These teams work together to address risks that affect the company's operational, financial, and compliance objectives.

An annual audit plan is developed by the Internal Audit department with input from senior management, and it is reviewed and approved by the Audit Committee. The plan is developed using a formal risk analysis methodology and provides for a balanced audit approach covering all business divisions. Operational, financial, and compliance auditing is performed.

Formal audit programs are used by Internal Audit staff members when performing their procedures. Written reports are issued at the completion of an audit and are presented to the Audit Committee. These reports document the scope of the audit, any audit findings, and the related recommendations to improve procedures. Management's responses, including the actions and time required to address the recommendations, are also documented.

Risk Assessment

AUL has placed into operation a risk assessment process to identify and manage risks that could affect AUL's ability to provide reliable transaction processing to its users. Each division participates in a strategic planning process to identify and assess relevant business risks. This process has identified risks resulting from the nature of the services provided, and management has implemented various measures designed to manage these risks. Risks identified in this process include operational, market, and regulatory risks. Management develops detailed budgets, sets goals to address risks, and monitors performance. In addition, formal policies and procedures are in place to instruct personnel on business activities and related controls designed to mitigate risks.

Monitoring

A formal management and information reporting system enables management to monitor key control and performance measurements. Specifically, AUL's Retirement Services Division has implemented a formal monitoring process referred to as the Quality Assurance Review, which assesses the accuracy of the processing of participant enrolments, investment option election forms, and deposits and benefit withdrawals. During this review process, the Quality Assurance Unit ("QAU") randomly selects a sample of transactions for review to ensure specific processing objectives are being achieved (e.g., transactions are accurately processed).

AUL is required by the Indiana Department of Insurance ("DOI") to develop and maintain formal controls. AUL is also required to have an annual audit performed by an independent accounting firm. AUL's Compliance Officer oversees all aspects of compliance related to the sale and administration of registered products.

AUL is authorized to conduct the business of insurance in 49 states and the District of Columbia, and is therefore subject to periodic reviews by other state regulatory agencies.

Information and Communication

The Information Technology (IT) Division at AUL is a centralized organization. The IT support functions, such as computer operations and production control, are managed within a centralized model. The IT Division also has aligned an application development and support team with each business division. Although these teams report to the Chief Information Officer (CIO), they are charged with defining solutions that meet that division's business requirements. This structure allows AUL to leverage solutions across divisions while maintaining a strong insight into each business division's needs. The Information Security Officer reports directly to the Vice President - Enterprise Architecture in the IT Division, with dotted line reporting to the CIO in the IT Division.

Within the Retirement Services Systems Division, segregation of duties is maintained among application programming, technical support, and system testing to help ensure conformity with corporate standards and uniformity with the other divisions of the company.

Retirement plan services are provided under retirement plan contracts sold and administered by AUL. Plan Services Consultants serve as the main contact between AUL and the retirement plan users regarding day-to-day operations.

Service Organizations Used

AUL uses a third party service provider, TD Ameritrade, to perform asset custodial services, trade execution, and participant security level account reporting for plans which utilize a brokerage window. AUL also uses a third party service provider, T-Systems North America, to perform services related to their data center, IT infrastructure, computer operations, and help desk function. The control objectives and controls of TD Ameritrade and T-Systems North America are not in the scope of this report.

Overview of the Processing Environment

The processing of Group Annuity Contracts is performed using SunGard's OmniPlus Retirement Plan Processing system and ancillary systems implemented to supplement the functionality available within the core OmniPlus application. OmniPlus runs in the HP 9000 computing environment, an EMC Symmetrix disk environment, and a Veritas tape backup system.

ExACCT and ExCCEPT are software applications that work in concert to deliver client-transmitted data to OmniPlus. ExACCT and ExCCEPT are compiled Visual Basic code. ExACCT is installed and resides on client PCs.

ExACCT is used to transmit contributions, employee indicative data, and census data (hours and compensation) to ExCCEPT. Transmittal is accomplished through TCP/IP protocol in the format of streaming record transmission (as opposed to file transmission). A client user ID and password is required before a transmission is possible, and all transmissions are protected via 128-bit encryption. ExCCEPT is the front-end application for a Microsoft SQL Server database. The database sits between the client data and OmniPlus, and acts as an intermediary for the two systems.

AUL also uses an Interactive Voice Response (“IVR”) system called Teleserve® IVR and a web-based transaction processing application called Account Services to allow plan participants to perform certain transactions. Teleserve® IVR and Account Services reside on Windows servers.

Investment accounting activity is performed utilizing the Complete Asset Management Reporting and Accounting (“CAMRA”) application. Key documentation is scanned and stored into SunGard’s PowerImage document workflow application. PowerImage resides on a Windows server. The associated electronic workflow records are stored separately in an Oracle database.

The HP 9000 servers run under the HP-UX operating system. Security is a combination of HP-UX internal operating system security and underlying application security controls. Retirement Services data resides in Microfocus C-ISAM files that are compressed by the OmniPlus application using a SunGard proprietary algorithm. Access to the OmniPlus application is through the open standards Winsock and TCP/IP.

The Windows environments are protected using native operating system security and Windows Active Directory, and the connection to the Internet is protected using, among other measures, Cisco® ASA firewall appliances.

Daily Processing

On a daily basis, AUL receives contract applications, contributions, loan payments, withdrawal requests, loan requests, allocation changes, and other correspondence from contract holders and participants. These transactions are discussed in more detail within the description of Application Controls contained in Section III of this report. The accumulation unit values are calculated and verified on each business day, and a reconciliation of the cash account to a transaction download from the bank is performed daily by Treasury Services.

Monthly and Quarterly Processing

The General and Separate Account assets on the investment accounting system are reconciled monthly to the custodial statements. In addition, AUL sends account statements quarterly to Plan Sponsors and participants.

Annual Processing

An annual report is sent to each contract holder for employer-sponsored plans. Annual reports are not sent to Tax-Deferred Annuity, Deferred Compensation, or Individual Retirement contract holders.

General Computer Controls

General computer controls provide the foundation for ensuring that applications and related automated application controls continue to operate as intended. This section of the report contains the general computer controls at AUL relevant to the company's retirement plan processing applications. Specifically, the systems included in the scope of this section as follows:

- OmniPlus - core retirement plan recordkeeping system
- Plan/Price Wizard - pricing front end to OmniPlus
- PowerImage/PI Capture - workflow management and document imaging system
- Account Services - Internet transaction processing system
- ExACCT/ExCCEPT - Participant status update and electronic enrollment system
- Deposit Entry Processing System (DEPS) - Monetary receipt processing system
- OmniTrade - Mutual fund trading system
- CAMRA - Investment accounting system

Changes to Application Software

Control Objective 1: Controls provide reasonable assurance that changes to application software are appropriately authorized, tested, approved, and documented.

Description of Controls

The CAMRA, DEPS, and OmniTrade applications are supported by the Corporate Applications department.

Documented change management policies and procedures are in place for changes to application software. The OmniPlus recordkeeping system and its ancillary systems: IVR, Account Services, PowerImage/PI Capture, Plan/Price Wizard and ExACCT/ExCCEPT are applications supported by the Retirement Services Systems department.

The Account Services and DEPS websites are supported by the eBusiness department.

Corporate Application Services Department - CAMRA, DEPS, and OmniTrade

All changes to the CAMRA core application are made by the application's vendor, SS&C Technologies, Inc. ("SS&C") as SS&C controls the source code for the CAMRA application. All changes to the OMNITrade core application are made by the application's vendor, Sungard as Sungard controls the source code for the OmniTrade application. Only vendor updates are made to both of these applications. Updates provided by the CAMRA and OmniTrade vendors, such as regulatory updates are moved by Corporate Applications personnel into the production environment.

CAMRA, OmniTrade and DEPS, programs that consist mostly of data extracts to interface with other systems, are written in-house, and are modified as needed by members of the Corporate Applications team within the IT Division. Corporate Application Services utilizes the Work Management System (WMS) for changes to the internally developed programs. With the WMS process, all users can submit a change request, which will then be reviewed by Corporate Business Solutions. Corporate Applications Management then approves and assigns the request to a Corporate Applications Analyst before work can begin.

All changes for CAMRA, OmniTrade and DEPS are tested by Corporate Business Solutions in separate test libraries on the application servers. User acceptance of changes are recorded in the project in WMS. The sponsoring business area and IT Manager must approve the move to production. For CAMRA only, formal documentation of testing is not retained for quarterly regulatory updates to the CAMRA application, but testing is performed for changes noted in the quarterly update release notes, which are applicable to the use of CAMRA.

Emergency changes are the only changes that do not require a Work Management Request prior to the move. In emergency situations, a "fire call" password exists to allow Corporate Applications Analysts to make the necessary changes to fix a production problem. Documentation of the change is reviewed the following day.

For CAMRA and OmniTrade, AUL utilizes TripWire to alert Corporate Applications Management of any change to the associated program directories. Management within Corporate Applications will then compare changes with a WMS or COSIMA ticket to verify the change was approved and the required documentation was completed after the change was implemented. DEPS is a web-based application that follows the standard change management process and components are supported by the eBusinessDepartment. Changes are documented/approved via a WMS project.

eBusiness Department – Account Services and DEPS websites

Change Management

Requests for Account Services application changes are submitted through the Work Management Systems (WMS) system by the RS business areas or Individual business areas. In addition, eBusiness personnel may submit WMS ideas for production bug fixes, system issues discovered while testing, architectural enhancements, software upgrades, etc.

Divisional representatives provide guidance on the priority of outstanding requests. Once a request is prioritized it is converted to a project and follows the SDLC process. Business requirements are gathered and documented by the Retirement Services and eBusiness IT staff. The sponsoring business area reviews and signs off on the requirements to gain agreement on the changes needed.

All application changes are tested and approved before moving the change to production. Test scripts and necessary testing documents are created. The Web application changes are developed and tested in test environments, which are physically and/or logically separate from the production environment. The affected business area will review and approve the eBusiness test results.

The business community determines the need for User Acceptance Testing (UAT), and either completes or waives UAT. The sponsoring business area approves the move to production in WMS. The eBusiness IT Manager must approve the Web Move Request Form for the code to be scheduled to deploy to production.

The SDLC Short Form (Short Form) has been developed for emergencies and small projects. Projects that fit this category have simple requirements and the supporting documentation is the Short Form which has a section for Business Requirements, Technical Design, Testing and Verification.

Retirement Services Systems Department

A formal system development methodology and programming guide, the Retirement Services Systems Standards and Procedures Manual, has been developed to direct application programming and technical support personnel in the development and modification of all application systems. These standards include requirements for programming, design, testing and review to determine that only appropriate systems and system changes are implemented.

Change Management - Standard

Requests for systems / application changes follow a formalized process in which requests are documented. Requests for application changes are submitted through the Work Management System (WMS) system by the RS business areas. AUL does not make changes to the OmniPlus core and PowerImage / PI Capture applications as delivered from SunGard. AUL implements software updates provided by the software vendor.

Business requirements are documented and approved to gain agreement on the changes needed. A Retirement Services Information Technology (RS IT) staff member will work with the sponsoring area that submitted the WMS Idea to obtain the business requirements. The requirements are documented and approved by the sponsoring area.

All application changes are tested and approved before moving the change to production. The RS IT application changes are developed and tested in test environments, which are physically and/or logically separate from the production environment.

The affected business area will review and approve the RS IT test results. The business community determines the need for User Acceptance Testing (UAT), and either completes or waives UAT. The sponsoring business area and IT Manager must approve the move to production. AUL is responsible for

ascertaining that individuals approving change requests have the proper authorization.

The TripWire Report is updated and reviewed daily and all changed files are matched to an approved WMS Project or COSIMA ticket.

Change Management - Emergency

Emergency changes to production systems follow documented procedures that include a review and approval. In emergency situations, the on-call person receives verbal approval from RS IT management to make the necessary changes to fix the problem. By the next business day, the Code Migration Request (CMR) form is created and signed by an IT Officer. Within three business days of resolution, the WMS Idea is written and approved and all standard documentation will be completed. TripWire reporting occurs as previously stated.

Physical Access

Control Objective 2: Controls provide reasonable assurance that physical access to computer equipment is limited to properly authorized individuals.

Description of Controls

Access to the data center and storage media is controlled through a card key access system that uses automated card readers and an identification card. Access rights are established based on business need for access to a specific area.

Access to secured areas, including the data center, is requested by the respective manager via an e-mail message to the IT Service Manager, who is responsible for managing the physical access administration process. Access to the AUL data center is reviewed monthly.

For OneAmerica employees requesting access to the Data Center, a "Data Center Access Change Request" form is filled out and forwarded to Human Resources, whom establish the access requested.

Additions and changes need to be approved by the authorized approvers listed on the form. The form has provisions in the event specific approvers are not available for signatures.

Any requests that deviate from the established default access levels must be supported by a business reason that is documented in the files. A twelve-month history of request forms and request messages from managers is maintained. Human Resources will collect terminated employees' key cards upon their departure from the Company and deactivates the cards.

In addition to physically separating the data center into controlled zones, AUL has implemented a series of protective measures to reduce the likelihood of a disaster or systems outage. These measures include: redundant power sources, heat, smoke and water detectors, halon fire suppression systems, and uninterruptible power supply systems.

Logical Access

Control Objective 3: Controls provide reasonable assurance that logical access to programs and data is limited to properly authorized AUL personnel.

Description of Controls

Information Security Administration

Information security administration is managed by AUL's third party service provider, T-Systems North America.

Requests for user system access changes for AUL personnel are approved and then communicated to the third-party service provider to be processed. Users are assigned access based on their job responsibilities.

In the event of an AUL personnel separation, the Human Resources (HR) department initiates the process by entering the effective date of the separation into the payroll administration system. The payroll administration system then automatically sends an Employee Separation Report daily to the third-party service provider to be processed. The transmission of this report ensures that separation notices for AUL personnel are communicated to the third-party service provider in a timely manner.

The IT Risk Management (ITRM) department maintains and updates the AUL Information Security Policies and Standards including the Information Asset Protection Policy.

UNIX Security

Individual business users are not permitted to have direct access to the HP-UX operating system. User access is limited to the OmniPlus application layer.

OmniPlus / Price/Plan Wizard Security

OmniPlus Application Data is stored in encrypted COBOL ISAM files, not accessible at the user level.

Users access the OmniPlus applications through the OmniStation client. The software client is loaded onto each authorized user's workstation. Application access is password protected and granted according to job responsibilities. Price and Plan Wizard have their own security tables; however, utilize the OmniPlus security parameters and credentials.

Upon entering a valid OmniPlus user ID and password, the application authenticates the user to the OmniPlus database server and to HP-UX where the images are stored. OmniPlus passwords conform to the OneAmerica Enterprise Password Policy.

Certain application functions are tightly restricted. These "high-level" administrative activities are identifiable with a "900" security group. This security access group is granted to only those employees with an approved business need. Any time 900-level access is used the usage must be documented and approved by a manager.

OmniPlus application developers primarily utilize a "prod-like" environment to perform their work. However, in the event an application developer would need production level access, developers are required to use an elevated account and all activity from these accounts is monitored. Any change to application code is monitored by TripWire. To ensure that only authorized changes are implemented to production, a daily report is produced to identify all changes made to the OmniPlus application and supporting systems. The Change Tracking Report is created by compiling TripWire reports and Change Management Requests (CMR). The report is placed in a protected, read-only reporting tool. The report is reviewed daily for changes. All changes appearing on the report are traced to an approved WMS Idea or maintenance request from the third-party service provider.

DEPS Security

DEPS is a web-based application that utilizes the eCommerce login credentials for authorized users. The

user id and password are managed thru Active Directory group membership.

OmniTrade

OmniTrade is a Windows application that is accessed through a web browser. Passwords are managed by the OmniTrade security client (similar to OmniStation) and adhere to the OneAmerica Enterprise Password policy. User accounts stand-alone and are not tied to any other Omni application. Application access is granted according to job responsibilities. Elevated access is granted via a second user logon. Corporate Systems Application Support has local administrator access to Windows servers to provide operational support.

PowerImage / PI Security

Users are only able to access the PowerImage application through the client access icon on the user's workstation. In order to obtain the PowerImage client access icon, the user must belong to the PowerImage group in Active Directory.

PowerImage application access is password-protected and granted according to job responsibilities. Upon entering a valid PowerImage user ID and password, the application authenticates the user to the Oracle database server and the Windows server where the images are stored.

ExCCEPT

User access to the ExCCEPT database is managed through Active Directory groups. User credentials are passed through the database connection string to the ExCCEPT database. The ExCCEPT application password is set to match the user's LAN ID. Users are required to change their password after the initial login.

Network Security

Microsoft Active Directory is utilized to restrict access to AUL's network environment. User IDs and passwords conform to the OneAmerica Enterprise Password policy. Users are assigned to these groups based on the instructions of their manager and job role as indicated on the Data Security Request (DSR) form.

Microsoft Active Directory is utilized to restrict access to AUL's network servers. User IDs and passwords conform to the OneAmerica Enterprise Password policy.

AUL Teleserve® IVR Security

The AUL Teleserve® IVR application has components that reside on multiple Windows servers. Access is available to those individuals who have been supplied a password through Remote Desktop. The vendor, Vexis, will have access via their Citrix account only in the event of production issues that require their assistance. At all other times the Citrix account password is disabled.

Participants authorized for AUL Teleserve® IVR access gain entry to the Teleserve® IVR system by entering their social security number and password when they call. These numbers are authenticated by the AUL Corporate maintained Active Directory system and access is allowed if the numbers are a valid combination. The user is disconnected after three unsuccessful login attempts. Participants are able to self-register for AUL Teleserve® IVR access. Specific participant-related data is requested and verified against the data provided by the employer that is stored on OmniPlus. If a match to the plan number, social security number and date of birth combination is entered, the participant is authorized for access and allowed to select a password. The password selected must be between 4 and 20 characters in length. The IVR and Account Services Internet passwords are independent and cannot be synched. If an AUL Teleserve® IVR user forgets their password, they must call the Participant Service Center and request their password be reset. If a password has been reset, the next time the participant accesses AUL Teleserve® IVR, their password is recognized as temporary and they are required to select a new password. When a participant terminates from a plan, the contract holder notifies AUL and provides all information necessary to change the participant's status. Once the status is changed, the change is

propagated across all back-end systems, including those read by Teleserve®. The participant's record will not be deleted from the recordkeeping system or any of the back-end systems. AUL Teleserve® will continue to be available for the participant although the functionality available to the participant will be limited. For example, participants with a zero balance will not be able to perform transfers.

Account Services Internet Security

Internet connections are protected through the use of firewalls administered by the third-party service provider. The Retirement Services Internet server, used by the Account Services application, is a secure server that requires 128 bit encryption-capable browsers for access to the Account Services application. Participants authorized for Account Services access gain entry to their account by entering their username and password at the initial Account Services login screen. The username is authenticated through Active Directory. The user's ID is locked after three unsuccessful login attempts and they must go through the 'forgot password' feature or call the help-desk to re-enable the account.

Participants are allowed to self-register for access to Account Services. Specific participant-related data is requested and verified against the data provided by the employer that is stored on OmniPlus. If the plan number, social security number and date of birth combination entered matches AUL's record, the participant is authorized for access and allowed to select a password. The password selected must be between 8 and 20 characters in length. The Internet registration process also includes the collection of participant-specific information designed to identify the participant in case they ever forget or choose to change their password. The participant's mother's maiden name and state of birth are collected. Additionally, the participant is required to enter a key phrase/question (e.g., favorite color) and the answer to the key phrase. That way, if an Internet user forgets their password, they must accurately enter their mother's maiden name, their state of birth, and the answer to their key phrase. If all of that information matches, the participant is allowed to select a new password. When a participant terminates from the plan, the participant will be able to continue to login to Account Services. The participant will have limited functionality when the participant transfers the entire account balance out of AUL's plan; otherwise there is no change in functionality.

Computer Processing

Control Objective 4: Controls provide reasonable assurance that processing and incident reports are appropriately monitored by AUL personnel.

Description of Controls

Governance surrounding the third-party service provider is provided by the Strategic Sourcing department at AUL. Within the department, IT Service Manager Roles provide high-level oversight of computer processing performed by the third-party service provider.

This oversight consists of established governance meetings that are employed to review processing results for an established list of Service Level Agreements (SLA) performed by the third-party service provider. SLAs include such items as Incident Management, Service Desk metrics, and Availability results.

Two SLA reports delivered from the third-party service provider that are essential to computer processing and operations are for service level incidents and system backup services. AUL management reviews service level incident reports provided by the third-party service provider on a monthly basis and communicates any follow-up action as necessary. Incident Management reports are provided by the third-party service provider for service issues such as batch processing and job scheduling. Incidents are classified in terms of severity or priority for appropriate action. AUL management performs oversight of incidents for trending and to initiate corrective actions on those trends as may be needed.

To ensure the third-party service provider is safeguarding AUL systems properly, AUL management also reviews the SLA for system backup services provided by the third-party service provider. Reporting indicates conformance with the SLA for system backup services to ensure that service standards are maintained. Compliance with backup service standards reduces risks for AUL.

Application Controls

The application control objectives specified by AUL are included on the following pages. Several of these application control objectives are met using a combination of specific application controls, as well as general computer controls. The general computer controls, as described previously, provide information regarding the continued proper operation of the programmed procedures designed into the core OmniPlus Retirement Plan Processing system, OmniPlus ancillary systems, the PowerImage workflow management and document imaging system, the Plan/Price Wizard system, the Account Services Internet transaction processing system, the ExCCEPT application, the Deposit Entry Processing system (DEPS), OmniTrade mutual fund trading system, and the CAMRA investment accounting system.

Contract/Plan Administration

Control Objective 5: Controls provide reasonable assurance that the creation and modification of contract/plan records are properly authorized and input accurately and in compliance with the contract/plan provisions.

Description of Controls

Contract/Plan Initiation

The recording of new contract and plan documents is initiated when a sales representative of AUL saves the submission materials on the Shared LAN drive or forwards a Submission Package to the Retirement Services Transition Services Team. Upon receiving the Submission Package or Salesforce notification, the Transition Manager uses a checklist and reviews the submitted information to ensure completeness of the required documents. The Transition Manager follows up with the regional office on any missing information. If missing information is not received, the Transition Manager works with the Regional Office, Prior Provider, Advisor and/or client to obtain the missing information. The receipt of the submission package is recorded by logging the date into the RSDB Tracking Database. Prior to the creation of the new contract and plan documents, the Transition Manager electronically forwards the New Business Agreement to the Vice President of Client Management Services. The Vice President of Client Management Services approves the New Business Agreement, ensuring proper AUL authorization.

Contract Creation

A Contract Issuance Processor receives the Contract Request form. The receipt of the form is recorded by scanning into PowerImage. The data is input into a Microsoft Access database or Microsoft Word template, and a contract is generated. A Senior Consultant or Transition Services Supervisor reviews the new contract, the New Business Agreement, and the Contract Request Form for accuracy. If any discrepancies are found, corrections are made, and the review process starts over.

The Senior Consultant or Supervisor approves the contract by authorizing the form via PowerImage. Once approved, the completion date is entered in the RSDB Tracking Database.

Take-over and Startup Plans/Transition Services Area

Once the New Business Agreement has the required signatures and the business has been accepted, the Transition Manager scans the installation task into PowerImage. The Transition Consultant enters the plan specifications directly into Plan Wizard and OmniPlus. The Transition Consultant creates the post sale Services Agreement & Fee Disclosure (SA&FD) for the plan and Loan Procedures, if applicable. A Transition Consultant peer-reviews the Plan Wizard, OmniPlus, SA&FD and Loan Procedures for accuracy and compliance with plan provisions. A sign-off is performed on the Case Installation Checklist and/or Take-over Checklist as evidence of review or it is authorized via PowerImage. If any discrepancies are found, corrections are made, and the review process starts over. The sign-off documentation or authorization is maintained in PowerImage. The completion date is logged into the RSDB Tracking Database.

Take-over Plans/Compliance Area

The Take-over and Startup Worksheets are received, and the Retirement Plan Consulting & Regulatory Services Team creates a plan document or restates the existing Plan Documents utilizing an AUL prototype. The provisions are entered into Relius Document ASP. A new Plan Document is generated, as well as a cover memo. This memo is provided to each client and indicates the provisions and/or changes to the plan. The memo states that the Plan Sponsor is responsible for reviewing the plan documents. The plan documents are reviewed for accuracy by a Retirement Plan Consulting & Regulatory Services peer for accuracy and compliance. If discrepancies are found, corrections are made, and the review process starts over.

The new Plan Document and memo are forwarded to the Transition Services team. The Transition Consultant mails the documents to the Plan Sponsor for review and signature. Copies are also maintained electronically in Document Manager.

Modification to Contract and Plans

The Plan Services Consultant receives written requests from the Plan Sponsor to modify contracts or plan documents. The Plan Services Consultant coordinates these modifications with the Retirement Plan Consulting team, as well as the Transition Services team. The Transition Services team prepares contract amendments, whereas, the Retirement Plan Consulting team is responsible for plan amendments. Changes are implemented only upon receipt of the signed plan or contract amendment. The changes are then recorded in the RSDB Tracking Database and implemented on the OmniPlus recordkeeping system by the Plan Services Consultant or Transition Consultant.

Participant Recordkeeping

Control Objective 6: Controls provide reasonable assurance that the creation of and modifications to participant accounts are properly authorized and that the participant information is accurately and completely input.

Description of Controls

Each participant in a retirement plan contract has a record (i.e., an account) established and maintained as directed by the Plan Sponsor or contract holder. The information maintained at the participant account level includes enrollment data (e.g., participant's name and Social Security number) and investment direction. AUL maintains additional information as requested by the Plan Sponsor to assist in its recordkeeping requirements.

Participant Enrollment and Modifications

Within each contract, new participants may be added and modifications may be made to existing participant data based on authorized instructions from the participant and/or Plan Sponsor. The addition of participants and the modification of participant data may be requested using the standardized AUL enrollment/change forms or transmitted electronically using the Internet or through the ExACCT application.

Participant enrollments submitted on standardized forms are scanned and routed through PowerImage. PowerImage automatically forwards work to processors based on the task type and priority level assigned to each task. The processor reviews the scanned enrollment form in PowerImage for proper authorization and completeness, and then the processor enters the information into OmniPlus, where it is subject to numerous system edits.

Once the item is processed, the image is automatically forwarded to a quality control ("QC") queue. QC percentages vary based on the transaction type but are set at a minimum of 10 percent of the daily volume for the transaction type. Twenty percent of the daily enrollments are QC'd to ensure the accuracy of the enrollment. During QC, a processor who did not perform the initial enrollment will review the information in OmniPlus against the image in PowerImage. PowerImage prevents processors from reviewing their own work. If the item does not pass the QC process, it is returned to the processor for correction and then sent back to QC based on the account type and transaction type.

Several management reports are automatically generated daily in a separate reporting tool for all PowerImage tasks. Supervisors or directors in the Retirement Services Operations department review these reports. The types of reports produced include:

- Backlog reports that indicate tasks remaining to be processed and the age of those tasks
- Processor volume reports that indicate the number of separate tasks that were processed, checked, reprocessed, reviewed, or suspended
- Time reports that indicate a timeline of each operator's daily tasks, which include tasks the operator worked on, a task ID, begin and end time of the task, and the total amount of time spent on the task

OmniPlus clients using the ExACCT software may also submit "new hires" and "status changes" electronically. ExACCT incorporates electronic security measures, including passwords, to secure information submitted from the Plan Sponsor.

The information is transmitted and uploaded to the SQL server by way of a daily scheduled task performed by Corporate Systems. This task, referred to as ExCCEPT, serves as an interface between ExACCT and OmniPlus. Corporate Systems employees with "super user" access monitor data transmissions through the ExCCEPT system and have the ability to reset or delete ExACCT transactions. All new enrollments submitted through ExACCT systematically update OmniPlus with the new information. Requests for modification to an existing participant's account are automatically processed

within OmniPlus. The requested transactions are completed in OmniPlus and processed during the nightly batch cycle. Exception reports are also created and reviewed to resolve processing errors.

Participant Investment Option Elections and Transfer Requests

Participants can manage their investments by way of a variety of tools. Investment Option Elections ("IOE") and transfer requests can be submitted in paper form by completing the standardized AUL forms. Changes can also be made through electronic transactions using the Account Services Internet transaction processing system or the Teleserve ® IVR system.

Paper submissions are routed through PowerImage for processing. When a manual change is requested for a participant's IOE data and/or a transfer of funds is requested, a processor will verify that the request is accurate and authorized before entering the information in OmniPlus. If the IOE or transfer form is not complete or authorized, it is routed in review through PowerImage to the Plan Services Consultant. The Plan Services Consultant contacts the Plan Administrator and requests the missing information. If the Consultant is unable to get in contact with the Plan Administrator, the form is routed back to the processor and a send-back letter is produced and sent to the Plan Administrator to have the form corrected. Once processed, IOE changes and transfer requests go through a Quality Check based on a minimum QC percentage of 75 percent. PowerImage prevents processors from reviewing their own work. A confirmation of the change is automatically generated during the nightly batch processing and mailed directly to the participant the following day.

Plan Level Fund Retirement/Fund Freeze

Plan Administrators periodically review their plan investment lineup. Upon completion of this review, they may decide to add new investment choices, retire current investment choices, or freeze current investment choices. If a Plan Administrator chooses to retire a fund, no new money is allowed to be invested in the fund and any money that is currently in the fund is mapped to a new fund as directed by the Plan Administrator. If a fund is frozen, no new money can be invested in the fund; however, participants who currently have money in that fund are allowed to leave that money in the fund that is being frozen.

These requests are submitted on a Contract Holder Election Form ("CHEF"), which includes mapping instructions where appropriate. The authorized CHEF is sent to the Plan Service Consultant. The consultant reviews the form and submits a FUND MAP request form via PowerImage to the Plan Analyst Consultant team along with a copy of the CHEF including any mapping instructions. The Plan Analyst Consultant team processes any fund retirements or fund freezes per the trade date indicated on the FUND MAP request form completed by the Plan Service Consultant.

For both fund retirements and fund freezes, the processor completes a User Problem Report (UPR) and sends to the OmniPlus Support Unit (OSU) to copy a text file that generates investment election changes for any participant who still has investment elections in any of the funds that are being retired or frozen. Once this UPR is created, the processor will setup a transaction that triggers the system to review and change any investment elections for the funds that are being frozen or retired. Additionally, for funds that are being retired the processor will initiate a plan level transfer that will move any money remaining in the funds that are being retired to the appropriate mapped fund as chosen by the Plan Administrator and indicated on the CHEF form. Once the transactions are processed, the image is sent to QC where it is reviewed by another processor. PowerImage prevents processors from reviewing their own work. Once the image has been reviewed in QC, the image is routed back to the original processor in the PowerImage Quality Assurance ("QA") queue. After the transactions post in OmniPlus, the processor reviews the transactions to make sure that everything posted as expected.

Asset Recording

Control Objective 7: Controls provide reasonable assurance that duties related to asset recording are segregated and contract receipts are properly authorized and applied accurately and completely.

Description of Controls

Asset custody, deposit recording, deposit allocation, and reconciliation procedures are segregated between AUL's Treasury Services area and the Indicative-Financial Data (IFD) Team.

Initiation of the Asset Recording Process

The initiation of the Asset Recording process occurs when a Plan Sponsor remits an allocation listing and corresponding funds for contributions and loan repayments.

Users have several options for submitting their listings and funds. Some Plan Sponsors submit their allocation listings via paper format or by magnetic disc. The matching deposits are forwarded to AUL in the form of a wire or check (in-house or via bank lock box). In addition, Plan Sponsors may use credits established through contract activity, which can be reallocated and used for deposits.

Other Plan Sponsors send their allocation listings electronically through ExACCT. ExACCT users have their remittance monies collected electronically by an automated ACH tape. ExACCT users may also elect to remit funds via ACH Credit or Wire in lieu of the ACH Debit requirement.

Recording the Receipt of Assets

All funds are collected and received by the Treasury Services area, which is segregated from AUL's Retirement Services Division.

Checks, ACH, and wires are batched, totaled, and entered into Deposit Entry Processing System (DEPS), by the Treasury Processor. The batch total in DEPS must agree to the detailed deposit information entered into DEPS. When deposits have been entered into DEPS, the Treasury Processor will run the OMNI POST. This will create team reports, generate a file to be loaded to OmniCash, and send a "shout" message to load the file to OmniCash. The reports are matched to the paperwork and delivered to Retirement Services. An accounting file is created daily from DEPS to feed to General Ledger. Corporate Accounting is responsible for ensuring that the file feed agrees to a control report for the DEPS Interface. The ACH files sent via ExACCT are loaded into the OmniPlus System. Certain edit checks are automatically performed on the files, and exception reports are produced. Retirement Services personnel monitor the data transfers to ensure that the data loads are validated and loaded completely.

The Data Transmission Unit ("DTU") reconciles daily the electronic funds transfer file (EFT Report) to the amounts from the Session Audit Report (ExCCEPT) ensuring the accuracy and completeness of the amounts included in the ACH file. The DTU account representative that reconciles the report must sign off signifying the review and accuracy of the report. Quality checking is completed by another DTU account representative or management to signify the completeness of the report.

The Treasury Processor reconciles the ACH tape file to the OmniPlus Load Summary systems' load report prior to initiating the collection of monies by ACH. This ensures completeness and accuracy of the tape file being sent to and processed by the bank. Subsequent to balancing, a Treasury Processor signs the authorization form and stores with the load report. Once the monies are collected, they are systematically posted to OmniCash.

Allocation of Assets

Once the allocation deposits have been recorded within OmniCash, the IFD Team can allocate the monies to participants. Funds are manually linked from OmniCash to OmniPlus participant accounts based on the allocation listings and deposit coupons that are sent to the Operations IFD Group from Treasury Services or the lockbox website. A minimum of 75% of paper based deposits processed by the Operations IFD Group, in excess of \$2,500, are peer-reviewed for accuracy. Manually allocated deposits that are scanned into PowerImage ("Manallocs") are QC'd for accuracy at 50% regardless of the amount of the deposit. Additionally, all forfeiture re-allocations and plan maintenance requests are peer-reviewed for accuracy according to the PowerImage QC standards.

After allocations are input, OmniPlus performs a validation of the participants' Social Security numbers as well as the totals allocated in OmniPlus to totals in OmniCash. Once the system validates the deposit information and the peer review has occurred, the allocations are submitted to nightly batch processing.

To ensure all monies received by AUL are posted to the contracts on a timely basis, the OmniCash "Open CCAID" report is run daily and reviewed by the processors and Supervisors. This report identifies instances when money is received but a record has not been generated in OmniPlus or vice versa. All items captured on this report are reviewed and resolved daily by the IFD team. The Plan Consultant is notified within three business days of deposits that are outstanding so the deposit can be refunded to the participant or Plan Sponsor. This typically happens in instances when the Plan Sponsor did not send the allocation listing alongside the deposit. In those instances, where corresponding participant information is not available, the deposit information is transferred to the Plan Consultant for further action. The Plan Consultant will perform necessary research to clear the deposit. When deposits cannot be assigned to a participant, monies are refunded.

Data is posted during the nightly batch cycle, and a report is systematically generated, acknowledging the deposit receipt and detailing the allocations performed at the participant level. It is posted to the eSponsor website for review. The Plan Sponsor is responsible for reviewing the report for accuracy and completeness.

Reconciliation Process

Monthly, the Treasury Reconciliation Specialist performs a reconciliation of cash per the bank to cash per AUL's ledger. A Treasury Manager reviews all reconciliations.

Benefit Payments

Control Objective 8: Controls provide reasonable assurance that duties related to contract disbursements are segregated and benefit payments are properly authorized and accurately and completely recorded.

Description of Controls

The responsibilities for processing benefit requests and preparing, distributing, and reconciling the cash distribution are segregated between the Retirement Services Division and Treasury Services.

Initiation of the Benefit Distribution Process

Benefit payments result from employee retirement, death, disability, termination of employment, hardship withdrawal, In-Service (59 ½) withdrawal, Required Minimum Distribution, 401(k)/(m) refunds, or participant loan disbursements.

The participant or beneficiary, using a Benefit Distribution Request form, initiates the benefit transactions. The forms are forwarded directly to AUL, through the Plan Sponsor, or through a third party (e.g., rollover request). Additionally, a few plans have the option to request loans electronically (e-loan) through Teleserve ® IVR or Account Services.

Processing the Benefit Distribution Request

All Benefit Distribution Request forms, with the exception of Voluntary IRA/403(b) and Separation from Service requests are scanned into PowerImage and routed to the Operations Disbursement Team for manual processing. Once the Operations Disbursement Team processor receives the imaged form, it is reviewed to ensure proper authorization. Processors use a checklist to ensure all distributions are accurately processed.

Manual Distribution Request Forms

Once the imaged form is received, it is reviewed to ensure proper authorization. Once any issues are corrected, the items are released for batch processing. Exceptions to documented procedures are maintained by plan or contract, within PowerImage, and displayed to Processors as requests are received.

Forms Processed Using PI Capture

Voluntary IRA/403(b) and Separation from Service (termination, retirement, disability) Benefit Distribution Requests use Optical Character or Intelligent Character Recognition (PICapture) technology for automated data capture and transaction processing.

Voluntary IRA and 403(b) distribution and separation of service request forms are scanned into PI Capture where they move through the Character Inspection module. Once the characters are verified, PI Capture runs pre-defined business rules. If the form is rejected, it follows the manual forms process described above. If all rules are met, a peer-level QC review is performed within PowerImage. The form is then released for batch processing in Omni.

The same process is followed for the Separation from Service Distribution Request form. However, additional logic exists that allows PI Capture to set transactions up "On Hold" when certain information is missing. In this case, the image is routed to the "Pre Edit" action step in PowerImage. Once all pre-edit conditions have cleared, a peer-level QC review is performed, and the transaction is processed in Omni.

Distribution requests are then processed within OmniPlus, where they are again subject to numerous system edits. Processors use a checklist to ensure all distributions are accurately processed. The checklist is a PowerImage template and is copied and pasted as a note in PowerImage.

Disbursement Process

OmniPlus runs a batch cycle nightly and creates an interface file. The interface file generates a check listing, summary sheet and a Check Disbursement System ("CDS") load report, which details the benefit payment information processed during the day. A Supervisor from the Operations Disbursement Team reviews and signs the check listing each morning, including a detailed review of all items over \$50,000 and/or 10 percent of the total listing, to authorize the creation of the checks contained on the listing. The check listing is forwarded to Treasury Services for balancing.

Once Treasury Services receives the check listing, the totals and counts are entered onto a boarding sheet. Treasury Services balances the boarding sheet to the summary sheet and the CDS load report. The boarding sheets are printed and stored with the daily CDS Batch.

After the Operations Disbursement Team authorizes the check listing and Treasury Services completes the balancing process, the interface file is loaded onto CDS and the check run occurs. Checks are printed at the Customer Support Center and returned to a separate area of Treasury Services for mailing.

Participants are sent activity statements quarterly detailing all transactions occurring during the quarter.

Reconciliation Process

Monthly, the Treasury Reconciliation Specialist performs a reconciliation of cash per the bank to cash per AUL's ledger. A Treasury Services manager reviews all reconciliations.

Asset Management Variable Accounts - Calculation of Unit Values

Control Objective 9: Controls provide a reasonable assurance that the prices and unit values are received from authorized sources and the calculation of the investment accounts unit value is complete and accurate.

Description of Controls

Unit Value Calculation

The income collection and asset valuation for investment account unit values is dependent upon the information provided by the external fund managers, which can be provided by either fax/e-mail (referred to below as the Non-NSCC Funds) or through the National Securities Clearing Corporation (NSCC).

At the end of each valuation business day, fund companies fax or e-mail a price sheet containing the updated Net Asset Values ("NAV"), daily accrual factors, as well as dividend and capital gain distribution factors to Separate Accounts Administration ("SAA"). A member of SAA reviews and extracts the non-NSCC fund NAVs, daily accruals, and dividend/capital gain factors for every appropriate fund on the various reports.

The SAA staff member then enters all accrual factors, any dividends or capital gain factors, and the non-NSCC NAVs into Price Wizard. Price Wizard is a front-end application to OmniPlus that has automated system edits to ensure the accuracy of the information entered by the SAA. Among others, the following edits are in place within Price Wizard:

- An NAV change from prior day entered by the SAA staff member must equal the NAV change computed by Price Wizard.
- NAV changes from the prior day greater than 10 percent must be entered by the SAA staff member, and an override checkbox must be "marked" to confirm the action within Price Wizard. Any change greater than 10 percent will appear as an "override" on the daily "Price Audit Report."

Each evening, Price Wizard generates a Pricing Audit report that lists all fund accrual factors, dividend/capital gain factors, non-NSCC fund NAVs and overrides that were entered by the SAA staff member that evening. Once all pricing information has been entered and the Pricing Audit report is validated by a secondary SAA staff member (via the web), Price Wizard sends the information to OmniPlus to calculate the accumulation unit values. This calculation is performed after the NSCC priced investment account NAVs are received by OmniPlus, in addition to the Prize Wizard originating values.

The following day, SAA Management reviews the Pricing Audit Report, by comparing it with the NSCC price file report to ensure the accuracy of the accruals and dividends/capital gains that were entered the prior evening. Price overrides are reviewed to ensure that the override was appropriate and authorized.

For NSCC priced investment accounts, the NSCC NAV price file is received from the NSCC and loaded into OmniPlus. The price file is validated by a series of edit checks performed by OmniPlus and Price Wizard. These edit checks are performed for all prices, even those manually entered and interfaced from Price Wizard, and include the following.

- OmniPlus verifies the number of NAVs received and communicates any changes in NAVs that violate specified tolerances. If a NAV is not received from the NSCC, the manually priced investment account procedures are followed.
- While calculating the accumulation unit values, OmniPlus performs edits to determine whether current pricing information for each fund is available.

Asset Management Variable Accounts - Internal Recording of Variable Accounts

Control Objective 10: Controls provide reasonable assurance that the purchase and redemption of the underlying mutual fund shares are traded accurately and completely.

Description of Controls

Trade Execution

Overview of Funds

The AUL American Unit Investment Trust, Group Retirement Annuity Separate Account II, the OneAmerica Value Separate Account, the OneAmerica Investment Grade Bond Separate Account, and the OneAmerica Short Term Separate Account, comprise the "Separate Accounts" of AUL. The contracts sold by AUL allow investment opportunities in certain mutual funds managed by several mutual fund distributors.

Internal Asset Management Systems

CAMRA is the asset accounting system used by AUL to record and account for the mutual funds underlying the sub-accounts of the Separate Accounts. On a monthly basis, Separate Accounts Administration (SAA) performs a cumulative reconciliation between the general ledger and the dollars reported in CAMRA (Schedule D) for; dividends and capital gains distributions received, net realized gains and losses, and the book value of each sub-account.

Contributions and withdrawals by plan participants result in the purchase or redemption of accumulation units of the Separate Accounts. OmniPlus transmits plan trade activity daily to OmniTrade, which accumulates trades by sub-account and generates trade orders and wire sheets.

All trade orders are sent via NSCC, investment purchases and redemptions are transmitted overnight and settled automatically via NSCC. The NSCC settlement amount is reconciled, peer reviewed and approved by Management or the Operations Coordinator.

Daily, wire sheets for NSCC funds are reconciled to the NSCC settlement report. Daily trade orders by fund (daily summary screen in OmniTrade) are reconciled to the share accounts by plan (share account daily summary screen in OmniTrade) for both NSCC and non-NSCC funds. The trade order daily summary screen and share account daily summary screen are configured for automated generation in OmniTrade. Any reconciling differences are researched and resolved by SAA staff.

Accounts Receivable (A/R) accounts are used in the trading process, as a control to monitor trading and related accounting. OmniPlus debits or credits an A/R account when a transaction processes, and CAMRA creates the offsetting clearing entry to that A/R account when the trade is processed. This ensures that trades and accounting balance.

SAA performs a weekly reconciliation of shares owned in the omnibus accounts maintained in CAMRA to the shares owned in the omnibus accounts maintained at the Fund Company. All Fund Company share balances are obtained via external sources (e.g., DST website, fund company websites, NSCC position file, etc.). All differences greater than 1.0 share are investigated. These reconciliations are done to ensure that trades were accurately recorded.

Each quarter, SAA reconciles the Separate Accounts net liabilities maintained in OmniPlus (unit value times accumulations units issued equals separate accounts net liabilities) to the Separate Accounts net assets maintained in CAMRA (NAV times shares owned equals separate accounts net assets). Management or the Operations Coordinator reviews the quarterly reconciliation, and any differences are resolved by SAA staff.

Asset Management - Fixed Interest Accounts

Control Objective 11: Controls provide reasonable assurance that interest rates and interest credited for the Fixed Interest Account are calculated correctly and recorded accurately.

Description of Controls

General Account

AUL's Fixed Interest Account, is an interest-earning investment option backed by assets in AUL's General Account. AUL's Asset Liability Management Committee ("ALMC") is charged with setting the interest-crediting rates. The ALMC is comprised of senior managers, who meet quarterly to review and approve interest-crediting rates for group annuity contracts.

New contributions are guaranteed to earn the applicable initial interest rate for at least a one-year time period from the date contributions are made. Changes in the initial interest rate or in the interest rate for prior contributions will also be effective for at least one year. Interest will be credited at the higher of the rate guaranteed in the group annuity contract or the current rate declared by AUL. AUL may change the initial interest rate for future contributions.

Monitoring Rate Changes

Certain users of the OmniPlus system, who have access to change interest rates, are not authorized to perform these changes as part of their typical assigned job functions. Due to the inherent limitations described above of the OmniPlus system, the Retirement Services Actuarial Department has implemented a compensating control that mitigates the risk of unauthorized users making interest rate changes to the fixed fund prices at a global level.

The Senior Associate Actuary receives daily e-mail when any changes to the fixed fund prices occur. This allows a quick response to any changes that may be unauthorized. Additionally, the Senior Associate Actuary is sent a monthly MS Excel export file from OMNI to a secured drive that reflects all fixed fund price change transactions (report "To29"). The Actuarial Information Specialist is typically the only person authorized to make interest rate changes to the OmniPlus system. The To29 report will indicate what interest rate pockets (a pocket is defined by the period in which deposits are made) were changed or added, who made the changes, and when the changes were made. The Senior Associate Actuary reviews the To29 export report monthly and determines what changes have been made and who made the rate changes. All changes that do not fall into the "normal rate updates" are subject to scrutiny and are investigated (Normal rate updates occur during the middle of the month preceding the beginning of each quarter for new money rate updates and during the middle of each November for annual updates. Other occurrences would be due to new rate tables needed for new products or special pricing of new plans.). The file is maintained on the Senior Associate Actuary's drive and cannot be manipulated by another user. The Senior Associate Actuary documents any changes that fall outside of the "normal rate updates," then signs and dates a hard copy version of the report after his review and maintains the printed files in a folder in the Senior Associate Actuary's desk.

If an interest rate scale needs to be changed for a specific contract, the Retirement Services Actuarial Department will generate a User Problem Report ("UPR") that is routed to the OMNI Support Unit (OSU), who is authorized to make the change in the OmniPlus recordkeeping system. Furthermore, only two individuals in Actuarial are authorized to request interest rate changes, specifically the Actuarial Information Specialist and the Assistant Vice President and Senior Associate Actuary. Actuarial will provide the plan number, new Declared Interest Rate Scale, Account ID, and Price ID of the plan to be changed. Also included is the reason for the change requested and pertinent dates for the change. Changes should only be made effective the first day of a calendar quarter.

Retirement Services OSU will follow the restricted procedure and set up the appropriate transactions on OmniPlus. Retirement Services OSU will then contact Actuarial via e-mail and the Actuarial Information Specialist will perform a quality check on the interest rate scale change. Actuarial will notify Retirement Services OSU if any errors are detected during the quality audit. Retirement Services OSU will make any corrections as necessary and return the interest rate scale change to Actuarial for a final quality review.

Authorization to change interest rate scales within a plan (different from updating the interest rate tables performed by Actuarial) is restricted to OSU via a UPR requested by RS Actuarial as noted above. Interest rate scale change procedures are stored in a protected DomDoc document. Access is restricted to authorized personnel and requires pre-approval to perform the unique set of four related transactions required to change the interest rate scale. If someone were to attempt to change an interest rate scale without access to or detailed knowledge of the interest rate scale change procedures, a discrepancy would occur between the interest rate scale assigned to the participant record and the interest rate scale assigned to the fund control record. To ensure all interest rate scale changes are authorized the RS Actuarial requests a system generated report to indicate all interest rate scale changes on at least a quarterly basis. RS Actuarial reviews the report and ensures that there is documentation for each interest rate change. The documentation consists of e-mails and/or an UPR verifying the request was initiated and approved by Actuarial. Documentation of Actuarial's process is maintained on the Actuarial network drive in a protected document. The listing of contracts having an interest rate scale change is kept as a protected spreadsheet in this folder.

Participant and Contract Reporting

Control Objective 12 - Controls provide reasonable assurance that participant and contract level reports and statements are provided to participants or contract holders in a complete and accurate manner.

Description of Controls

OmniPlus summarizes and generates contract reports and participant level statements. Participant level statements are generated quarterly or annually, and contract level summary reports are generated annually for distribution.

Quarterly Reporting

OmniPlus summarizes and generates contract reports and participant statements. Participant level statements for defined contribution plans and contract level reports for the Plan Sponsor are generated for distribution quarterly.

OmniPlus is programmed to automatically run quarterly statements. The OmniPlus job runs the quarterly statement data through a series of edits to ensure accuracy. To determine whether a participant or contract statement is identified in a timely manner, OmniPlus conducts programmed checks to verify the data. Exceptions are captured in an electronic report generated each month-end and are archived and maintained in the OnDemand 32 (CMOD) system. Plan Analyst Consultants are responsible for reviewing and clearing exceptions. Once corrected, the quarterly statements are manually ordered for printing. All contracts that fail the programmed check following the manual ordering are noted on an exception report that is generated following each cycle. The exceptions are captured in an electronic report generated in the OnDemand 32 (CMOD) system. Plan Analyst Consultants are responsible for reviewing the reports and clearing any errors. Statements for contracts that fail this programmed check will not be printed and mailed until the exceptions reported to the Operations area are resolved. Operations Data Financial Reporting ("DFR") management monitors, via a report from the Retirement Services Databases (RSDB), that quarterly statements are being transmitted and mailed.

On a monthly basis, the Operations DFR Management audits a sample of the participant statements that were transmitted to DST to ensure the statements match OmniPlus. This is done before each month's quarterly statements are printed and mailed.

Annual Reporting

Plan Analyst Consultants from the DFR area review weekly reports from the Retirement Services Data bases (RSDB) to monitor the timeliness of the Annual Report processing. This report will also determine which contracts can have their Annual Report completed. All Annual Reports are first reconciled in a display mode, using a reconciliation checklist, supporting documentation and system reporting. Once reconciled, the Plan Year End ("PYE") is updated within OmniPlus. Updating the Annual Report systematically locks the PYE data. The Plan Analyst Consultant then also verifies that the reconciled display agrees to the updated file, ensuring that nothing has changed. If no changes are noted, Plan Analyst Consultants order the final version of the Annual Reports. The Operations Analyst completes the Annual Report checklist to ensure annuals were created and posted to the website or mailed to the client. An Operations Supervisor runs a report weekly to ensure the timeliness of the completion of annual reports.

Complementary User Entity Controls

AUL's controls were designed with the assumption that certain controls would be implemented by user organizations. In certain situations, the application of specific controls at user organizations is necessary to achieve certain control objectives included in this report. The following complementary user entity controls (CUECs) should not be regarded as a comprehensive list of all controls that should be employed by user organizations. There may be additional controls that would be appropriate for the processing of user transactions that are not identified in this report. User auditors should determine whether user entities have established controls to provide reasonable assurance that:

- All electronic and hard copy information sent to AUL is properly authorized, complete, accurate, and in accordance with plan requirements. (Control Objective 5 and Control objective 6)
- The acknowledgement of receipt of contributions is compared with the user organization's records, and any discrepancies are communicated to AUL in a timely manner.
- All benefit requests from participants are accurate and complete and that the participant is authorized under the plan document to request a distribution and has met the plan requirements. (Control Objective 8)
- Confirmations generated due to modification of participant investment option data or demographic data are distributed in a timely manner to participants for their review. If the user organization becomes aware of a discrepancy, AUL should be notified in a timely manner.
- Contract-level reports are reviewed for accuracy and completeness by the Plan Sponsor or contract holder, and that all discrepancies are reported to AUL in a timely manner. (Control Objective 12)
- All participant-level statements sent to the Plan Sponsor are distributed to the participants in a timely manner and that all discrepancies are reported to AUL in a timely manner.

IV. AUL's Control Objectives and Related Controls and PwC's Tests of Operating Effectiveness

For presentation purposes, AUL's control objectives and related controls are included in this section. The control objectives and related controls are an integral part of AUL's OmniPlus Retirement Plan Processing system. PricewaterhouseCoopers LLP (PricewaterhouseCoopers) tested relevant aspects of the control environment and control objectives as specified below.

Tests of the control environment, risk assessment, and monitoring included inquiry of appropriate management, supervisory and staff personnel, observation of AUL activities and operations, and inspection of AUL documents and records or reperformance of AUL's controls. The results of these tests were considered in planning the nature, timing and extent of our testing of the controls designed to achieve control objectives described on the following pages.

Additionally, observation and inspection procedures were performed as it relates to system-generated reports, queries, and listings to assess the completeness and accuracy (reliability) of the information utilized in the performance of our testing of the control activities.

General Computer Controls

Control Objective 1: Changes to Application Software

Controls provide reasonable assurance that changes to application software are appropriately authorized, tested, approved, properly implemented and documented.

Controls specified by AUL	Testing performed by PwC	Test results
1.1 Requests for application changes are submitted through the Work Management Systems (WMS) system by the RS business areas. AUL does not make changes to the OmniPlus Core or PowerImage applications as received from SunGard. Instead, AUL implements software updates received from the software vendors.	Inquiry Inquired of Retirement Services Systems OmniPlus Application Manager to determine whether code changes are made to the OmniPlus Core and PowerImage Core applications. Inspection Inspected the WMS change documentation for a sample of changes to determine whether each change was appropriately authorized.	No exceptions noted.
1.2 Business requirements are documented and approved to gain agreement on the changes needed. A Retirement Services Information Technology (RS IT) staff member will work with the sponsoring area that submitted the WMS Idea to obtain the business requirements. The requirements are documented and approved by the sponsoring area.	Inspection Inspected the change documents for a sample of changes to determine whether business requirements were appropriately documented and approved by the sponsoring area.	No exceptions noted.
1.3 The RS IT application changes are developed and tested in test environments, which are physically and / or logically separate from the production environment.	Observation Observed the configuration of test and production environments for each RS application to determine whether the environments are physically or logically separated. Inspection Inspected the WMS tickets and corresponding change documentation for a sample of changes to determine whether each change was tested in a test environment.	No exceptions noted.
1.4 The affected business area will review and approve the RS IT test results. The business community determines the need for User Acceptance Testing (UAT), and either completes or waives UAT.	Inspection Inspected the WMS tickets and corresponding change documentation for a sample of changes to determine whether UAT testing was completed and approved or waived by the business community.	No exceptions noted.

Controls specified by AUL	Testing performed by PwC	Test results
1.5 All Corporate Application changes are tested by Systems Application Services programmers and the users in separate test libraries on the application server. User acceptance of the changes that were made is recorded in WMS via email authorization.	Inspection Inspected the WMS tickets and corresponding change documentation for a sample of changes to determine whether UAT testing was completed and approved via email authorization. Inspection Inspected the configuration of the test and production environments for each Corporate Application to determine whether the environments are physically or logically separated.	No exceptions noted.
1.6 The TripWire Report is updated and reviewed daily and all changed files are matched to an approved WMS Project or COSIMA ticket.	Inspection Inspected a sample of changes from the TripWire reports to determine whether the changes were reviewed and tied back to an approved WMS Project or COSIMA ticket.	No exceptions noted.
1.7 Emergency changes to production systems follow documented procedures that include review and approval. In emergency situations, the on-call person receives verbal approval from RS IT Management to make the necessary changes to fix the problem. By the next business day, the Code Migration Request (CMR) form is created and signed by an IT Officer. Within three business days of resolution, the WMS Idea is written and approved, and all standard documentation is completed.	Inspection Inspected the WMS tickets and corresponding change documentation for a sample of emergency changes to determine whether changes had a CMR form created and signed by an IT Officer within the next business day and an WMS Idea written and approved with all standard documentation completed within three business days of implementation into production.	No exceptions noted.
1.8 AUL is responsible for ascertaining that individuals approving change requests have the proper authorization.	Inspection Inspected the WMS tickets and corresponding change documentation for a sample of changes to determine whether approval of the ticket was performed by a properly authorized AUL individual.	No exceptions noted.

Control Objective 2: Physical Access

Controls provide reasonable assurance that physical access to computer equipment is limited to properly authorized individuals.

Control specified by AUL	Testing performed by PwC	Test results
2.1 Access to the AUL data center is controlled through a card key access system that uses automated card readers and the employee's AUL identification card.	Observation Observed the existence of operational access card readers restricting entry to the data center. Observation Observed an authorized data center employee attempt to gain access to the data center using their key card to determine whether access was appropriately granted. Observation Observed an unauthorized AUL employee attempt to gain access to the data center using their key card to determine whether access was appropriately restricted.	No exceptions noted.
2.2 A monthly access review of users who have access to the AUL data center is performed to determine that users who have access to the AUL data center are appropriate.	Inspection Inspected the sample of Data Center Monthly All Cardholders Report Verification Logs to determine whether users with access are reviewed monthly for appropriateness and accuracy, evidenced by date and initials of reviewer. Reperformance Reperformed a sample monthly Data Center Monthly All Cardholders Report Verification Log review to determine whether the review was performed appropriately and any discrepancies were researched and resolved.	No exceptions noted.

Control specified by AUL	Testing performed by PwC	Test results
2.3 The AUL Hardware/Facilities Analyst completes a "Data Center Access Change Request" form that is forwarded to Human Resources, whom establishes the access requested. Additions and changes need to be approved by the V.P. of Operations & Systems Management or the Manager of Computer Operations, in addition to one of the authorized approvers listed on the form. The form has provisions in the event specific approvers are not available for signatures.	Inspection Inspected the Data Center Access Change Request forms for a sample of users granted access to the data center to determine whether access was approved by the VP of Operations & Systems Management or the Manager of Computer Operations and an authorized Systems Manager.	No exceptions noted.
2.4 AUL Human Resources collects terminated employees' key cards upon their departure from the Company and deactivates the cards.	Inspection Inspected a sample of terminated employees in the HR system to determine whether badge access was deactivated upon departure from the Company.	No exceptions noted.

Control Objective 3: Logical Access

Controls provide reasonable assurance that logical access to programs and data is limited to properly authorized AUL personnel.

Control specified by AUL	Testing performed by PwC	Test results
3.1 Requests for user system access changes for AUL personnel are approved and then communicated to the third party service provider to be processed.	Inspection Inspected security request forms for a sample of new hires to determine whether a ticket was created and approvals were appropriately documented and communicated to the third-party service provider.	No exceptions noted.
3.2 Human Resources communicate terminated AUL personnel changes to the third party service provider, who disables the access as necessary.	Inspection Inspected the Event Daily Termination emails for a sample of terminated employees to determine whether notification was provided to the third party service provider for access removal.	No exceptions noted.
3.3 Internal application access is password protected and password requirements are in line with Corporate Policy.	Inspection Inspected the password parameters for each in-scope application to determine whether application access is password protected and in line with Corporate Policy.	No exceptions noted.
3.4 In the event an application developer would need production level access, developers are required to use an elevated account which is monitored via the daily TripWire report to ensure that all changes are tied back to a WMS ticket.	Inspection Inspected a sample of changes from the TripWire reports to determine whether the changes were reviewed and tied back to a WMS ticket.	No exceptions noted.
3.5 Certain application functions are tightly restricted. These “high-level” administrative activities are identifiable with a “900” security group. This security access group is granted to only those employees with an approved business need. Any time 900-level access is used the usage must be documented and approved by a manager.	Inspection Inspected the Login Usage Form for a sample of accounts that utilized 900-level access to the OmniPlus application to determine whether the account usage was documented and authorized by a manager.	No exceptions noted.

Control specified by AUL	Testing performed by PwC	Test results
3.6 Information Technology Risk Management (ITRM) maintains and updates the AUL Information security policies. Policies and Standards including the Information Asset Protection Policy are on the company portal.	Inspection Inspected the AUL Information security Policies and Standards and the Information Asset Protection Policies to determine whether the policies were reviewed and updated on a periodic basis and that the policies were available on the company portal.	No exceptions noted.

Control Objective 4: Computer Processing

Controls provide reasonable assurance that processing and incident reports are appropriately monitored by AUL personnel.

Control Specified by AUL	Testing performed by PwC	Test results
4.1 AUL management reviews service level incident reports provided by the third party service provider on a monthly basis, and communicates any follow-up action as necessary.	Inspection Inspected a sample of monthly service level incident report reviews to determine whether the incident reports were reviewed and any follow up actions were communicated to the third-party service provider.	No exceptions noted.
4.2 AUL management reviews service level backup reports provided by the third party service provider on a monthly basis, and communicates any follow-up action as necessary.	Inspection Inspected a sample of monthly backup report reviews to determine whether the backup reports were reviewed and any follow up actions were communicated to the third-party service provider.	No exceptions noted.

Application Controls

Control Objective 5: Contract/Plan Administration

Controls provide reasonable assurance that the creation and modification of contract/plan records are properly authorized and input accurately and in compliance with the contract/plan provisions.

Control specified by AUL	Testing performed by PwC	Test results
5.1 Prior to the creation of the new contract and plan documents, the Transition Manager electronically forwards the New Business Agreement to the Vice President, Client Management Services. The VP approves the New Business Agreement, ensuring proper AUL authorization.	Inspection Inspected a sample of New and modified Business Agreements to determine whether the agreement was signed by the VP of Client Management Services prior to the creation of the new contract.	No exceptions noted.
5.2 A Senior team member or Transition Supervisor reviews the new contract, the New Business Agreement, and the Contract Request Form for accuracy. If any discrepancies are found, corrections are made and the review process starts over.	Inspection Inspected a sample of new contracts, New Business Agreements, and Contract Request Forms to determine whether the forms were reviewed for accuracy by the Senior Consultant or Supervisor and any discrepancies noted had evidence of follow-up and resolution.	No exceptions noted.
5.3 A Transition Consultant peer reviews the Plan Wizard, OmniPlus, SA&FD and Loan Procedures for accuracy and compliance with plan provisions. A sign off is performed on the Case Installation Checklist and/or plan specific Checklist as evidence of review or it is authorized via PowerImage. If any discrepancies are found, corrections are made and the review process starts over.	Observation Observed via PowerImage a Case Installation Checklist for a new business agreement to determine whether a peer review was performed and a sign-off occurred.	No exceptions noted.
CUEC: Controls should be established to ensure that all electronic and hard copy information sent to AUL is properly authorized, complete, accurate, and in accordance with plan requirements.		

Control Objective 6: Participant Recordkeeping

Controls provide reasonable assurance that the creation of and modifications to participant accounts are properly authorized and that the participant information is accurately and completely input.

Control specified by AUL	Testing performed by PwC	Test results
6.1 A processor reviews the scanned Enrollment and Modifications requests and Investment Option Elections requests in PowerImage for proper authorization and completeness.	Inspection Inspected a sample of Participant Enrollment and Modification requests and Investment Option Election requests to determine whether enrollment/status sheets are reviewed by a processor for participant authorization and completeness.	No exceptions noted.
6.2 ExACCT incorporates electronic security measures, including unique user IDs and passwords, to secure information submitted from Plan Sponsors.	Observation Observed ExACCT login procedures to determine whether security measures are in place, including unique IDs and passwords, to secure information submitted from Plan Sponsors.	No exceptions noted.
6.3 Quarterly audits of the PowerImage document scanning process are done to ensure the accuracy of the documentation scanned into PowerImage.	Inspection Inspected the "PowerImage Audit Log" for a sample of quarters during the audit period to determine whether quarterly reviews of the PowerImage document scanning process are performed.	No exceptions noted.
CUEC: Controls should be established to ensure that all electronic and hard copy information sent to AUL is properly authorized, complete, accurate, and in accordance with plan requirements.		

Control Objective 7: Asset Recording

Controls provide reasonable assurance that duties related to asset recording are segregated and contract receipts are properly authorized and applied accurately and completely.

Control specified by AUL	Testing performed by PwC	Test results
7.1 All funds are collected and received by the Treasury Services area, which is segregated from AUL's Retirement Services Division.	Inquiry Inquired of the Treasury Services Supervisor and Director of Allocations to determine whether allocation listings are forwarded to the Operations Allocation Group for processing deposit allocations (within OmniPlus), while the Treasury Services area receives and processes the deposits (within OmniCash). Observation Observed the lockbox deposit, ACH deposit, and live check process to determine whether all funds are collected by the Treasury Services area which is segregated from the AUL Retirement Services Division.	No exceptions noted.
7.2 Corporate Accounting performs a reconciliation daily to ensure that the deposit totals in DEPS agree to what was loaded into OmniCash. Identified deviations are researched and resolved.	Inspection Inspected a sample of daily DEPS interface report reviews to determine whether the DEPS interface reports were reviewed by Corporate Accounting and identified deviations were researched and resolved. Reperformance Reperformed the daily review of the DEPS interface report for a sample of days to determine whether the review was performed and any discrepancies were researched and resolved.	No exceptions noted.

Control specified by AUL	Testing performed by PwC	Test results
7.3 Daily, the Data Transmission Unit ("DTU") reconciles the EFT Report (electronic funds transfer file) to the amounts from the Session Audit Report (ExCCEPT) ensuring the accuracy and completeness of the amounts included in the ACH file. This account representative must sign off signifying the completeness and accuracy of the report. Identified deviations are researched and resolved.	Inspection Inspected a sample of daily reconciliations of the Session Audit Report to the EFT Report to determine whether the reconciliation was performed and identified deviations were researched and resolved.	No exceptions noted.
7.4 The Treasury Processor reconciles the ACH tape file to the OmniPlus Load Summary systems' load report prior to initiating the collection of monies by ACH. This ensures completeness and accuracy of the tape file being sent to and processed by the bank. Identified deviations are researched and resolved.	Inspection Inspected the reconciliations of the ACH tape file, OmniPlus Load Summary report, and the amount recorded to the bank for a sample of days to determine whether reconciliation was performed and identified deviations were researched and resolved. Reperformance Reperformed the reconciliation of the ACH tape file, OmniPlus Load Summary report and the amount recorded to the bank for a sample of days to determine whether the review was performed and any discrepancies were researched and resolved.	No exceptions noted.
7.5 Monthly, the Treasury Reconciliation Specialist performs a reconciliation of cash per the bank to cash per AUL's ledger. A Treasury Manager reviews all reconciliations. Identified deviations are researched and resolved.	Inspection Inspected a sample of monthly bank reconciliations to determine whether they were performed and approved by the Treasury Manager and identified deviations were researched and resolved.	No exceptions noted.
7.6 A minimum of 75% of paper based deposits processed by the Operations IFD Group, in excess of \$2,500, are peer-reviewed for accuracy. Manually allocated deposits that are scanned into PowerImage ("Manallocs") are QC'd for accuracy at 50% regardless of the amount of the deposit. Identified deviations are researched and resolved.	Inspection Inspected a sample of deposits to determine whether they were peer-reviewed for accuracy and identified deviations were researched and resolved.	No exceptions noted.

Control specified by AUL	Testing performed by PwC	Test results
7.7 To ensure monies received by AUL are posted to the contracts on a timely basis, the OmniCash "Open CCA / Deposits Not Equal Transactions" report is ran daily and monitored by the processors and Supervisors. All items captured on this report are reviewed and resolved by the IFD team or the OmniPlus Support Unit ("OSU") on a daily basis.	Inspection Inspected a sample of daily "Open CCA / Deposits Not Equal Transactions" reports to determine whether report was reviewed and identified deviations were researched and resolved.	No exceptions noted.
7.8 After allocations are input, OmniPlus performs a validation of the participants' social security numbers as well as the totals allocated in OmniPlus to totals in OmniCash.	Observation Observed a deposit being entered into OmniPlus to determine whether the participants' social security number as well as the deposit totals allocated in OmniPlus is validated to the totals in OmniCash. Observed that unresolved validations prevent further processing.	No exceptions noted.

Control Objective 8: Benefit Payments

Controls provide reasonable assurance that duties related to contract disbursements are segregated and benefit payments are properly authorized and accurately and completely recorded.

Control specified by AUL	Testing performed by PwC	Test results
8.1 All Benefit Distribution Request forms, with the exception of Voluntary IRA/403(b) and Separation from Service requests are scanned into PowerImage and routed to the Operations Disbursement Team for manual processing. Once the Operations Disbursement Team processor receives the imaged form, it is reviewed to ensure proper authorization. Processors use a checklist to ensure all distributions are accurately processed.	Inspection Inspected a sample of Benefit Distribution Request forms to determine whether a PowerImage checklist was created and the proper authorization from the participant exists.	No exceptions noted.
8.2 Voluntary IRA/403(b) and Separation from Service (termination, retirement, disability) Benefit Distribution Requests use Optical Character or Intelligent Character Recognition (PICapture) technology for automated data capture and transaction processing. Business validation rules have been built into the PI Capture application. Any scanned documents that violate these systematic rules are placed into a "pre-edit" state. All pre-edit transactions modified by the processor are systematically routed for an independent QC review within the main PI application.	Observation Observed that all Benefit Distribution Request forms scanned in using PI Capture must first go through the Character Inspection Module to verify the accuracy of the data that was captured. Inspection Inspected a sample of the programmed business validation rules to determine whether they are appropriate. Observation Observed that, if a Voluntary IRA/403(b) Form violates any business validation rules, it is put in a 'pre-edit' status and is routed for manual processing where it is subject to processor review and a QC review. Observation Observed whether a Separation from Service Form that violates any business validation rules, is placed in a 'pre-edit' status in PowerImage where manual adjustments to the form can be made and is then routed to QC for review.	No exceptions noted.

Control specified by AUL	Testing performed by PwC	Test results
8.3 A Supervisor from the Operations Disbursement Team reviews and signs the check listing each morning, including detailed review of all items over \$50,000 and/or 10% of the total listing, to authorize the creation of the checks contained on the listing.	Inspection Inspected a sample of daily check listings to determine whether the RS Operations Disbursement Team Supervisor reviewed and authorized all items over \$50,000 and/or 10% of the total listings prior to check distribution.	No exceptions noted.
8.4 Once Treasury Services receives the check listing, the totals and counts are entered onto a boarding sheet. Treasury Services balances the boarding sheet and the CDS load report.	Inspection Inspected the CDS Balance Sheets (boarding sheets) for a sample of days to determine whether the RS Disbursement Request Summary out of Omni was reconciled to the Check Request Load Summary out of CDS.	No exceptions noted.
8.5 Monthly, the Treasury Reconciliation Specialist performs a reconciliation of cash per the bank to cash per AUL's ledger. A Treasury Manager reviews all reconciliations. Identified deviations are researched and resolved.	Inspection Inspected a sample of monthly bank reconciliations to determine whether they were performed and approved by the Treasury Manager and identified deviations were researched and resolved.	No exceptions noted.
CUEC: Controls should be established to ensure that all benefit requests from participants are accurate and complete and that the participant is authorized under the plan document to request a distribution and has met the plan requirements.		

Control Objective 9: Asset Management Variable Accounts - Calculation of Unit Values

Controls provide reasonable assurance that prices and unit values are received from authorized sources and the calculation of the investment accounts unit value is recorded in a complete and accurate manner.

Control specified by AUL	Testing performed by PwC	Test results
9.1 NAV change from prior day entered by the Separate Account Administration (SAA) staff member must equal the NAV change computed by Price Wizard.	Observation Observed a SAA staff member enter an accurate NAV into Price Wizard to determine whether the pricing edit checks allowed further processing. Observation Observed a SAA staff member enter an incorrect NAV into Price Wizard to determine whether the pricing edit checks prevented further processing.	No exceptions noted.
9.2 NAV changes from the prior day greater than 10% must be entered by the SAA staff member and an override checkbox must be marked to confirm the action within Price Wizard.	Observation Observed a SAA staff member enter a NAV change that exceeds an upper tolerance level to determine whether an override checkbox must be marked before submitting, causing the NAV change to appear on the Pricing Audit Report.	No exceptions noted.
9.3 OmniPlus verifies the number of NAVs received and communicates any changes in NAVs greater than 10% from the prior day.	Observation Observed a SAA staff member enter a NAV change that exceeds an upper tolerance level to determine whether the NAV change was generated on the next day Pricing Audit Report and that the Report included the number of NAVs received and any NAV changes from the prior day greater than 10%.	No exceptions noted.

Control specified by AUL	Testing performed by PwC	Test results
9.4 The following day, SAA Management or the Operations Coordinator reviews the Pricing Audit Report, by comparing it to the NSCC price file report, to ensure the accuracy of the accruals and dividends / capital gains that were entered the prior evening. Price overrides are reviewed to ensure that the override was appropriate and authorized.	Inspection Inspected a sample of SSA Management reviews of the Pricing Audit Reports and DTCC Price Update Reports to determine whether the accuracy of the accruals and dividends / capital gains were reviewed and price overrides were appropriately authorized. Reperformance Reperformed a sample of the SSA Management review of the Pricing Audit Reports and DTCC Price Update Reports to determine whether the review was performed appropriately and any discrepancies were researched and resolved.	No exceptions noted.

Control Objective 10: Asset Management Variable Accounts - Internal Recording of Variable Accounts

Controls provide reasonable assurance that the purchase and redemption of the underlying mutual fund shares are traded completely and accurately.

Control specified by AUL	Testing performed by PwC	Test results
10.1 On a monthly basis, Separate Account Administration (SAA) performs a cumulative reconciliation between the general ledger and the dollars reported in CAMRA (Schedule D) for dividends and capital gains distributions received, net realized gains and losses and the book value of each sub account. Identified deviations are researched and resolved.	Inspection Inspected a sample of monthly reconciliations of cumulative dollars traded per the general ledger to the dollars in CAMRA to determine whether this reconciliation was performed and that exceptions were researched and resolved. Reperformance Reperformed the reconciliation between the general ledger and CAMRA for a sample of funds to determine that the reconciliations were performed appropriately and exceptions were researched and resolved.	No exceptions noted.
10.2 Each day trade orders by funds (daily summary screen in OmniTrade) are reconciled to the share accounts by plan (share account daily summary screen in OmniTrade) for both NSCC and non-NSCC funds. Identified deviations are researched and resolved.	Inspection Inspected a sample of trade order reconciliations to determine whether trade orders by funds are reconciled to the share accounts by plan for both NSCC and non-NSCC funds and exceptions were researched and resolved. Reperformance Reperformed the trade orders by funds to share accounts by plan reconciliations for a sample of days to determine whether the reconciliations were performed appropriately and exceptions were researched and resolved.	No exceptions noted.

Control specified by AUL	Testing performed by PwC	Test results
10.3 Weekly, SAA performs a reconciliation of shares owned in the omnibus accounts maintained in CAMRA to the shares owned in the omnibus accounts maintained at the Fund Company. All Fund Company share balances are obtained via external sources (e.g., DST website, fund company websites, NSCC position file, etc.). All differences greater than 1.0 share are investigated. This reconciliation is done to ensure that trades were accurately recorded.	Inspection Inspected a sample of reconciliations between share balances in CAMRA to external Fund Company share balances to determine whether the reconciliations are performed and discrepancies are resolved.	No exceptions noted.
10.4 Each quarter, SAA reconciles the Separate Accounts net liabilities maintained in OmniPlus (unit value times accumulations units issued equals separate accounts net liabilities) to the Separate Accounts net assets maintained in CAMRA (NAV times shares owned equals separate accounts net assets). Management, or the Operations Coordinator, reviews the quarterly reconciliation, and any differences are resolved by SAA staff.	Inspection Inspected a sample of quarterly reconciliations of the Separate Accounts net liabilities to the Separate Accounts net assets to determine whether the reconciliation was performed and discrepancies were researched and resolved.	No exceptions noted.

Control Objective 11: Asset Management - Fixed Interest Accounts

Controls provide reasonable assurance that interest rates and interest credited for the Fixed Interest Account are recorded and calculated completely and accurately.

Control specified by AUL	Testing performed by PwC	Test results
11.1 On a monthly basis, the Senior Associate Actuary is sent a MS Excel export file from OMNI that reflects all fixed fund price change transactions (report "To29") and is reviewed by the Senior Associate Actuary for any interest rate changes that are not within the normal rate updates. Identified deviations are researched and resolved.	Inspection Inspected a sample of monthly To29 reports to determine whether all fixed fund price change transactions are reviewed and that changes that do not fall into the normal rate updates are researched and resolved.	No exceptions noted.
11.2 The To29 report is maintained on the Senior Associate Actuary's drive and cannot be manipulated by another user.	Inquiry Inquired of a Senior Associate Actuary to determine whether the location of the To29 Report is maintained on a secure LAN drive. Inspection Inspected a list of users with access to the folder where the To29 reports are stored to determine whether access to the To29 reports is properly restricted.	No exceptions noted.
11.3 To ensure that all interest rate scale changes are authorized the Retirement Services Actuarial Department requests a system generated report to indicate all interest rate scale changes on at least a quarterly basis. The Retirement Services Actuarial Department reviews the report and ensures that there is documentation for each interest rate change. Identified deviations are researched and resolved.	Inspection Inspected a sample of system-generated quarterly interest rate scale change reports to determine whether all changes are reviewed by the Retirement Services Actuarial Department and that identified deviations are researched and resolved.	No exceptions noted.

Control specified by AUL	Testing performed by PwC	Test results
11.4 The OmniPlus job runs the quarterly statement data through a series of edits to ensure accuracy. Exceptions are captured in an electronic report generated in CMOD. Identified exceptions (XERR) are researched and resolved.	Observation Observed the processing of a sample of statements processed through the OmniPlus edit checks to determine whether the following failed edit checks appeared on the electronic report generated in CMOD with the exception (XERR) status: - Plan balance - Plan code - Plan address - Allocation percentage - Interest rate Inspection Inspected a sample of errors for statements to be printed to determine whether the errors were resolved.	Exception noted. For one of twenty errors selected, evidence of the resolution of the error was not available. An additional sample of twenty errors was tested and no additional exceptions were noted.
11.5 Certain application functions are tightly restricted. These “high-level” administrative activities are identifiable with a “900” security group. This security access group is granted to only those employees with an approved business need. Any time 900-level access is used the usage must be documented and approved by a manager.	Inspection Inspected the Login Usage Form for a sample of accounts that utilized 900-level access to the OmniPlus application to determine whether the account usage was documented and authorized by a manager.	No exceptions noted.

Control Objective 12: Participant and Contract Reporting

Controls provide reasonable assurance that participant and contract level reports and statements are provided to participants or contract holders in a complete and accurate manner.

Control specified by AUL	Testing performed by PwC	Test results
12.1 The OmniPlus job runs the quarterly statement data through a series of edits to ensure accuracy. Exceptions are captured in an electronic report generated in CMOD. Identified exceptions (XERR) are researched and resolved.	Observation Observed the processing of a sample of statements through the OmniPlus edit checks to determine whether the following failed edit checks appeared on the electronic report generated in CMOD with the exception (XERR) status: - Plan balance - Plan code - Plan address - Allocation percentage - Interest rate Inspection Inspected a sample of errors for statements to be printed to determine whether the errors were resolved.	Exception noted. For one of twenty errors selected, evidence of the resolution of the error was not available. An additional sample of twenty errors was tested and no additional exceptions were noted.
12.2 Once reconciled, the Plan Year End (PYE) is updated within OmniPlus. Updating the Annual Report systematically locks the PYE data and prevents any changes from occurring subsequent to the reconciliation.	Observation Observed the plan year-end lockout with a Data & Financial Reporting Reconciler to determine whether OmniPlus prevents changes after the close of the plan year-end and observed the system preventing a user from overriding the edit.	No exceptions noted.
12.3 The Operations Analyst completes the Final Annual Report checklist to ensure annuals were created and posted to the website or mailed to the client.	Inspection Inspected a sample of Final Annual Report Checklists to determine whether the checklist was completed indicating annuals were created and posted to the website or mailed to the client. Inspected a sample of annuals to determine whether annual reports were generated and made available to the client.	No exceptions noted.

CUEC: Contract-level reports are reviewed for accuracy and completeness by the Plan Sponsor or contract holder, and that all discrepancies are reported to AUL in a timely manner.

V. Other Information Provided by AUL

Monitoring Adherence with Applicable Federal Legislation

Controls provide reasonable assurance that retirement plans follow required non-discrimination testing as outlined by IRS code sections 401(k); 401(m); 410(b)(1)(A) and (B) minimum coverage; and 415 annual additions are performed. The tests performed for each plan is determined as outlined by the IRS based on plan type and plan provisions. For clients that contract us for this service and submit their annual participant census data, the applicable tests are produced and results are delivered to the plan sponsor.

Description of Controls

Federal income tax withholding on benefit payments is calculated by OmniPlus based on input from the Operations Disbursement team. Once the transaction processes during the nightly batch cycle, the tax information posts to the general ledger and creates the OmniPlus tax file. The OmniPlus tax file creates a “test file” within OneSource, AUL’s tax system. The Accounting Control Unit uses a Quarterly Comparison Report to reconcile these three data sources. At year-end, the actual production interface updates OneSource, which produces the 1099.

The tax withholding that takes place in OmniPlus is monitored daily by the Payroll and Tax Accounting Department via general ledger reporting. The withholding amounts are input and tracked in a spreadsheet by the Senior Payroll Accountant. Taxes are remitted twice a week, or when the cumulative totals reach a threshold of \$100,000. (The \$100,000 threshold is reached almost daily, and therefore taxes are usually remitted daily). The tax remittance is transmitted via the IRS website, which in turn provides AUL with a confirmation. Upon receipt of the confirmation, the Senior Payroll Accountant creates the Journal 9 TASC entry, which is routed to Cash Management - Treasury, along with the deposit confirmation for tracking purposes. The Payroll and Tax Accounting Manager reviews the Journal 9 Total Accounting Service Center (TASC) entry, the withholding spreadsheet, and the confirmation report to ensure the accuracy and completeness of the IRS remittance. Cash Management - Treasury confirms the amount recorded in the Journal 9 TASC entry agrees with the amount the IRS deducted from the AUL bank account. The general ledger is updated by the Journal 9 TASC entry. The Payroll and Tax Accounting area conducts a month-end reconciliation of the general ledger liability account to the withholding payment account. The reconciliations related to IRS forms 941 and 945 also occur at quarter-end and at year-end.

Regulatory Reporting

Federal income tax withholding on benefit payments is calculated by OmniPlus based on input from the Operations Disbursement team. Once the transaction processes during the nightly batch cycle, the tax information posts to the general ledger and creates the OmniPlus tax file. The OmniPlus tax file creates a “test file” within OneSource, AUL’s tax system. The Accounting Control Unit uses a Quarterly Comparison Report to reconcile these three data sources. At year-end, the actual production interface updates OneSource, which produces the 1099.

The tax withholding that takes place in OmniPlus is monitored daily by the Payroll and Tax Accounting Department via general ledger reporting. The withholding amounts are input and tracked in a spreadsheet by the Senior Payroll Accountant. Taxes are remitted twice a week, or when the cumulative totals reach a threshold of \$100,000. (The \$100,000 threshold is reached almost daily, and therefore taxes are usually remitted daily). The tax remittance is transmitted via the IRS website, which in turn provides AUL with a confirmation. Upon receipt of the confirmation, the Senior Payroll Accountant creates the Journal 9 TASC entry, which is routed to Cash Management - Treasury, along with the deposit confirmation for tracking purposes. The Payroll and Tax Accounting Manager reviews the Journal 9 Total Accounting Service Center (TASC) entry, the withholding spreadsheet, and the confirmation report to ensure the accuracy and completeness of the IRS remittance. Cash Management - Treasury confirms the amount recorded in

the Journal 9 TASC entry agrees with the amount the IRS deducted from the AUL bank account. The general ledger is updated by the Journal 9 TASC entry. The Payroll and Tax Accounting area conducts a month-end reconciliation of the general ledger liability account to the withholding payment account. The reconciliations related to IRS forms 941 and 945 also occur at quarter-end and at year-end.

Regulatory Testing

AUL performs regulatory testing for the contract holder in accordance with the Administrative Services Agreement. AUL does not perform any analysis of the data supplied by the contract holder; AUL relies exclusively upon information furnished by the Plan Sponsor. Regulatory testing may include coverage and non-discrimination testing, which includes compliance with Internal Revenue Code (“IRC”) Sections 401(k); 401(m); 410(b)(1)(A) and (B) minimum coverage; and 415 annual additions; Additional specialized testing services such as benefits, rights, and features testing and average benefits testing may be required based on the client’s plan design or company structure.

The process is initiated once the Plan Sponsor’s year-end census information is received. The Plan Sponsor submits census information electronically using ExACCT or via Excel format/paper submission. The data is then uploaded into the ExCCEPT program, which submits transaction information into OmniPlus during the nightly cycle.

A “census workflow ticket” is created and routed to the plan services consultant (“PSC”) via PowerImage. The PSC reviews the plan to determine whether a forfeiture reallocation is required. Once the review/reallocation is complete, the PSC routes to the Testing Team for regulatory testing. Test results are published to the eSponsor website, and an e-mail is sent to the Plan Sponsor. A copy of the results is also saved in PowerImage. In the event the test fails, the Plan Sponsor is instructed to contact their PSC to discuss corrective measures.

The RSDB Tracking Database is used to document when the census is received from the Plan Sponsor, when forfeiture reallocations are completed, and when compliance testing is finished. This database is monitored frequently by supervisors and directors to ensure test results are provided to the Plan Sponsor within regulatory deadlines, assuming that all required information has been received by AUL. Those plans without all required information are forwarded to CMS and OPS management to contact the Plan Sponsor.

AUL Control Activities

Once the transaction processes during the nightly batch cycle, the tax information posts to the general ledger and OmniPlus creates the OmniPlus tax file. The OmniPlus tax file creates a “test file” within OneSource, AUL’s tax system. Quarterly, the Accounting Control Unit reconciles tax withholdings on Omni to the ledger and the ledger to OneSource using the Quarterly Comparison Report.

The Payroll and Tax Reporting area conducts a month-end reconciliation of the general ledger liability account to the withholding payment account. The reconciliations related to IRS forms 941 and 945 also occur at quarter end and at year-end.

Prior to running the regulatory compliance test, a checklist is completed to ensure appropriate steps and the provisions of the document have been followed, based on the New Business Agreement or Fee Disclosure Services Agreement.

Schedule C Attachment for Line Item 3(e)

Plan Name G36754 CANTEX INTERNATIONAL INC. DBA TECH SEAL INTERNATIONAL 401K PLAN
Plan Number 001 **Plan Year End** 8/1/2013
EIN 76-0433673

Revenue Sharing Formula:

The investment options of the Plan include various portfolios within an AUL separate account. The separate account in turn invests in investment portfolios of certain open-end management investment companies. AUL receives indirect compensation from these investment companies for the services provided by AUL.

The compensation received by AUL is computed by each investment company by multiplying the daily account balance of the AUL separate account's interest in a particular portfolio by a predetermined percentage rate negotiated with the investment company. This indirect compensation is not charged to the plan or participants accounts but is paid directly by the investment company.

The investment company, the underlying investment portfolio, and the annual compensation percentages

Investment Company	Investment Portfolio	Annual Percentage
ALGER	ALGER CAP APP INST R	0.75
ALLIANCEBERNSTEIN	ALLBERN SMCAP GRTH FD R	0.60
AMERICAN CENTURY	AMERCENT STRAT ALLOC: MOD A	0.60
AMERICAN FUNDS	AMERFDS EUROPAC GRTH R3	0.60
DWS	DWS RREEF REALESTATE SECS A	0.55
GOLDMAN SACHS	GOLDMANSACHS SMCAPVAL SVC	0.60
LORD ABBETT	LORD ABBETT VAL OPS R3	0.65
LORD ABBETT	LORD ABBETT FUNDAMENTL EQTY R3	0.65
OPPENHEIMER	OPPENHEIMER DEV MKTS FD N	0.59
PIMCO	PIMCO TOTAL RETURN R	0.60
PIMCO	PIMCO REAL RETURN R	0.60
PIONEER	PIONEER BOND FD R	0.75
PRUDENTIAL	PRUDENTIAL JENN NATURAL RECS A	0.55
PRUDENTIAL	PRUDENTIAL HIGH-YIELD A	0.55
STATE STREET	SSGA S&P 500 INDX I	0.60
STATE STREET	SSGA RUSSELL SMCAP INDX I	0.62
STATE STREET	SSGA INTL INDX I	0.60
T. ROWE PRICE	TROWEPRICE EQTY INC R	0.65
T. ROWE PRICE	TROWEPRICE RET 2015 R	0.65
T. ROWE PRICE	TROWEPRICE RET 2020 R	0.65
T. ROWE PRICE	TROWEPRICE RET 2025 R	0.65
T. ROWE PRICE	TROWEPRICE RET 2030 R	0.65
T. ROWE PRICE	TROWEPRICE RET 2035 R	0.65
T. ROWE PRICE	TROWEPRICE RET 2040 R	0.65
T. ROWE PRICE	TROWEPRICE RET 2045 R	0.65
T. ROWE PRICE	TROWEPRICE RET 2050 R	0.65
T. ROWE PRICE	TROWEPRICE RET 2055 R	0.65
T. ROWE PRICE	TROWEPRICE RET INC R	0.65
T. ROWE PRICE	TROWEPRICE RET 2005 R	0.65
T. ROWE PRICE	TROWEPRICE RET 2010 R	0.65
VICTORY	VICTORY SMALL COMP OP R	0.75