

EXHIBIT 5

SERVICE AGREEMENT

THIS AGREEMENT (the "Agreement") is entered into as of this May 7, 2010, by and between IA American Life Insurance Company, a Georgia insurance corporation ("IA AMERICAN") and the Insurance Commissioner of the State of California in his Statutory Capacity as Conservator ("CONSERVATOR") of Golden State Mutual Life Insurance Company, in Conservation (hereinafter, "GOLDEN STATE"), a mutual life insurance company duly organized and existing under and by virtue of the laws of the State of California.

WITNESSETH:

WHEREAS, IA AMERICAN has entered into an assumption reinsurance agreement with the CONSERVATOR, dated May 7, 2010 (the "Assumption Agreement") pursuant to which IA AMERICAN has assumed the Policies and Contracts (as herein defined); and

WHEREAS, IA AMERICAN desires to engage GOLDEN STATE to render the policy administration services for the Policies and Contracts (as defined herein) described in this Agreement on the terms and conditions set forth herein during a period not to exceed 90 days.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

Article I Definition

In addition to the definitions provided throughout this Agreement, as used in this Agreement the following terms have the meanings indicated:

- 1.1 "Administration Date" shall mean the date that IA AMERICAN has closed the Assumption Reinsurance Agreement with the CONSERVATOR.
- 1.2 "GOLDEN STATE Services" shall mean the administrative services described in Article III of this Agreement.
- 1.3 "Due Date" shall mean the date which is twenty (20) days after the date that IA AMERICAN receives a billing statement from GOLDEN STATE that indicates what, if any compensation is due GOLDEN STATE under this Agreement.
- 1.4 "Industry Standards" shall mean the performance of service (i) with the skill, diligence and expertise commonly expected from experienced and qualified personnel performing such duties consistent with the life and health insurance industry, and (ii) in accordance with all applicable federal and state laws, rules and regulations governing the Policies and Contracts.

- 1.5 "Policies and Contracts" shall mean the policies and contracts identified on Exhibit 1.19 of the Assumption Reinsurance Agreement.
- 1.6 "System" shall mean GOLDEN STATE's computer hardware, computer programs or software and programming aids with supporting documentation, including, but not limited to, input and output formats, program listings, system flow charts, narrative descriptions and operating instructions, and shall include tangible media (electronic or otherwise) upon which such programs are recorded.

Article II Engagement

- 2.1 Engagement. IA AMERICAN hereby engages GOLDEN STATE to render the GOLDEN STATE Services with respect to the Policies and Contracts on the terms and conditions set forth herein beginning on the Administration Date. GOLDEN STATE hereby accepts such engagement and shall perform the GOLDEN STATE Services in accordance with this Agreement and in accordance with Industry Standards.

Article III GOLDEN STATE Services

- 3.1 GOLDEN STATE Services. GOLDEN STATE shall provide the administrative services described in Exhibit 3.1 in accordance with Industry Standards. GOLDEN STATE will conduct itself in accordance with the performance standards described in Exhibit 3.1.1. Except as otherwise provided in this Agreement, GOLDEN STATE shall furnish the facilities necessary to provide the GOLDEN STATE Services. GOLDEN STATE, if capable, shall also perform additional services reasonably requested by IA AMERICAN. Notwithstanding anything in this Agreement to the contrary, GOLDEN STATE shall have no underwriting authority pursuant to this Agreement.
- 3.2 Safeguarding Data. GOLDEN STATE will provide the storage facilities for IA AMERICAN records in connection with the administration of the Policies and Contracts as set forth herein. GOLDEN STATE shall be responsible to establish reasonable safeguards to protect IA AMERICAN's data and data files against unauthorized distribution, loss or alteration. Without limiting the foregoing, GOLDEN STATE shall establish and maintain facilities and procedures for the safekeeping of the Policies and Contracts, the Policy and Contract forms, check forms and facsimile signature imprinting devices, if any, and all other documents, reports, records, books, files, digital records, and other materials relative to this Agreement and to the GOLDEN STATE Services, and all transactions between GOLDEN STATE and IA AMERICAN, which shall include, without limitation, the identity and addresses of policyholders.

- 3.3 Regulatory Authority. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE represents, warrants and covenants that GOLDEN STATE shall comply with such applicable federal and state laws and regulations having jurisdiction over the GOLDEN STATE Services, including but not limited to any licensing requirements, and privacy laws and regulations applicable to the administration of the Policies and Contracts. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE further represents and warrants that GOLDEN STATE shall use commercially reasonable efforts to maintain such licenses necessary for it to perform the GOLDEN STATE Services. The CONSERVATOR further covenants to inform IA AMERICAN immediately if GOLDEN STATE fails to maintain any required licenses pursuant to applicable federal and state laws and regulations.

Article IV Books and Records

- 4.1 Books and Records. GOLDEN STATE shall maintain records of the GOLDEN STATE Services performed under this Agreement. GOLDEN STATE shall keep proper books of account and records relating to the GOLDEN STATE Services in which entries will be made in accordance with generally accepted accounting procedures and any applicable federal and state laws and regulations.
- 4.2 Inspection and Audit. If this Agreement lasts longer than 90 days, IA AMERICAN and its representatives shall, audit GOLDEN STATE to evaluate the internal controls and compliance with this Agreement with regard to the Books and Records maintained by GOLDEN STATE, including but not limited to all Books and Records maintained by GOLDEN STATE in connection with the GOLDEN STATE Services. IA AMERICAN shall be fully responsible for the costs of such audits and shall cause such audits to be conducted by qualified persons. In addition, IA AMERICAN, its duly authorized independent auditors and any applicable insurance regulator, shall have the right under this Agreement to perform on-site audits of the Books and Records of IA AMERICAN and shall have reasonable access to (i) all pertinent Books and Records of IA AMERICAN which relate to the GOLDEN STATE Services to be performed under this Agreement for the purpose of examination, audit and inspection, (ii) to the IA AMERICAN data in a media usable by them, and (iii) to any employees who perform the GOLDEN STATE Services. The CONSERVATOR on behalf of GOLDEN STATE shall assist IA AMERICAN in any regulatory examination relating to the Policies and Contracts and the Books and Records and shall fully cooperate with any applicable insurance regulator during any examination, audit or inspection. All examinations, audits or inspections occurring on-site at GOLDEN STATE's offices shall be during GOLDEN STATE's normal business hours with reasonable advance notice. The cost of all examinations, audits or inspections shall be borne by IA AMERICAN.

4.3 Regulatory Requirements. In addition to the requirements contained elsewhere in this agreement, the CONSERVATOR and IA AMERICAN agree that:

(a) payments received by GOLDEN STATE for insurance on behalf of IA AMERICAN shall be deemed received by IA AMERICAN. The payment of return premiums or claims by IA AMERICAN to GOLDEN STATE is not considered payment to the insured or claimant until the payments are received by the insured or claimant.

(b) whenever a Policy and Contract is issued to a trustee, a copy of the trust agreement and any amendments to it must be furnished to the IA AMERICAN by GOLDEN STATE and be retained as part of the official records of both GOLDEN STATE and the IA AMERICAN.

(c) all insurance charges, premium, returned premiums, or other monies collected by GOLDEN STATE on behalf of IA AMERICAN shall be held by GOLDEN STATE in a fiduciary capacity and deposited in an account established and maintained by GOLDEN STATE on behalf of the IA AMERICAN, or such other account as IA AMERICAN may designate.

(d) this Agreement will be retained as part of the official records of both GOLDEN STATE and IA AMERICAN for the duration of this Agreement;

(e) notwithstanding any other provision in this Agreement to the contrary, GOLDEN STATE may only act in the capacity in which it is allowed by this Agreement ; and

(f) with or without terminating this Agreement for cause, IA AMERICAN may suspend GOLDEN STATE's claim's settlement authority for cause upon written notice, sent certified mail, and IA AMERICAN has the right to suspend settlement authority during any dispute for cause of termination.

Article V Compensation

5.1 Fees and Expenses. IA AMERICAN shall pay to GOLDEN STATE or cause to be paid to GOLDEN STATE, in U.S. currency, the fees and charges for GOLDEN STATE Services in the amounts and manner set forth in Exhibit 5.1 hereof. Additional services shall be provided by GOLDEN STATE to IA AMERICAN at a cost to IA AMERICAN which is to be negotiated in good faith by the parties hereto at the time of the request. Notwithstanding anything to the contrary in this Agreement, GOLDEN STATE shall not receive commissions, fees, or charges contingent upon savings obtained in the adjustment, settlement and payment of losses covered by IA AMERICAN's obligations. GOLDEN STATE shall not receive from or on behalf of IA AMERICAN or from any

covered individual any compensation or other payment except as expressly set forth in this Agreement.

- 5.2 Billing Frequency. On or before the 20th day of each month, GOLDEN STATE shall submit to IA AMERICAN or its designee a detailed billing statement for GOLDEN STATE Services for the calendar month. IA AMERICAN shall pay or cause to be paid the undisputed amount of the statement to GOLDEN STATE on or before the Due Date. Disputes concerning fees and expenses shall be resolved as provided in Paragraph 5.4 of this Agreement.
- 5.3 Partial Months. Charges for a partial month shall be prorated on a daily basis based upon a thirty-day month.
- 5.4 Billing Disputes. If IA AMERICAN disagrees, in good faith, with any charge(s) on a billing statement from GOLDEN STATE, IA AMERICAN shall give the CONSERVATOR written notice, which complies with the following provisions:
- a. The notice shall separately identify each and every item in dispute, the amount which is disputed, the specific reasons alleged by IA AMERICAN for the disputed charge, and the amount which is not disputed, if any; and
 - b. The notice shall be accompanied by payment in full for the undisputed amount of the statement.

Both parties agree to mutually negotiate to resolve any disputes within thirty (30) days of IA AMERICAN's written notice. If the matter is not resolved within said thirty (30) days period, the matter shall be submitted to the Conservation Court for determination as set forth in Section 11.1 of this Agreement.

Article VI Term and Termination

- 6.1. Term. This Agreement shall commence on the Administration Date and shall continue for a period not to exceed 90 days or until terminated pursuant to Section 6.2.
- 6.2. Termination. This Agreement may be terminated on account of any one of the following:
- a. by any party on 30 days notice; or
 - b. upon material breach hereof, which breach is not cured within thirty (30) days after the non-breaching party provides written notice of breach to the breaching party;
 - c. in the event that the CONSERVATOR or GOLDEN STATE commits fraud or acts in a grossly negligent manner (as determined in IA AMERICAN's sole discretion) in performing the GOLDEN STATE Services or in connection with

- any covenant or obligation of the CONSERVATOR or GOLDEN STATE under or related to the Agreement; or
- d. 30 days prior to the closing of the estate of GOLDEN STATE by the Los Angeles Superior Court Case No. BS123005.
- 6.3 Duties of IA AMERICAN upon Termination. Within twenty (20) business days after the effective date of the termination of this Agreement, GOLDEN STATE shall submit a final bill for services provided through the date of termination. Within twenty (20) days of receipt of this statement, IA AMERICAN shall pay or cause to be paid to GOLDEN STATE all sums owing under the terms of this Agreement.
- 6.4 Duties of GOLDEN STATE upon Termination. Upon termination of this Agreement, GOLDEN STATE shall immediately return all of IA AMERICAN's property to it that is in GOLDEN STATE's possession and provide to IA AMERICAN all of IA AMERICAN's data that resides on the System, including, without limitation, funds held by GOLDEN STATE in a fiduciary capacity on behalf of IA AMERICAN, master files and transaction data in a computer readable format in flat, sequential file format, copies of record layouts, and definitions of each field therein. Any additional funds of IA AMERICAN received by GOLDEN STATE after the termination of this Agreement shall immediately be sent to IA AMERICAN. This provision shall survive termination of this Agreement.

Article VII Proprietary Rights

- 7.1 Ownership of Software. GOLDEN STATE represents and warrants that GOLDEN STATE either owns or is duly licensed and authorized to use the software to render the GOLDEN STATE Services, that it has the right to enter into this Agreement, that it has not granted any rights which conflict or may conflict with or otherwise impair IA AMERICAN's rights hereunder, and that the software does not infringe any patents, copyrights, or other proprietary rights of any other person. All modifications and enhancements to the software and System shall be the property of GOLDEN STATE.
- 7.2 Acknowledgment of Ownership. IA AMERICAN acknowledges that GOLDEN STATE is the sole and exclusive owner or licensee of the software that is used by GOLDEN STATE hereunder to render the GOLDEN STATE Services; and IA AMERICAN disclaims and releases any rights which it may have or claim to have in the future with respect to such software. IA AMERICAN shall not (i) apply for any patent, copyright or trademark related to the software or any component thereof; (ii) make any common law or other claim with respect to the software in the name of IA AMERICAN or assist any third party in doing so; (iii) permit the use of the software for any purpose other than as provided under this Agreement; (iv) challenge or infringe upon the title or any proprietary rights of GOLDEN STATE in and to such software or any patent copyright, trade secret or trademark of GOLDEN STATE. Upon request by the CONSERVATOR, IA AMERICAN shall cooperate fully and in good faith, and shall assist the CONSERVATOR to the extent reasonably necessary, to procure any protection or protect

any right claimed by the CONSERVATOR and/or GOLDEN STATE with respect to the software; provided that GOLDEN STATE shall reimburse IA AMERICAN for its reasonable expenses associated with any such action requested by the CONSERVATOR or GOLDEN STATE.

- 7.3 Data and Records. IA AMERICAN is and shall remain the owner of items, the Books and Records and data furnished to GOLDEN STATE under this Agreement, including all information relating to IA AMERICAN, the Policies and Contracts contained in master and/or transactional data files created and/or maintained by GOLDEN STATE during the term of the Agreement and in existence upon termination hereof. It is understood and agreed that the Books and Records shall at all times remain under IA AMERICAN's direct supervision, management and control.

Article VIII Confidentiality; Noncompetition

- 8.1 Confidentiality. Each party shall hold in confidence all information relating to the transactions processed, products, Policies and Contracts and business affairs of the other party ("Confidential Information"). Nothing in this Paragraph, however, shall prohibit either party from providing access to such information to authorized governmental and regulatory agencies and authorities in order to comply with judicial or administrative processes. IA AMERICAN acknowledges and agrees that GOLDEN STATE's software and documentation is to be kept in strictest confidence. GOLDEN STATE shall hold in confidence all information pertaining to the policyholders or claimants under the Policies and Contracts and comply with the privacy policy of IA AMERICAN as it exists from time to time and is communicated to GOLDEN STATE. GOLDEN STATE agrees that if any of the Policies and Contracts is part of an ERISA plan, information which identifies an individual covered by an ERISA plan is confidential, and that all such information furnished by IA AMERICAN to GOLDEN STATE is confidential. During the time such ERISA confidential information is in GOLDEN STATE's custody or control, GOLDEN STATE agrees to hold such information in compliance with this Article 8.1 and to take all reasonable precautions to prevent disclosure or use of the ERISA confidential information for a purpose unrelated to the administration of the ERISA plan. GOLDEN STATE agrees to disclose such ERISA confidential information only: (a) in response to a court order; (b) for an examination conducted by the applicable insurance regulator for an audit or investigation conducted under ERISA; (c) to or at the request of the IA AMERICAN; or (d) with the written consent of the identified individual or his or her legal representative. GOLDEN STATE further agrees that any employee, agent, attorney, accountant, advisor, consultant, or other representative of GOLDEN STATE with a need to know, shall keep the IA AMERICAN data and Books and Records and Confidential Information to which GOLDEN STATE is directly accessible in the implementation and performance of the GOLDEN STATE Services in strictest confidence and, except for disclosures strictly required by public agencies having jurisdiction over GOLDEN STATE or IA AMERICAN, or made as required by law or applicable regulation, will not disclose any such data and/or information to third parties without the express written consent of IA AMERICAN. GOLDEN STATE further represents, warrants and

covenants to comply with all applicable federal, state or local privacy laws and regulations in respect of all information pertaining to the policyholders or claimants under the Policies and Contracts and will not use any Confidential Information of the IA AMERICAN for any purpose other than providing the GOLDEN STATE Services.

Article IX Remedies

- 9.1 Upon the occurrence of any breach by either party of its obligations under this Agreement, the parties shall be entitled to the following remedies:
- a. Performance Termination. If IA AMERICAN defaults with respect to its financial obligations described in Article V of this Agreement, which default is not timely cured, GOLDEN STATE shall have the right to terminate performance under this Agreement until such default is cured, and such termination shall be without prejudice to the rights and remedies of GOLDEN STATE pursuant to this Agreement. Notwithstanding the foregoing, GOLDEN STATE shall not terminate performance if IA AMERICAN deposits the alleged balance of the amount claimed due in an interest bearing escrow account established for the sole purpose of securing payment of IA AMERICAN's obligations hereunder. The escrow account shall be established at a mutually acceptable financial institution and the interest earned on the deposit shall be paid to the party to whom such deposit (or proportionately based on a decision that both parties are entitled to a portion of the amount) is paid.
 - b. Specific Performance and Injunction. The parties acknowledge that if either party fails, or threatens to fail, to comply with its obligations under Article VII or Article VIII of this Agreement, the other party may suffer irreparable harm for which there may be no adequate remedy at law. Accordingly, if either party fails to comply with such obligations, then, in addition to its other remedies, the other party will be entitled immediately to injunctive relief or any other appropriate equitable remedy.
 - c. Material Breach. If the Agreement is terminated due to a material breach of this Agreement, the non-breaching party may seek to recover direct actual damages for breach of this Agreement.
- 9.2 Cumulative Remedies. Except as expressly limited in this Article, no remedy herein conferred upon nor reserved to a party is intended to be exclusive of any other remedy available at law or in equity, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity, by statute or otherwise.
- 9.3 Limitation of Damages. IA AMERICAN MAY NOT RECOVER ANY SPECIAL OR CONSEQUENTIAL DAMAGES FOR BREACH OF THIS AGREEMENT. TO THE GREATEST EXTENT PERMITTED BY LAW, IA AMERICAN WAIVES AND

RELEASES GOLDEN STATE, THE CONSERVATOR, THE CALIFORNIA INSURANCE COMMISSIONER AND THE SPECIAL DEPUTY INSURANCE COMMISSIONER, AND THEIR RESPECTIVE REPRESENTATIVES, AGENTS EMPLOYEES AND SUCCESSORS, FROM ANY CLAIM THAT THEY, INDIVIDUALLY OR JOINTLY, HAVE MADE ANY REPRESENTATION, OMISSION OR WARRANTY TO INDUCE EXECUTION OF THIS AGREEMENT. THIS PROVISION DOES NOT LIMIT ANY PARTY'S RIGHT TO DIRECT ACTUAL DAMAGES FOR BREACH OF THIS AGREEMENT.

- 9.4 Disclaimer of Warranties. THE CONSERVATOR DISCLAIMS ANY AND ALL WARRANTIES AND REPRESENTATIONS NOT EXPRESSLY SET FORTH IN THIS AGREEMENT.

Article X Indemnification

- 10.1 GOLDEN STATE Indemnification. GOLDEN STATE shall indemnify, defend and hold IA AMERICAN, its affiliates, directors, officers, agents or employees harmless from and against any and all claims, suits, actions, liability, loss, expense or damage, which IA AMERICAN, its affiliates, directors, officers, agents or employees may sustain due to or arising out of:
- a) any act or omission by the CONSERVATOR, GOLDEN STATE, its affiliates, managers, officers, agents, representatives, employees or others under contract with, appointed by or otherwise acting on behalf of the CONSERVATOR or GOLDEN STATE in violation of this Agreement or in violation of any applicable law, rule or regulation, during the term of this Agreement, or
 - b) any act of IA AMERICAN, its affiliates, directors, officers, agents or employees required to be taken pursuant to instructions of the CONSERVATOR, its affiliates, managers, officers, agents or employees where IA AMERICAN, its affiliates, directors, officers, agents, representatives or employees have complied with such instructions.
- 10.2 IA AMERICAN Indemnification. IA AMERICAN shall indemnify, defend and hold the CONSERVATOR, GOLDEN STATE, their affiliates, managers, officers, agents or employees harmless from and against any and all claims, suits, actions, liability, loss, expense or damage which the CONSERVATOR, GOLDEN STATE, their affiliates, managers, officers, agents or employees may sustain due to or arising out of:
- a) any act or omission by IA AMERICAN, its affiliates, directors, officers, agents, representatives or employees or others under contract with, appointed by or otherwise acting on behalf of IA AMERICAN in violation of this Agreement or in violation of any applicable law, rule or regulation, during the term of this Agreement, or

- b) any act of the CONSERVATOR, GOLDEN STATE, their affiliates, managers, officers, agents or employees required to be taken pursuant to instructions of IA AMERICAN, its affiliates, directors, officers, agents, representatives or employees where the CONSERVATOR, GOLDEN STATE, their affiliates, managers, officers, agents or employees have complied with such instructions.

10.3 Survival. Provisions of this section shall survive the termination of this Agreement.

Article XI Miscellaneous

- 11.1 Consent. Venue and jurisdiction for any cause of action between the parties shall be deemed to be exclusively in the Los Angeles Superior Court Case No. BS123005. The parties consent to the summary jurisdiction of the Conservation Court. In the event the Conservation Court is not available, the Parties hereby consent to the exclusive jurisdiction of the Los Angeles Superior Court to resolve any and all disputes as among them which arise out of, or relate directly or indirectly, to the Agreement or the transactions contemplated hereby. The Parties agree that service of process shall be effective if sent by certified or registered mail, return receipt requested, with signature required, to the address as shown in Article 11.7 of this Agreement. The Parties intend to grant the broadest possible exclusive jurisdiction to the Conservation Court. Notwithstanding the foregoing, any judgment may be enforced using the assistance of such courts as may be available to aid in the enforcement of judgments.
- 11.2 No Waiver. No failure or delay on the part of a party in exercising any right, privilege, power or remedy under this Agreement, and no course of dealing, shall operate as a waiver of any such right, privilege, power or remedy, nor shall any single or partial exercise of any right, privilege, power or remedy under this Agreement preclude any other or further exercise of such right, privilege, power or remedy. No waiver shall be asserted against either party unless duly signed in writing on behalf of such party. No notice to or demand on a party in any case shall entitle such party to any other notice or demand in any similar or other circumstances or constitute a waiver of the right of the party giving such notice or making such demand to take any other action in any circumstances without notice or demand.
- 11.3 Assignment. The rights, liabilities and obligations of any Party under this Agreement shall not be assigned, transferred or delegated to a person or entity who is not a Party to this Agreement without the prior written consent of the other Party.
- 11.4 Entire Agreement. This Agreement and the Exhibits and schedules attached hereto represent the final and complete agreement between the parties, and supersede all prior discussions, negotiations and agreements, written or oral, related to the subject matter of this Agreement, with all such matters being hereby merged into this Agreement.
- 11.5 Independent Contractor. The relationship between the parties is that of independent contractors. It is not the intent of the parties to create, nor shall this Agreement be

construed to create any partnership, joint venture, or employment relationship between or among the parties, or any of the officers, employees, agents or representatives.

Accordingly, the parties to this Agreement shall have exclusive control of their time, the method and means by which it performs its duties, and shall employ, pay and supervise their own employees and pay its own expenses, other than as provided in this Agreement, throughout the term of this Agreement and thereafter.

11.6 Severable Provisions. Each paragraph and provision is severable from the Agreement, and if a court of competent jurisdiction declares one or more provisions or parts invalid, the remaining provisions shall nevertheless remain in full force and effect.

11.7 Notices. All notices provided for in this Agreement shall be given in writing and transmitted by personal delivery or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to GOLDEN STATE:

Conservation & Liquidation Office
Attn: Scott Pearce
P.O. Box 26894
San Francisco, CA 94126-0894
Telephone: (415) 676-2000
Facsimile: (415) 676-5002

With a copy to:

Michael R. Weiss, Esq.
Epstein, Turner & Song, APC
777 S. Figueroa Street, Suite 4950
Los Angeles, CA 90017
Telephone: (213) 861-7487
Facsimile: (213) 861-7488
mrw@etslaw.com

Marta L. Smith, Esq.
Deputy Attorney General
California Department of Justice
300 South Spring Street, Room 1702
Los Angeles, CA 90013
Telephone: (213) 897-2483
Facsimile: (213) 897-5775

If to IA AMERICAN:

IA American Life Insurance Company
Attention: President
17550 N. Perimeter Drive, Suite 210
Scottsdale, AZ 85255-0131
Telephone: (480) 419-8986
Facsimile: (480) 563-0252

- 11.8. Force Majeure. The performance by either party of any of the undertakings set forth in this Agreement shall not be deemed untimely to the extent any late performance or nonperformance is due to acts of God, acts of war, civil disturbance, acts of government, including, but not limited to, government or court orders or any other act or event beyond the control of the effected party.
- 11.9 Cooperation. The parties agree to cooperate and undertake such further acts in the future as may be reasonably necessary or proper to carry out the terms and purpose of this Agreement.
- 11.10 Authority. The undersigned warrant and represent that they have full authority to execute this Agreement on behalf of the parties and full power to bind the parties in relation to this Agreement.
- 11.11 Liability of the Conservator. The CONSERVATOR is a Party to this Agreement only in his representative capacity as CONSERVATOR, and not individually, and the Parties hereto agree and acknowledge that the CONSERVATOR and any Special Deputy Insurance Commissioner executing this Agreement shall not have any personal liability for any matters or obligations hereunder, and further that the California Insurance Commissioner and the State of California are not parties to this Agreement and shall have no liability with respect thereto.
- 11.12 Agreement Governed by California Law. This Agreement shall be governed and construed in accordance with the laws of the State of California, without giving effect to the principles of conflicts of law.
- 11.13 Statutory Obligations. Except as expressly stated herein, nothing stated in this Agreement shall be deemed to limit, expand, enlarge, or otherwise modify the CONSERVATOR's statutory obligations, or to expand or enlarge any person's interest in or to the assets of Golden State, or to waive any defenses which any Party may now have or in the future have.
- 11.14 Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be declared invalid or unenforceable by the Conservation Court or other court of competent jurisdiction, the remainder of this Agreement or the application of such terms or provisions to persons or circumstances

other than those as to which it has held invalid or unenforceable, shall remain in full force and effect.

- 11.15 Express Terms. This Agreement shall be construed in accordance with its express terms and not its implied terms. Captions, paragraph and section headings appearing in this Agreement shall be used only for convenience in identifying the material terms and provisions of the Agreement and shall not be construed to express any other intent. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender as the context require.
- 11.16 No Construction Against a Party. This Agreement has been structured, approved and jointly drafted by all the Parties hereto and, for purposes of interpreting its terms, shall not be construed against any Party as the principal draftsman hereof.
- 11.17 Intent and Parol Evidence. The Parties intend this Agreement to be an integrated plan for the rehabilitation of GOLDEN STATE. Parol evidence shall not be appropriate to construe these agreements absent an ambiguity. In the event that parol evidence must be received, it is the Parties' intention in entering this Agreement to provide for servicing of the policies by GOLDEN STATE on an interim basis, pending the transfers and assumptions contemplated by the Assumption Reinsurance Agreement. The Parties further intend that IA American shall assume only those contractual Policy Liabilities, and no other liabilities of any kind or nature, other than the obligations to the CONSERVATOR set forth in said agreements.
- 11.18 Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original and all of which counterparts when taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Agreement on the date noted below.

INSURANCE COMMISSIONER OF THE STATE OF CALIFORNIA IN HIS STATUTORY CAPACITY AS CONSERVATOR OF GOLDEN STATE MUTUAL LIFE INSURANCE COMPANY, AND NOT INDIVIDUALLY

By: David E. Wilson Date: May 7, 2010
David E. Wilson, Special Deputy Insurance Commissioner, and not individually

ASSUMING INSURER: IA AMERICAN LIFE INSURANCE COMPANY



By: Patrik Guindon Date: May 7th, 2010
Title: Vice President, Corporate Development

EXHIBIT 1.5

POLICIES AND CONTRACTS

Policies and Contracts shall mean all of the life, health, disability and annuity policies and contracts of GOLDEN STATES that are subject to the Assumption Reinsurance Agreement.

EXHIBIT 3.1
ADMINISTRATIVE SERVICES

GOLDEN STATE shall perform the following duties and responsibilities with respect to the administration of the Policies and Contracts. Such duties and responsibilities shall be consistent with GOLDEN STATE's existing capabilities, except as limited by a new or modified conservation or liquidation order by the Conservation Court.

1. Compliance with Performance Standards. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall comply with the performance standards in Exhibit 3.1.1, which is attached hereto and which may be amended by mutual agreement from time to time.
2. Competent Staff. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall maintain a staff of competent and trained administrative personnel, supplies and equipment to perform its duties and responsibilities under this Agreement in accordance with Industry Standard.
3. Premium Billing, Collection and Accounting. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall prepare for mailing renewal premium statements and notices of premium changes using data suitably formatted for the purpose as provided by GOLDEN STATE's computer systems to policyholders with the proper premiums consistent with the rate on the policies in compliance with the approved and applicable IA AMERICAN rate tables, as provided to GOLDEN STATE by IA AMERICAN. GOLDEN STATE shall receive premiums due IA AMERICAN and deposit the premiums in a bank account on behalf of IA AMERICAN in accordance with Accounting Requirements identified in Exhibit 4.1, which is attached hereto and which, may be periodically amended to comply with statutory accounting requirements from time to time. GOLDEN STATE shall return any refund of premiums due to policyholders.
4. Non-guaranteed Elements Administration. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall implement policy crediting interest rate changes within thirty (30) business days after notice of such change from IA AMERICAN. GOLDEN STATE shall implement changes in dividend scales within thirty (30) days of receipt of such changes from IA AMERICAN.
5. Accounting Services. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall provide the following account services to IA AMERICAN:

- a. General Accounting. GOLDEN STATE will account for premiums collected and received on the policies for IA AMERICAN in a fiduciary capacity in accordance with the Accounting Requirements in Exhibit 4.1.
 - b. Commission Accounting and Payment. GOLDEN STATE shall cause any general agent remaining related to the Policies and Contracts to receive his/her commission and any necessary related tax reporting information and forms.
6. Policyholder Service. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall handle requests for address, name and policyholder changes, including beneficiary changes, coverage changes, and assignment changes; GOLDEN STATE shall provide policyholders appropriate and proper responses to questions, requests, and complaints of policyholders; GOLDEN STATE shall cancel or otherwise terminate coverage under the Policies and Contracts as required by applicable standards and consistent with applicable regulatory requirements, provided IA AMERICAN shall always retain the right, within the scope of the Policies and Contracts, Industry Standards, and applicable law, upon notice, to direct the termination of Policies and Contracts by itself or by GOLDEN STATE or to terminate Policies and Contracts by direct notice to holders of Policies and Contracts; GOLDEN STATE shall reinstate Policies and Contracts as required by the terms thereof and in accordance with Industry Standards; GOLDEN STATE shall process policy loan requests and implement automatic policy loans, other non-forfeiture options and settlement options; and GOLDEN STATE will provide a toll-free telephone number for policyholder use.

To the extent required by applicable state law, GOLDEN STATE agrees to provide a written notice to the insured or policyholder of the Policies, as mutually agreed upon by GOLDEN STATE and IA AMERICAN, advising the insured or policyholder of the identity of the relationship among GOLDEN STATE, the insured or policyholder and the IA AMERICAN. GOLDEN STATE agrees that any policies, certificates, booklets, privacy notices, termination notices or other written communications delivered by IA AMERICAN to GOLDEN STATE for delivery to IA AMERICAN's policyholders shall be delivered by GOLDEN STATE promptly upon receipt of instructions from IA AMERICAN to do so. Costs of such deliveries shall be borne by IA AMERICAN.

7. Agency Services. GOLDEN STATE shall not be responsible for any agent's services other than as specifically stated herein.
8. Claims Administration. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall adjudicate claims in compliance with the policies terms and conditions and all unfair claims settlement statutes and regulations; and GOLDEN STATE shall verify eligibility, distribute and receive claim forms, review, settle and pay life claims within Industry Standards; GOLDEN STATE will mail the claim payment to any claimant on an uncontestable claim no later than the end of the tenth business day following GOLDEN STATE receipt of all requirements for the payment of the claim; GOLDEN STATE shall respond to

inquiries by policyholders concerning their claim; GOLDEN STATE shall maintain death claim logs for IA AMERICAN as required by IA AMERICAN's respective insurance authorities; GOLDEN STATE shall notify IA AMERICAN of all questionable or suspicious claims, contested claims and suits within five (5) business days of review and shall notify IA AMERICAN of all claims within 30 days of receipt; and GOLDEN STATE shall cooperate fully with IA AMERICAN to facilitate the fraud detection and investigation, adjudication, defense, litigation, settlement and/or payment of all contested claims. IA AMERICAN shall be responsible for establishing all claim payment procedures not specified by IA AMERICAN herein. Claim files are the property of IA AMERICAN and shall be delivered to IA AMERICAN once closed within 30 days. Upon an order of liquidation of IA AMERICAN, GOLDEN STATE may copy the claim files. A copy of a claim file shall be sent to IA AMERICAN for review, approval and/or direction whenever;

- Requested by IA AMERICAN;
- The claim exceeds \$15,000;
- Involves a coverage dispute;
- It remains open for 6 months; or
- It involves extra contractual allegations.

9. Printing, Forms and Formatting. Policyholder communication shall be on IA AMERICAN forms and letterhead. IA AMERICAN shall provide for use by GOLDEN STATE forms and envelopes for premium billing, annual reports, past due, and loan notices, letter writing and check preparation as well as all reports produced by the GOLDEN STATE computer system.
10. Reports and Reporting. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall provide to IA AMERICAN the following reports in a form and format mutually agreed upon between GOLDEN STATE and IA AMERICAN:
 - a. Monthly, GOLDEN STATE shall furnish IA AMERICAN with:
 - (i) Paid And Pending Death Claims
 - (ii) Performance Standards Compliance Report
 - b. Once each calendar year furnish name and address information in a "flat file" format to facilitate IA AMERICAN's privacy mailings within thirty (30) days of request.
 - c. Any other standard reports available from the System within a mutually agreed upon timeframe or other information or data reasonably requested by IA AMERICAN in connection with the administration of the Policies and Contracts. However, if such reports requested are outside standard reports and take a substantial amount of effort on the part of GOLDEN STATE, IA AMERICAN agrees to pay GOLDEN STATE Additional Service Fees as referenced in Exhibit 5.1. IA AMERICAN and GOLDEN STATE agree that reports necessary for IA

AMERICAN's US GAAP reporting of the Policies and Contracts shall be considered standard reports.

11. Accounting and Actuarial Reports and Reporting. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall provide the following reports to IA AMERICAN in a format mutually agreed upon between GOLDEN STATE and IA AMERICAN:
- a. Monthly, within the time period after the end of each month indicated below, GOLDEN STATE shall furnish IA AMERICAN with:
 - (i) General Trial Balance with all monthly cash activity in the segregated bank account - within ten (10) business days
 - (ii) Non-ledger transactions - by the tenth (10) business day
 - (iii) Actuarial reporting by the tenth (10) business day
 - 1) In-force file
 - 2) Statutory reserves
 - 3) Policy Exhibit
 - (iv) Policy Loan activity report
 - b. Quarterly, within the time period after the end of each quarter indicated below, GOLDEN STATE shall, in addition to the normal monthly reporting, furnish IA AMERICAN with:
 - (i) Reserve, Premium, and In Force report - within ten (10) business days
 - (ii) Schedule T information - within ten (10) business days
 - c. Annually, within the time period indicated below, GOLDEN STATE shall in addition to the normal monthly and quarterly reporting furnish IA AMERICAN with the following:
 - (i) Information necessary to complete the Annual Statement and state required quarterly and supplemental filings, including the following - within thirty (30) business days:
 - 1) Schedule S
 - 2) Schedule T
 - 3) Exhibit of Life Insurance
 - 4) Exhibits of Premiums and Reserves
 - d. GOLDEN STATE shall segregate data in the reports in Sections 11 a., b. and c. of this Exhibit by product lines to the extent required for statutory filings applicable to IA AMERICAN.
 - e. Any other information or data that may be reasonably requested by IA AMERICAN in connection with the administration of the Policies and Contracts. However, if such other information or data is outside standard reports and takes a substantial amount of effort on the part of GOLDEN STATE, IA AMERICAN agrees to pay GOLDEN STATE Additional Service Fees as referenced in Exhibit 5.1. IA AMERICAN and GOLDEN STATE agree that reports necessary for IA

AMERICAN's US GAAP reporting of the reinsured business shall be considered standard reports.

12. Miscellaneous Services. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall forward to IA AMERICAN within five (5) business days of receipt copies of all executive, governmental or regulatory inquiries or complaints received in its offices; and GOLDEN STATE shall make every reasonable effort to provide any and all information required by IA AMERICAN in responding to such inquiries within six (6) business days, but in no event more than ten (10) business days, of receipt of IA AMERICAN's request.

GOLDEN STATE shall calculate and pay to IA AMERICAN as often as monthly, the amount of any reinsurance renewal allowance due to IA AMERICAN pursuant to the Coinsurance Agreement.

GOLDEN STATE shall calculate the amount of policy loans made to policyholders less the amount of policy loans collected from policyholders (either through payment or reduction of benefits otherwise payable under the Policies and Contracts).

13. Initial Set-Up/Transition. Prior to the Administrative Transfer Date, GOLDEN STATE will establish its systems functions and processing and educate its personnel so that the performance of the GOLDEN STATE Services may proceed on fully operational basis. IA AMERICAN shall offer reasonable cooperation and assistance to personnel of GOLDEN STATE with respect to this initial set-up and transition. The conversion of policy files to new media or electronic formats (initially or at a later date) may be part of the transition and set-up process. Arrangements for the transfer or forwarding to GOLDEN STATE of telephone calls to the IA AMERICAN from policyholders, claimants, agents and service providers will be implemented (and continued as appropriate).
14. Records. GOLDEN STATE may convert any paper or other hard media files into electronic format.
15. Complaints and Fraud. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, GOLDEN STATE shall maintain complaint logs for IA AMERICAN as required by IA AMERICAN's respective insurance authorities; GOLDEN STATE will follow prescribed IA AMERICAN standards for response to such complaints and for other complaints which are not received through an insurance regulatory authority; GOLDEN STATE will notify IA AMERICAN of any suspected agent fraud or defalcations within five (5) business days of GOLDEN STATE becoming aware of such suspected problem; GOLDEN STATE will provide IA AMERICAN with a copy of any proposed written response to an insurance regulatory authority complaint on behalf of IA AMERICAN, and the IA AMERICAN shall either approve the proposed written response or make suggested changes within forty eight (48) hours of receipt of the proposed written response in order to facilitate a timely response to the insurance regulatory authority on behalf of the IA AMERICAN.

EXHIBIT 3.1.1
PERFORMANCE STANDARDS

Task	Performance Standard
Sending out requested forms	Postmarked and sent out within three (3) business days of receipt of request
Sending out Policyholder Annual Reports	Within sixty (60) business days of the end of each policy year for interest sensitive products
Answering policyholder phone inquiries	Two (2) business days of receipt of request
Average time to process changes such as address, beneficiary, and payment mode	Six (6) business days from receipt of request
Average time to process uncontested claims after receipt of all paperwork	Ten (10) business days
Average time incoming calls are on hold	No more than 20 minutes
Providing Policy and Contract files and active claim files to insurance department on-site examiners.	Within six (6) days of the request.

EXHIBIT 4.1
ACCOUNTING REQUIREMENTS

1. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, preparing, journalizing, and posting of Book and Records in such a manner as to enable the IA AMERICAN to complete its annual financial statement in accordance with the National Association of Insurance Commissioners' guidelines, as amended, or other reports as may be required by applicable law or insurance regulatory authority including the segregation of policy activity into general ledger accounts to track the necessary premium, claim, commissions, policy benefits, etc. by product line as defined by the statutory annual statement or by US GAAP accounting requirements and, if applicable, in accordance with ERISA, as amended.
2. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, maintaining detailed Books and Records that reflect all transactions for which administrative services are performed under this Agreement, including, without limitation, premiums received for the Policies and Contracts, premium accounting, billing and collections, financial accounting, and agents' commissions for the Policies and Contracts, GOLDEN STATE's fees, contributions received and deposited on behalf of the IA AMERICAN, claims paid on behalf of the IA AMERICAN, and authorized expenses paid on behalf of the IA AMERICAN. Such detailed Books and Records shall describe all disbursements in sufficient detail to identify the source document substantiating the purpose of the disbursement, and including all of the following: (i) the check number; (ii) the date of disbursement; (iii) the person to whom the disbursement was made; (iv) the amount disbursed; (v) Policy and Contract number; and (vi) the purpose of the disbursement. If the amount disbursed does not agree with the amount billed or authorized, GOLDEN STATE shall prepare a written record as to the application for the disbursement. If the disbursement is for the earned GOLDEN STATE administrative fees, the disbursement shall be supported by evidential matter. The evidential matter shall be referenced in the journal entry so that it may be traced for verification.
3. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, prepare and maintain monthly financial institution fiduciary and claim account reconciliations within 45 days after the end of each month.
4. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, render and reconcile accounts to IA AMERICAN summarizing all transactions and remit all monies due to IA AMERICAN under this Agreement at least monthly; and GOLDEN STATE will not less often than monthly render an accounting to IA AMERICAN summarizing all transactions performed by GOLDEN STATE pertaining to the Policies and Contracts.

5. Except as limited by a new or modified conservation or liquidation order by the Conservation Court, certifications of policyholder in force data and reserves as required for valuation purposes.
6. Establishment and maintenance of a segregated bank account(s) for IA AMERICAN into which GOLDEN STATE shall immediately (and in any event within fifteen days) deposit all insurance charges, fees or premiums collected by GOLDEN STATE on behalf of IA AMERICAN and hold such funds in a fiduciary capacity. With respect to Nevada Policies and Contracts such account shall be at a financial institution in Nevada. GOLDEN STATE shall, upon request of IA AMERICAN, furnish IA AMERICAN with copies of such records pertaining to deposits and withdrawals in and from the account(s). GOLDEN STATE shall not pay any claim by withdrawals from the fiduciary account(s). Except for delivery of fiduciary account funds to IA AMERICAN, withdrawals from such account(s) shall be made only for any of the following:
 - (a) Transfer to and deposit in a claims-paying account for IA AMERICAN claims.
 - (b) Payment to GOLDEN STATE of GOLDEN STATE's compensation, fees or charges.
 - (c) Remittance of return premiums to the person or persons entitled to such return premiums.

No investments shall be made with funds in the fiduciary account(s). The fiduciary account shall at all times have a balance equal to contributions plus interest, if any, less authorized withdrawals listed in (a) through (c) above.

7. IA AMERICAN shall establish or designate a claims account from which only claims related to the Policies and Contracts are to be paid. GOLDEN STATE will inform IA AMERICAN and IA AMERICAN shall fund the amount necessary to pay all Policy and Contract claims. All Policy and Contract Claims, including those that may be funded from funds collected by GOLDEN STATE on behalf of IA AMERICAN, shall be on checks or drafts of IA AMERICAN and as authorized by IA AMERICAN. The claims account shall at all times have a balance equal to deposits less claims paid.

**Exhibit 5.1
Compensation**

ONGOING FEES:

\$1.50 per premium paying life policy in force per month and \$.92 per policy for all other policies in force per month, starting the month containing the Administration Date for the Term of this Agreement.