

The Benefits of a Fixed Index Annuity

Fixed Index Annuities (FIA) can be a valuable planning vehicle for retirement savings¹. They offer the safety and guarantees that you expect along with growth opportunity to help build your retirement savings. North American's Fixed Index Annuities help provide peace of mind by offering:

- Tax-Deferral²
- Annuity Payout Options
- Ability to Avoid Probate
- Liquidity Options
- Full Accumulation Value at Death
- Fixed Account Option



These important features can be found in each North American Fixed Index Annuity. Fixed Index Annuities also offer a unique opportunity to earn interest linked to the growth of various stock market indices without experiencing the downside risk. The Interest Credits for a Fixed Index Annuity will not mirror the actual performance of the index itself, but rather the index closes (whether it be daily, monthly, annually, etc.) are used as a basis for determining what the Interest Credits will be.

It's important to understand how the components work within a Fixed Index Annuity. Fixed Index Annuities are not an investment in the stock market or applicable indices. There are two main aspects that factor in to determining the Interest Credits, the Index Account (Crediting Method) option and the index itself.

CREDITING METHODS

North American offers several crediting methods that can be used to calculate Interest Credits, including:

- Annual Point-to-Point
- Daily Average
- 3-year Monthly Average
- Monthly Point-to-Point
- Monthly Average
- Two-Year Point-to-Point
- Biennial Point-to-Point
- Inverse Performance Trigger
- Threshold Participation Strategy

For specific details on how each of the crediting methods work, please reference the product-specific brochure and "How It Works: Crediting Methods" brochure (13091Z) for additional details.

INDEXES

Along with the crediting methods, the other important aspect in determining your Interest Credits is the index itself. North American offers multiple index options that allow you to remain in the driver's seat with your retirement dollars. As previously mentioned, the Interest Credits that are derived from a FIA will not mirror the actual performance of the index itself. The Interest Credits are determined based on the Index Account option chosen, the performance of the index, and will be subject to an Index Cap Rate, Index Margin and/or a Participation Rate depending on the product. Please refer to the product specific brochure for specific details.

North American prides itself on being a leader in choices and flexibility. We feel it's important to offer choices in an effort to provide opportunity to maximize your retirement savings.

Choosing the right accumulation vehicle for retirement is important. With so many choices, make sure to ask your independent insurance agent about fixed index annuities today.

Protect Your Assets and Those You Love with an Industry Leader

North American Company for Life and Health Insurance® is a leading insurance company in the U.S. Throughout our 100+ year history, we've focused on providing growth, income, and financial protection to the clients we serve. Our insurance and annuity products have consistently provided value to our clients - in all types of market and economic environments.

For nearly 30 years, North American has continued to earn high ratings, based on our financial strength, operating performance, and ability to meet obligations to our policyholders and contract holders. North American currently holds the following ratings:

A.M. BEST ^{A,B}	STANDARD & POOR'S ^{B,C}
A+ <i>(2nd category of 15)</i> Superior ability to meet ongoing obligations to policyholders	A+ <i>(5th category of 22)</i> Very strong financial security characteristics

A.M. Best is a large third-party independent reporting and rating company that rates an insurance company on the basis of the company's financial strength, operating performance, and ability to meet its obligations to policyholders. Standard & Poor's Corporation is an independent, third-party rating firm that rates on the basis of financial strength. Ratings shown reflect the opinions of the rating agencies and are not implied warranties of the company's ability to meet its financial obligations. The ratings to the left apply to North American's financial strength and claims-paying ability. **a)** A.M. Best rating affirmed on June 3, 2015. For the latest rating, access www.ambest.com. **b)** Awarded to North American as part of Sammons® Financial Group Inc., which consists of Midland National® Life Insurance Company and North American Company for Life and Health Insurance®. **c)** Standard & Poor's rating assigned February 26, 2009 and affirmed on July 2, 2015.

1. Fixed Index Annuities are not a direct investment in the stock market. They are long term insurance products with guarantees backed by the issuing company. They provide the potential for interest to be credited based in part on the performance of specific indices, without the risk of loss of premium due to market downturns or fluctuation. They may not be appropriate for all clients.

2. Under current law, annuities grow tax -deferred. An annuity is not required for tax deferral in qualified plans. Annuities may be subject to taxation during the income or withdrawal phase. Please note that neither North American, nor any agents acting on its behalf, should be viewed as providing legal, tax or investment advice. Consult with and rely on your own qualified advisor.



Annuity