



# NORTH AMERICAN FLEX SERIES

NA FLEX I®

NA FLEX II®

NA FLEX III®



# NORTH AMERICAN FLEX SERIES

Planning for future retirement income can be difficult. You want guarantees on your retirement savings, but no one knows where the equity or bond market may be tomorrow. The North American Flex Series from North American offers you peace of mind by giving you protection of premium and a one-year guaranteed rate of interest on your initial premium. A premium bonus may be applied based on the product chosen.

The North American Flex Series also offers you the flexibility of adding premium to your Contract. Interest rates can change annually after the funds have been in the Contract for one year—which can help you maximize benefits, and achieve your retirement goals.

## PREMIUM BONUS

To get a head start on your retirement savings, North American awards you a premium bonus on all premium payments received during the first five contract years. This premium bonus will vary by the product selected.

PRODUCT	NA FLEX I <sup>SM</sup>	NA FLEX II <sup>SM</sup>	NA FLEX III <sup>SM</sup>
PREMIUM BONUS	N/A	5%	10%

## MAY AVOID PROBATE

By naming a beneficiary, you may minimize the delays, expense and publicity often associated with probate. Your designated beneficiary receives death proceeds in either a lump sum or a series of income payments. Please consult with and rely on your legal or tax advisor.

## COMPANY FINANCIAL STRENGTH

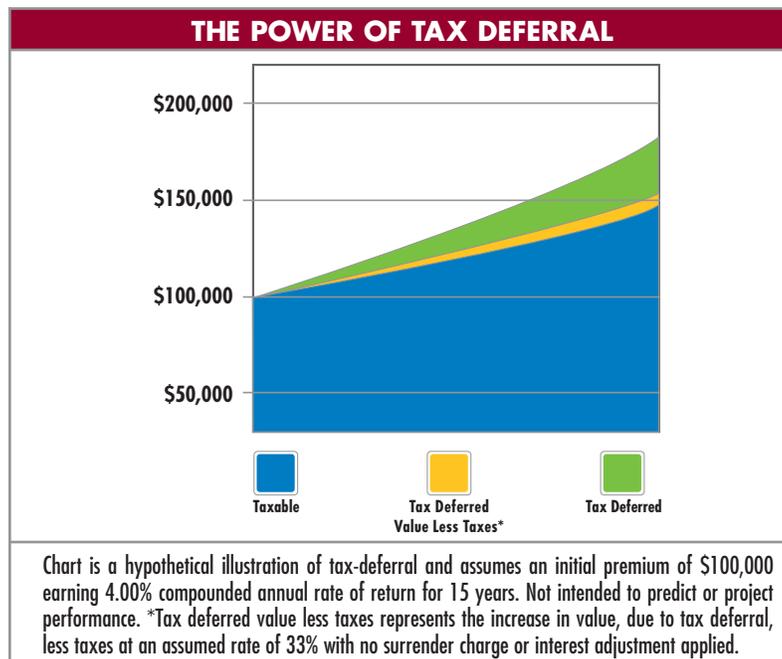
All North American tax-deferred annuities are backed by the financial strength of North American and its investment portfolio, which entails an emphasis on high-quality bonds that provide safety, liquidity and competitive interest rates. In states where these products are approved, North American maintains reserves equal to those required by state regulation.

## DEATH BENEFIT

North American will pay out, as the Death Benefit, the Accumulation Value to your beneficiary upon the death of the annuitant or an owner. Your beneficiary may choose to receive the pay-outs in either a lump sum or a series of income payments. If joint annuitants are named, the Death Benefit will be paid on the death of the second annuitant. If joint owners are named, the Death Benefit will be paid out at the death of the first owner.

## TAX-DEFERRAL

Tax-deferred growth allows your money to grow faster because you earn interest on dollars that would otherwise be paid as taxes. Your premium earns interest, the interest compounds within the Contract, and the money you would have paid in taxes earns interest. The following chart details the potential of a tax-deferred annuity.



# ACCESSING YOUR MONEY

Emergencies do arise, and access to your money is always an important concern. The North American Flex Series offers a variety of liquidity features, including the following:

## PENALTY FREE WITHDRAWALS<sup>1</sup>

The North American Flex Series allows you to take a penalty-free withdrawal up to 10% of your total Accumulation Value once each contract year, after the first contract anniversary, without incurring any surrender charges or Interest Adjustment. Any amount withdrawn in excess of 10% will be assessed a surrender charge and possibly an Interest Adjustment. Surrender charges and Interest Adjustments on IRS-Required Minimum Distributions exceeding the 10% Penalty-Free Partial Surrender amount will be waived by current Company practice.

## RETURN OF PREMIUM

At any time during the life of your North American Flex Series annuity, you may surrender the Contract and receive back all of your premiums paid. The Return of Premium enhancement can serve as a safety net for changes in your financial situation. North American guarantees that you will receive back no less than your Contract's Net Premium upon surrender of the Contract. The Net Premium is equal to initial and subsequent premiums (excluding any premium bonus, if applicable) minus any withdrawal amounts you have received (after any surrender charges and interest adjustment). This feature is added to your North American Flex Series annuity at no additional charge.

## NURSING HOME CONFINEMENT WAIVER

If you become confined to a qualified nursing home facility for at least 90 consecutive days, any time after your first anniversary, we will increase your penalty-free withdrawal amount to 20% of your total Accumulation Value each year while you are confined. This rider is automatically included on your annuity, at no additional charge, if you are age 75 or younger at the time of issue.

## ANNUITY PAYOUT OPTIONS

Should you decide to receive an income from your annuity, you have several annuity payout options from which to choose. After the surrender charge period, you may receive an income based on the accumulation value. All period certain annuity payout options are for a minimum of five years, and a maximum of 20 years. You may select any of the following options: Life Income Only, Life Income with a Period Certain, Joint and Survivor Income, and Income for a Specified Period and Amount.

By current Company practice, you may receive an income from the Accumulation Value after the first contract year (without surrender charges or Interest Adjustment) if you choose a Life Income option or if the annuity has been in force for at least five years and payments are received over a five-year period (except on the 14-year option where the annuity must be in force for at least five years and payments must be over a ten-year period).

## MINIMUM GUARANTEED INTEREST RATE

The minimum guaranteed fixed account interest rate is 1%. Upon issue, this minimum rate will be guaranteed for the entire term of your Contract.

1. Withdrawals prior to age 59½ may be subject to IRS penalties. Withdrawals taken during the Surrender Charge Period above the penalty-free amount will be subject to Surrender Charges.  
2. The Interest Adjustment is not available in all states.

## INTEREST ADJUSTMENT<sup>2</sup>

The North American Flex Series also includes an Interest Adjustment that may decrease or increase your surrender value, depending on the change in interest rates since your annuity purchase.

Due to the mechanics of an Interest Adjustment feature, the surrender value generally decreases as interest rates rise. Likewise, when interest rates have decreased over a period of time, the surrender value generally increases. However, the Interest Adjustment is limited to the interest credited to the Accumulation Value.

This adjustment is applied only during the Interest Adjustment period to surrenders that exceed the applicable penalty-free amount. Interest Adjustments on any portion of IRS-Required Minimum Distributions in excess of the penalty-free amount are waived by current Company practice.

## SURRENDER CHARGE

Surrender charges allow the Company to invest your money on a long-term basis and credit higher yields than possible with a similar annuity of shorter term. A surrender charge will be assessed in the event of a full or partial surrender exceeding the penalty-free withdrawal limit. The surrender charge is a percentage of the Accumulation Value, and declines over seven to fourteen years depending on the product selected. The surrender charge period will vary depending on the product selected.

## SURRENDER VALUE

YEAR	NA FLEX I <sup>SM</sup>	NA FLEX II <sup>SM</sup>	NA FLEX III <sup>SM</sup>
1	9%	15%	18%
2	9%	14%	18%
3	8%	13%	17%
4	7%	12%	15%
5	6%	11%	15%
6	4%	10%	15%
7	2%	8%	15%
8	0%	6%	14%
9	-	4%	12%
10	-	2%	10%
11	-	0%	8%
12	-	-	6%
13	-	-	4%
14	-	-	2%

Note: Surrender charge structure may vary by state. Please consult your Annuity Disclosure Statement for details specific to your state.

The surrender value is the amount that is available at the time of surrender. The surrender value is equal to the Accumulation Value, subject to the Interest Adjustment, less applicable surrender charges and state premium taxes. The surrender value will never be less than the minimum requirements set forth by state laws, at the time of issue, in the state where the Contract is delivered.

## PORTRAIT OF FINANCIAL STABILITY

A.M. Best	A+ (Superior) <sup>*, °</sup>	2nd highest out of 15 categories	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 contract holders.
Standard & Poor's Corporation	A+ (Strong) <sup>°, §</sup>	5th highest out of 22 categories	Standard & Poor's Corporation is an independent third-party rating firm that rates on the basis of financial strength.

\* A.M. Best rating affirmed on May 26, 2011. For the latest rating, access [www.ambest.com](http://www.ambest.com).

° Awarded to North American as part of Sammons Financial Group, which consists of Midland National Life Insurance Company and North American Company for Life and Health Insurance.

§ Standard and Poor's awarded its rating on February 26, 2009 and affirmed on April 6, 2011.

Ratings shown reflect the opinions of the rating agencies and are not implied warranties of the company's ability to meet its financial obligations. Ratings are current as of the date of this brochure.

### PLEASE NOTE:

This brochure is for solicitation purposes only. Please refer to your Contract for any other specific information. With every contract that North American issues there is a free-look period. This gives you the right to review your entire Contract and if you are not satisfied, return it and have your premium returned.

### PREMIUM BONUS

Products that have premium bonuses may offer lower credited interest rates than products that don't offer a premium bonus. Over time and under certain scenarios the amount of the premium bonus may be offset by the lower interest rate.

The North American Flex Series annuities are issued on forms LC160A (group certificate) LS160A (individual contract) and LR426A, LR433A, LR427A, LR428A, LR430A, AE512A (riders/endorsements) or appropriate state variation by North American Company for Life and Health Insurance, West Des Moines, Iowa. Annuities may be subject to taxation during the income or withdrawal phase.

### SPECIAL NOTICE REGARDING THE USE OF A LIVING TRUST AS OWNER OR BENEFICIARY OF THIS ANNUITY.

The use of living trusts in connection with an annuity contract can be a valuable planning mechanism. However, a living trust is not always appropriate when mass-produced in connection with the sale of an insurance product. We strongly suggest you seek the advice of your qualified legal advisor concerning the use of a trust with an annuity contract.

Neither North American, nor any agents acting on its behalf, should be viewed as providing legal, tax or investment advice. Consult with a qualified advisor. The tax-deferred feature is not necessary for a tax-qualified plan. In such instances, you should consider whether other features, such as the Death Benefit, lifetime annuity payments and any riders make the Contract appropriate for your needs.

[www.nacannuity.com](http://www.nacannuity.com)

NORTH AMERICAN COMPANY  
FOR LIFE AND HEALTH INSURANCE  
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West Des Moines, IA 50266

Not FDIC/NCUA Insured	Not A Deposit Of A Bank	Not Bank Guaranteed
May Lose Value	Not Insured By Any Federal Government Agency	