



PAST. PRESENT. FUTURE...

NORTH AMERICAN COMPANY
FOR LIFE AND HEALTH INSURANCE®

INDEX

Pages 2-5	Growth and Experience
Pages 6-7	Investment Information
Page 8	Company Ratings

GROWTH AND EXPERIENCE

North American is one of the leading insurance companies in the country. The Company has enjoyed steady growth, stability of leadership, and industry success over the course of its history. North American celebrated its 125th anniversary in 2011. With its continued emphasis on providing sound products and excellent service, the Company looks forward to celebrating many more milestones in the years to come.

Founded in 1886, North American has stood strong to help protect those who count on us for financial security. Through two world wars, the Great Depression, and multiple recessions, North American's private ownership and focus on the long term has instilled trust and confidence in those that depend on us.

NORTH AMERICAN'S MISSION

People depend on North American for their retirement needs, and to be there for them when it counts. Whether you are already a policyholder, or are considering North American to protect your financial future, we take our financial strength very seriously.

Your continued confidence remains our key focus, which is why we follow a disciplined and conservative investment strategy. As a privately held company, we plan for the long term, which has resulted in consistently strong performance throughout the years – withstanding even the toughest times of economic downturn faced by other financial companies.

We consistently invest in new products, grow distribution, enhance our services, and build upon our professional culture. Whether we're serving in our communities or spending a little extra time with a policyholder, we're focused on doing what's right.

FINANCIAL STRENGTH

It's important to have a financially strong carrier on your side. Part of what allows North American to maintain our financial strength is the stability that comes with our unique ownership.

As part of a privately held company, we are not subject to the short-term earnings pressures that publicly held companies face. We are a company with plans to perpetuate itself for hundreds of years, not the next quarter or fiscal year. We focus on the long term. We focus on you. North American's asset quality is excellent. Overall net investment income provides ample margins to cover contractual obligations to all policyowners. North American takes our financial strength seriously and we follow a disciplined and conservative investment strategy.

EXPERIENCED MANAGEMENT

Experienced management is very important from the standpoint of the customer, as it is an indicator of the company's ability to meet long-term commitments. North American's officers have expertise that is respected throughout the insurance industry.

COMPANY TIMELINE

- **1886** **Founded as North American Accident Association**
- **1890** **A.E. Forest purchased the company for \$2,000 and appointed the company's first general agent**
- **1918** **North American became the first company to offer a disability insurance policy for women**
- **1981** **Actively enters the brokerage marketplace**
- **1984** **North American introduces its first universal life product**
- **2001** **Achieves \$100 billion of life insurance in-force**
- **2001** **Sammons Annuity Group, North American's Annuity Service Center, began offering fixed annuities**
- **2011** **Celebrated 125 years in business**

At year-end 2011, North American and its affiliated life insurance companies (all members of the Sammons Financial Group) reached more than \$220 billion of individual insurance in force on over 1 million life insurance policies. The life insurance companies of Sammons Financial Group have approximately \$27 billion of annuity reserves for 504,000 contract owners. Today North American is one of the leading insurance companies in the country.

SAMMONS ENTERPRISES, INC. NORTH AMERICAN'S PARENT COMPANY

North American's parent company, Sammons Enterprises, Inc., is a multi-faceted holding corporation that owns and operates businesses across a diverse range of industries. Such businesses include: Briggs International and its Briggs subsidiaries - Briggs Equipment in the United States, Mexico and the United Kingdom, Compatriot Capital, and Sammons Financial Group, including its insurance subsidiaries - Midland National Life Insurance Company and North American Company for Life and Health Insurance®. Headquartered in Dallas Texas, with assets approaching \$50 billion, and more than 3,400 employees in the United States, Mexico and the United Kingdom, Sammons ranks among the largest privately-owned companies in the world.

Sammons' mission is to build the world's premier ESOP-owned company committed to industry-leading businesses, high ethical standards, solid financial performance and a true values based culture, where every person makes a difference.

**NORTH AMERICAN COMPANY
FOR LIFE AND HEALTH INSURANCE®**

BALANCE SHEET AS OF 12/31/11¹ (IN THOUSANDS)

ASSETS

As of December 31, 2011 (In thousands)

Bonds	\$10,672,342
Stocks	132,296
Cash and Short-term Investments	93,731
Loans to Policyholders	82,715
Other Invested Assets	502,846
Accrued Investment Income	99,810
All Other Assets	145,184

TOTAL ASSETS **\$11,728,924**

LIABILITIES, CAPITAL AND SURPLUS

As of December 31, 2011 (In thousands)

Life and Annuity Reserves	\$9,597,726
Interest Maintenance Reserve (IMR)	80,411
Asset Valuation Reserve (AVR)	65,081
Repurchase Agreements & Other Borrowings .	981,812
Other Liabilities	161,029

TOTAL LIABILITIES **\$10,886,059**

Capital and Surplus

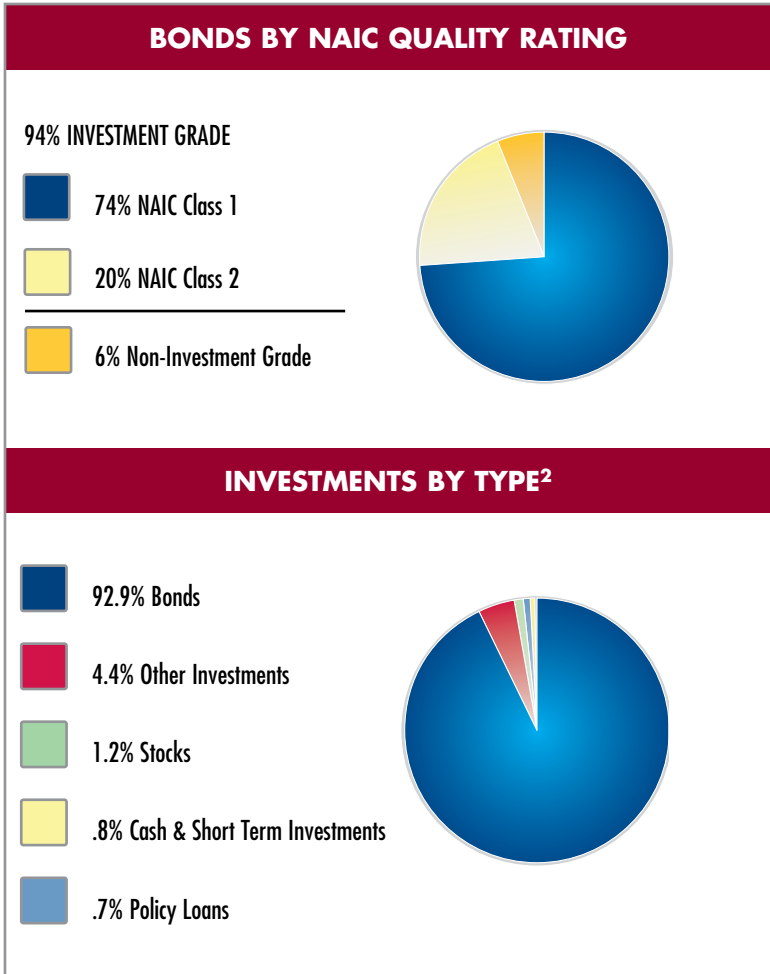
842,865

TOTAL LIABILITIES, CAPITAL AND SURPLUS **\$11,728,924**

1. Information presented is on a Statutory Accounting basis.

HIGH QUALITY INVESTMENTS

North American's asset quality is excellent. Overall net investment income provides ample margins to cover contractual obligations to all policyowners.



2. Stated as a percent of total invested assets.

PORTRAIT OF FINANCIAL STABILITY

A.M. Best	A+ (Superior) [•] °	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) [°] §	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.

° 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.



www.nacannuity.com
NORTH AMERICAN COMPANY FOR LIFE AND HEALTH INSURANCE,[®]
Annuity Service Center
4350 Westown Parkway | West Des Moines, IA 50266

NOT FDIC INSURED.
NO BANK GUARANTEE.