

# NAC RetireChoice<sup>®</sup> 10

Fixed Index Annuity



*Annuity*

# Flexible Choices that fit - NAC RetireChoice® 10

Most people dream about having a secure and comfortable retirement. Achieving the dream of a secure, comfortable retirement is much easier when you plan your finances. The NAC RetireChoice® 10 flexible premium fixed index annuity provides a flexible long-term solution that offers a variety of choices and guarantees to fit your ultimate retirement planning goals.



## Summary of Benefits

- A premium bonus on all premiums received in the first five contract years
- Multiple index account options available
- Tax-deferral, income for life, and full accumulation value at death
- Choose an optional Additional Benefit Rider (for a cost) that provides an additional premium bonus, enhanced penalty-free withdrawals, additional payout benefit and return of premium

# Experience the NAC RetireChoice 10

## Tax-Deferral

Tax-deferred growth allows your money to grow faster because you earn interest on dollars that would otherwise be paid in taxes. Your premium earns interest, the interest compounds within the contract and the money you would have paid in taxes earns interest.

*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.*

## Provide a Lasting Legacy

Upon death of the annuitant or owner, North American will pay out the accumulation value as the death benefit to your beneficiary provided no payout option has been elected. The death benefit also includes any interest credits for a partial contract year or biennial index term based on the date of death. Therefore, the death benefit your beneficiaries receive also reflects the interest credits for the partial year or biennial term up through the date of death. The calculation will vary depending on the index account option in which the premium is allocated at the time of death. Your beneficiary may choose to receive the payout in either a lump sum or a series of income payments. By naming a beneficiary, you may minimize the delays, expense and publicity often associated with probate.

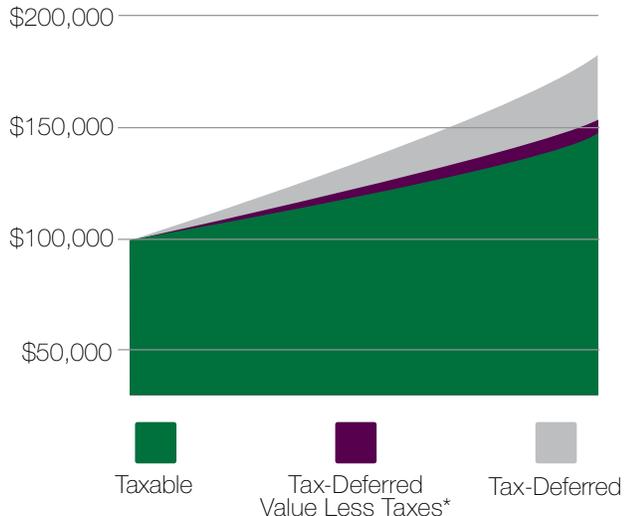
If joint annuitants are named, the death benefit will be paid on the death of the second annuitant. If joint owners are named, the death benefit will be paid on the death of the first owner.

*Please consult with and rely on your own legal or tax advisor.*

## Lifetime Income

North American can provide you with a guaranteed income stream with the purchase of your tax-deferred annuity, through the election of an annuity payout option. You have the ability to choose from several different annuity payout options, including life or a specified period.

## The power of tax deferral



*The chart is a hypothetical example of tax-deferral and assumes an initial premium of \$100,000 earning 4.00% compounded annual rate of return for 15 years. It is not intended to predict or project performance.*

*\*The tax-deferred value less taxes represents the increase in value, due to tax-deferral, less taxes at an assumed rate of 33% with no surrender charges or Interest Adjustment applied.*

## Issue Ages (may vary by state)

Available at issue ages 0-79 (qualified and non-qualified)  
*For issue ages 0-17, a Uniform Gift to Minors Act (UGMA) or Uniform Transfers to Minors Act (UTMA) custodial account must be established.*

## Minimum Premium

Flexible Premium, \$20,000 (qualified and non-qualified)

## Why Choose North American®?

In good times and in bad, we've remained one of the most highly rated insurance companies in the U.S., rated "A+" (Superior) by A.M. Best.<sup>a</sup>

*(See back cover for details)*



*Annuity*

# Building a Foundation

## PREMIUM BONUS

To get a jump start on your retirement savings, North American credits you a premium bonus on all premiums received during the first five contract years. The NAC RetireChoice 10 automatically comes with a premium bonus and also has an option to increase that bonus. When you elect the optional Additional Benefit Rider for an additional cost, your premium bonus increases. These flexible options are designed to let you choose how to jump start your savings from the very beginning.

### 2% on all premium payments received during the first 5 contract years

*You may lose some or all of the premium bonus if withdrawals are taken in excess of those allowed due to the premium bonus recapture feature discussed later in the brochure. Products that have premium bonuses may offer lower credited interest rates, lower index cap rates, lower participation rates and/or greater index margins 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 credited interest rates, lower index cap rates, lower participation rates and/or greater index margins.*

## CONTRACT VALUES

### Accumulation Value

Once you purchase your annuity, an Accumulation Value is established. Your Accumulation Value is equal to 100% of premium and any applicable premium bonus, plus any fixed and index account interest earned, minus withdrawals. Your Accumulation Value will be reduced by the amount of any withdrawals (including any rider charges, if applicable), but cannot decrease due to negative index performance.

### Surrender Value

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, premium bonus recapture 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. The surrender value will not be less than 87.5% of all premiums; less any partial surrenders (after interest adjustment or reduction for surrender charges); accumulated at 1.00%.

*For detailed information on charges incurred if the contract is surrendered, see the surrender charge section.*

## OPTIONAL ADDITIONAL BENEFIT RIDER

You may elect to add an optional Additional Benefit Rider (for a cost) that provides more options. This rider is designed to provide flexible choices to fit your individual goals.

- **2.50% Additional Premium Bonus:** Premium bonus increases from 2% to 4.50% on any premiums received in the first five contract years.
- **5% Additional Payout Benefit** on accumulation value at payout after the surrender charge period. If you elect an annuity payout option after the 10-year surrender charge period has elapsed, a 5% bonus will be added to your Accumulation Value.
- **Return of Premium:** At any time in the third contract year and thereafter, you may terminate the contract and receive no less than your contract's net premium paid. The net premium is equal to your initial and subsequent premiums (less any premium bonus and optional rider cost, if applicable, excluding the rider cost) minus any withdrawal amounts you have received (after any surrender charges or interest adjustment).
- **Enhanced Penalty-Free Withdrawals:** Beginning in the third contract year, penalty-free withdrawals can increase to 20% (maximum) in years in which no withdrawal was taken in the previous year. If any penalty free withdrawal is taken during a contract year, the penalty-free allowance available for the following year resets to 10%. See example below.

Contract Year	Available Penalty-Free Withdrawal	Penalty-Free Withdrawal Taken
1	0%	0%
2	10%	0%
3	20%	5%
4	10%	0%
5	20%	0%
6	20%	0%

Rider cost for all benefits is 0.55% of Accumulation Value at each contract anniversary during the surrender charge period. This rider cost is taken penalty free and without surrender charges. The optional rider cost, under certain scenarios, may result in loss of premium.



# Growth Potential

## CHOOSE YOUR OPTIONS

There are two main aspects that factor in determining the interest credits; the Index Account (crediting method) and the specific index. You have total control over how your initial premium is allocated between our fixed account or index accounts.

### Choose Your Index Options

North American offers several Index Account options that can be used to calculate interest credits including:

- Monthly Point-to-Point
- Monthly Average
- Annual Point-to-Point
- Two-Year Point-to-Point
- Biennial Point-to-Point
- Inverse Performance Trigger

These crediting methods allow you to select from several different indexes noted in the index options chart. Each of these index account options performs differently in various market scenarios. It is important to note that the fixed account interest is never applied to premium allocated to the index accounts.

*Refer to the "How it Works-Crediting Methods and Index Options" brochure for more information on the differences.*

## Did You Know - TRANSFER OPTIONS

After the first contract year and on an annual basis for all annual crediting methods, or after the second contract year and every two years for the two-year point-to-point crediting method and biennial point-to-point crediting method, you may elect to transfer between crediting methods and index account options, including the fixed account. Based on current tax laws, transfers between options will not be taxable or subject to surrender penalties. By current company practice\*, you will have 30 days following each contract anniversary to reallocate.

## ANNUAL & TWO-YEAR RESET

The annual and two-year resets allow an interest credit, if any, to be added to the index account at the end of each index term. That amount, when added, becomes "locked-in" because it can not be taken away due to negative index performance. The "locked-in" interest credit will be added to the accumulation value, giving you the advantage of compounding in subsequent years.

This feature also resets your starting index point each new index term. Annual and two-year reset can be a benefit when the index experiences a severe downturn during the term because at the beginning of the next term, you can take advantage of any gains from that point forward.

Without this feature, you would have to wait for the index to climb to its original level before any gains could be realized.

\* A feature offered "by current company practice" is not a contractual guarantee of this annuity contract and can be removed or changed at any time.

## The NAC RetireChoice 10 Offers A Variety Of Index Options Including

<b>S&amp;P 500® Index</b>	This index has been widely regarded as the best single gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy.
<b>S&amp;P 500® Low Volatility Daily Risk Control 5% Index</b>	The S&P 500® Low Volatility Daily Risk Control 5% Index strives to create stable performance through managing volatility (i.e. risk control) on the S&P 500 Low Volatility Index. The S&P 500 Low Volatility Index measures performance of the 100 least volatile stocks in the S&P 500. The index adds an element of risk control by applying rules to allocate between stocks, as represented by the S&P 500 Low Volatility Index, and cash. The Index is managed to a 5% volatility level.
<b>S&amp;P 500® Low Volatility Daily Risk Control 8% Index</b>	The S&P 500® Low Volatility Daily Risk Control 8% Index strives to create stable performance through managing volatility (i.e. risk control) on the S&P 500 Low Volatility Index. The S&P 500 Low Volatility Index measures performance of the 100 least volatile stocks in the S&P 500. The index adds an element of risk control by applying rules to allocate between stocks, as represented by the S&P 500 Low Volatility Index, and cash. The Index is managed to an 8% volatility level.
<b>S&amp;P MIDCAP 400® INDEX</b>	The S&P MidCap 400® Index provides investors with a benchmark for mid-sized companies. The index seeks to remain an accurate measure of mid-sized companies, reflecting the risk and return characteristics of the broader mid-cap universe on an on-going basis.
<b>Dow Jones Industrial Average™ Index (DJIA®)</b>	Dow Jones Industrial Average™ Index – The oldest continuing stock market index, the DJIA is one of the most well known and widely followed indicators of the U.S. stock market in the world. It is represented by 30 of the largest U.S. stocks, including household names and leaders in their respective industries.
<b>Nasdaq-100® Index</b>	The Nasdaq-100® index includes 100 of the largest domestic and international non-financial securities listed on The Nasdaq Stock Market based on market capitalization. The index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology.
<b>LBMA GOLD PRICE INDEX (LBMA AFTERNOON (PM) GOLD PRICE)</b>	The LBMA is an international trade association, representing the London market for gold and silver bullion which has a global client base. The “LBMA Gold Price” is administered by ICE Benchmark Administration (IBA). IBA hosts an electronic auction process for the LBMA Gold Price. The price is set twice daily (at 10:30 and 15:00 London GMT) in US dollars.

## CREDITING METHODS

<b>Monthly Point-to-Point with Index Cap Rate</b>	<b>Monthly Point-to-Point</b>	This method for determining any Interest Credit uses the monthly changes in the Index Value, subject to a monthly Index Cap Rate. The Interest Credit is credited annually and is based on the sum of all the monthly percentage changes in the index value—which could be positive or negative. On each contract anniversary, these monthly changes, each not to exceed the monthly Index Cap Rate, are added together to determine the Interest Credit for that year. Negative monthly returns have no downside limit and will reduce the Interest Credit, but the Interest Credit will never be less than zero.
	<b>Index Cap Rate</b>	Your annuity applies an Index Cap Rate, or upper limit, to calculate your Interest Credits each year for the Monthly Point-to-Point. This cap is applied monthly and may change annually. The Index Cap Rate will be declared on each contract anniversary and is guaranteed for that year. The Index Cap Rate is set at the Company’s discretion, however, at no time will this cap ever fall below the minimum guaranteed Index Cap Rate set for the Monthly Point-to-Point Index Account.
<b>Monthly Average with Participation Rate</b>	<b>Monthly Average</b>	This method for determining any Interest Credit is calculated by comparing the Index Value on the first day of the contract year to the Monthly Average Index Value. The Monthly Average Index Value equals the sum of the monthly index values over the contract year, excluding the beginning Index Value on the first day of the contract year, divided by 12. The annual Interest Credit will never be less than zero.
	<b>Participation Rate</b>	Once a gain has been calculated using the Monthly Average Index Account option, a Participation Rate is applied. The Participation Rate is a percentage that is multiplied by the gain at the end of the contract year and is used to determine the Interest Credit to your contract. The Participation Rate is guaranteed for the first contract year, and can change each year thereafter on the contract anniversary. The Participation Rate is declared each year at the Company’s discretion.

## CREDITING METHODS

<b>Annual Point-To-Point with</b> <ul style="list-style-type: none"> <li>• Index Cap Rate</li> <li>• Index Margin</li> </ul>	<b>Annual Point-To-Point</b>	<p>This calculation method measures the change in index value using two points in time; the beginning index value and the ending index value for that year. Index linked gains are calculated based on the difference between these two values. The index change, if any, is then subject to an Index Cap Rate and/or Index Margin. The annual Interest Credit will never be less than zero.</p>
	<b>Index Cap Rate</b>	<p>Your annuity applies an Index Cap Rate, or upper limit, to calculate your Interest Credits each year applied to the Annual Point-to-Point Index Account option. This cap is applied annually and may change annually. It is declared on the contract anniversary and is guaranteed for that year. The Index Cap Rate is set at the Company's discretion. However, at no time will this cap ever fall below the minimum guaranteed Index Cap Rate set for the Annual Point-to-Point Index Account.</p>
	<b>Index Margin</b>	<p>Once a gain has been calculated using the Annual Point-to-Point Index Account option, an Index Margin is subtracted. The Index Margin is guaranteed for the first year, but can change each year thereafter at the Company's discretion. The Index Margin is set in advance each contract year, however at no time will it be greater than the maximum Index Margin for the Annual Point-to-Point Index Account.</p>
<b>Biennial Point-to-Point with Index Cap Rate</b>	<b>Biennial Point-to-Point</b>	<p>Biennial (also known as Term) Point-to-Point measures index growth at the end of two years using two points in time; the beginning index value and the ending index value. Index linked gains are calculated based on the difference between these two values. The Index Growth, if any, is then subject to an Index Cap Rate. The biennial Interest Credit will never be less than zero.</p>
	<b>Index Cap Rate</b>	<p>Your annuity applies an Index Cap Rate, or upper limit, to calculate your Interest Credits every two years applied to the Biennial Point-to-Point Index Account option. This cap, which is applied every two years, is declared on the contract anniversary and is guaranteed for the two-year term. The Index Cap Rate is set at the Company's discretion. However, at no time will this cap ever fall below the minimum guaranteed Index Cap Rate set for the Biennial Point-to-Point Index account option.</p>
<b>Two-Year Point-to-Point with Index Margin</b>	<b>Two-Year Point-to-Point</b>	<p>This calculation method measures the change in index value using two points in time; the beginning index value and the ending index value for that two-year term. Index linked gains are calculated based on the difference between these two values. The Index growth, if any, is then subject to an Index Margin. The Interest Credit will never be less than zero.</p>
	<b>Index Margin</b>	<p>Once a gain has been calculated using the Two-Year Point-to-Point Index Account option, the annual Index Margin is multiplied by two (which is the term length) and is subtracted from the gain. An annual Index Margin is set at the beginning of each two-year term and is guaranteed for that term. The Index Margin can change at the start of each new term at the Company's discretion, however at no time will it be greater than the maximum Index Margin for the Two-Year Point-to-Point Index Account.</p>
<b>Inverse Performance Trigger</b>	<b>Inverse Performance Trigger (or Annual Declared Rate Negative Performance Option)</b>	<p>The Inverse Performance Trigger is based on the S&amp;P 500®. The S&amp;P 500® Index Value from the beginning of your contract year is compared to the Index Value at the end of the contract year. If the ending S&amp;P 500® Index value is equal to or less than the starting value, the money allocated to this option will be credited interest at the Declared Performance Rate. If the ending Index Value is greater than the beginning Index Value, the money allocated to this option will receive a zero percent (0%) Interest Credit.</p>
	<b>Declared Performance Rate</b>	<p>This method for determining any Interest Credit applies a Declared Performance Rate of interest when the Index Value stays the same or goes down throughout the year. This Declared Performance Rate may change annually, and it will never fall below the minimum guaranteed rate. The Declared Performance Rate is set each year at the Company's discretion.</p>
<b>Fixed Account</b>	<p>Premium allocated to the Fixed Account will be credited interest at a declared Fixed Account interest rate and is credited daily. The initial premium interest rate is guaranteed for the first contract year. For each subsequent contract year, we will declare, at our discretion, a Fixed Account interest rate that will apply to the amount allocated to the Fixed Account as of the beginning of that contract year. A declared Fixed Account Interest rate will never fall below the minimum guaranteed fixed account interest rate.</p>	

Ask your sales representative for the current rates and minimum index cap rates, maximum index margins, minimum participation rates, declared performance rate, and fixed account interest rate.

## Diversify your premium among the following index account options

Crediting methods <i>(Subject to factor below)</i>	Index availability*
<b>Monthly Point-to-Point</b> <i>(Subject to an index cap rate)</i>	<ul style="list-style-type: none"> <li>• S&amp;P 500®</li> <li>• Nasdaq-100®</li> </ul>
<b>Monthly Average</b> <i>(Subject to participation rate)</i>	<ul style="list-style-type: none"> <li>• S&amp;P 500®</li> <li>• (DJIA®) Dow Jones Industrial Average™</li> <li>• S&amp;P MidCap 400®</li> </ul>
<b>Annual Point-To-Point</b> <i>(Subject to an index cap rate)</i>	<ul style="list-style-type: none"> <li>• S&amp;P 500®</li> <li>• (DJIA®) Dow Jones Industrial Average™</li> <li>• S&amp;P MidCap 400®</li> <li>• Nasdaq-100®</li> <li>• LBMA Afternoon (PM) Gold Price</li> </ul>
<b>Annual Point-To-Point</b> <i>(Subject to an index margin)</i>	<ul style="list-style-type: none"> <li>• S&amp;P 500® Low Volatility Daily Risk Control 5%</li> </ul>
<b>Two-Year Point-To-Point</b> <i>(Subject to an index margin)**</i>	<ul style="list-style-type: none"> <li>• S&amp;P 500® Low Volatility Daily Risk Control 8%</li> </ul>
<b>Biennial Point-To-Point</b> <i>(Subject to an index cap rate)</i>	<ul style="list-style-type: none"> <li>• S&amp;P 500®</li> </ul>
<b>Inverse Performance Trigger</b> <i>(Declared Performance Rate)</i>	<ul style="list-style-type: none"> <li>• S&amp;P 500®</li> </ul>

\* NOTE: Past index performance is not intended to predict future performance and the index does not include dividends.

\*\*For the two-year point-to-point, the declared annual index margin is multiplied by two when it is applied at the end of each two-year term.

### Did You Know - SUBSEQUENT PREMIUMS

All subsequent premiums will be credited a fixed interest rate. We will declare this interest rate for each subsequent premium at the time that subsequent premium is received. The interest rate applicable to each subsequent premium is guaranteed until the end of the contract year. On each contract anniversary, North American will allocate any premiums received since the prior contract anniversary, according to your most recent instructions. Subsequent premiums added during the first five contract years will receive a premium bonus. The premium bonus for subsequent premiums is also subject to the premium bonus recapture feature, should withdrawals in excess of the penalty-free amount be taken.

### WHAT OTHER FACTORS IMPACT MY MONEY?

Having access to your money is always an important factor. If you choose to withdraw money from your contract there are several factors to consider. For additional withdrawals outside of the penalty-free allowance, taken before the end of the surrender charge period, surrender charges may apply. Also, if you take out withdrawals in excess of your penalty-free allowance, a portion of your premium bonus may be forfeited due to the premium bonus recapture. Let's take a look at these factors including penalty-free withdrawals, interest adjustments, premium bonus recapture, and surrender charges.

*Withdrawals will be taxed as ordinary income, and if taken before age 59½, may be subject to a 10% IRS penalty. Withdrawals from your contract will also reduce your accumulation value accordingly.*

# Accessing Your Money

With NAC RetireChoice 10, you can access your money in a number of different ways, depending on when it may be needed.

## Penalty-Free Withdrawals

After the first contract anniversary, a penalty-free withdrawal (also known as a penalty-free partial surrender), of up to 10% of the accumulation value may be taken each year. After the surrender charge period, surrender charges, premium bonus recapture, and an interest adjustment no longer apply to any withdrawals.

## Annuity Payout Options

Upon annuitization, NAC RetireChoice 10 offers a variety of income options to suit the needs of annuitants, from just a certain number of years, to a lifetime income option. Annuity payout options are a benefit of deferred annuities, but are not a requirement. On non-qualified plans, a portion of each income payment represents a return of premium that is not taxable, thus reducing your tax liabilities.

In all states except Florida, 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. You can also receive an income based on the accumulation value if your annuity has been in force for at least five years and you elect to receive payments over at least a five-year period. Once a payout option is elected it cannot be changed and all their rights and benefits under the annuity end.

### Income Options

With the exception of life income options, income options are available from 5 to 20 years.

Choose from:

- Income for a specified period
- Income for a specified amount
- Life income with a period certain
- Life income
- Joint and survivor life income

#### For Florida

You may select an annuity payout option based on the accumulation value at any time after the first contract year.

Choose from:

- Life income
- Life income with a 10- or 20-year period certain
- Joint and survivor life income
- Joint and survivor life income with a 10- or 20-year period certain

## Interest Adjustment

(In **Virginia**, Interest Adjustment is not available)

Your Contract also includes an interest adjustment (also known as market value adjustment) feature—which may decrease or increase your surrender value depending on the change in interest rates since your annuity purchase. Lower interest rates at time of issue may result in less opportunity for a positive interest adjustment in future contract years. In certain rate scenarios at the time of issue, it may not be possible to experience a positive interest adjustment. Due to the mechanics of an interest adjustment, the surrender values generally decrease as interest rates rise or remain constant. Likewise, when interest rates decrease enough over a period of time, the surrender value generally increases. However, the interest adjustment is limited to the interest credited to the accumulation value.

In **California**, the interest adjustment is limited to the surrender charge or 0.50% of the accumulation value at the time of surrender.

This adjustment is applied only during the surrender charge period to surrenders exceeding the applicable penalty-free allowance.

*See the "Understanding the market value adjustment" brochure for more information.*

## Nursing Home Confinement Waiver

(Not available in all states)

After the first contract anniversary, should the annuitant become confined to a qualified nursing home facility for at least 90 consecutive days, we will increase the penalty-free withdrawal by 10% of the Accumulation Value each year while the annuitant is confined. This waiver is only available for issue ages 75 and younger and is automatically included with your annuity at no additional charge.

If joint annuitants are named on the annuity, waiver will apply to the first annuitant who qualifies for the benefit.

## Required Minimum Distribution

Surrender charges, premium bonus recapture and interest adjustment on any portion of an IRS-Required Minimum Distributions exceeding the available penalty-free withdrawal amount will be waived by current company practice.\*

*\* A feature offered "by current company practice" is not a contractual guarantee of this annuity contract and can be removed or changed at any time.*

## Surrender Charges

Surrender charges allow the Company to invest your money on a long-term basis and generally credit higher yields than possible with a similar annuity of shorter term. During the surrender charge period, a surrender charge is assessed on any amount withdrawn, whether as a partial or full surrender, that exceeds the penalty-free allowance applicable and may result in a loss of premium. Additional premiums deposited into existing contracts will maintain the surrender charge schedule set forth at contract issue date. Certain payout options may incur a surrender charge and premium bonus recapture. Interest adjustments apply during the surrender charge period.

### Surrender Charge Schedule

Contract Year	Charge
1	10%
2	10%
3	9%
4	9%
5	8%
6	8%
7	7%
8	6%
9	4%
10	2%
11+	0%

### Surrender Charge Schedule State Variations

Contract Year	10-Year CA	10-Year OH, OK, TX, UT
1	8%	8.5%
2	7.45%	8.5%
3	6.5%	8%
4	5.5%	7%
5	4.55%	6%
6	3.55%	5%
7	2.55%	4%
8	1.5%	3%
9	0.50%	2%
10	0.44%	1%
11+	0%	0%

A surrender during the surrender charge period could result in a loss of premium. Surrender charges may vary by state. In **California**, the Surrender Charge percentage in the 10th contract year will decrease 0.04% monthly until the Surrender Charge equals 0.00%. The decrease will occur on the same day in each month as the date of the contract anniversary; if the date does not exist for a given month, the date for that month will be the last calendar day of the month.

\* A feature offered "by current company practice" is not a contractual guarantee of this annuity contract and can be removed or changed at any time.

## Premium Bonus Recapture Provision

A premium bonus will be credited on premium received during the first five contract years. During the surrender charge period, withdrawals in excess of the penalty-free allowance or a full surrender will incur a premium bonus recapture. This is in addition to any applicable surrender charges and/or interest adjustments. This recapture schedule applies to all premium bonus credits, including the additional premium bonus, and is set at issue.

### Premium Bonus Recapture Schedule

Contract Year	Recapture %
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%
11+	0%

### Premium Bonus Recapture State Variations

Contract Year	10-Year CA
1	80%
2	75%
3	65%
4	55%
5	50%
6	40%
7	30%
8	20%
9	10%
10	0%
11+	0%

Premium Bonus Recapture may vary by state. The premium bonus is not recaptured in the event of death of the Annuitant. No premium bonus recapture will occur on any penalty-free withdrawal amount, Required Minimum Distributions (by current company practice\*) or under the Nursing Home Confinement Waiver.

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. 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. Although Fixed Index Annuities guarantee no loss of premium due to market downturns, deductions from your Accumulation Value for additional optional benefit riders could under certain scenarios exceed interest credited to your Accumulation Value, which would result in loss of premium. They may not be appropriate for all clients.

Premium taxes: Accumulation Value will be reduced for premium taxes as required by the state of residence.

The NAC RetireChoice® 10 is issued on form LC/LS160A (certificate/contract), LR431A, LR424A-1, LR423A, AE520A, AE533A, AE529A, AE532A, AE531A, AE556A, AE557A, LR433A, AE530A, AE528A, AE511A and LR427A (riders/endorsements) or appropriate state variation by North American Company for Life and Health Insurance®, West Des Moines, IA. This product, its features and riders may not be available in all states.

#### **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 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 and rely on a qualified advisor. Under current law, annuities grow tax deferred. Annuities may be subject to taxation during the income or withdrawal phase. 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.

The "S&P 500®", "S&P 500® Low Volatility Daily Risk Control 5% Index", "S&P 500® Low Volatility Daily Risk Control 8% Index", "S&P MidCap 400®", and "DJIA®" Indices ("Indices") are products of S&P Dow Jones Indices LLC or its affiliates ("SPDJI") and have been licensed for use by North American Company for Life and Health Insurance® ("the Company"). Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P") and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). The trademarks have been licensed to SPDJI and have been sublicensed for use for certain purposes by the Company. NAC RetireChoice ("Product") is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, any of their respective affiliates (collectively, "S&P Dow Jones Indices"). S&P Dow Jones Indices does not make any representation or warranty, express or implied, to the owners of the NAC RetireChoice 10 or any member of the public regarding the advisability of investing in securities generally or in this Product particularly or the ability of these Indices to track general market performance. S&P Dow Jones Indices only relationship to North American with respect to these Indices is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its licensors. The Indices are determined, composed and calculated by S&P Dow Jones Indices without regard to North American or the Product. S&P Dow Jones Indices has no obligation to take the needs of the Company or the owners of this Product into consideration in determining, composing or calculating these Indices. S&P Dow Jones Indices is not responsible for and have not participated in the determination of the prices, and amount of NAC RetireChoice 10 or the timing of the issuance or sale of this Product or in the determination or calculation of the equation by which the Product is to be converted into cash, surrendered or redeemed, as the case may be. S&P Dow Jones Indices has no obligation or liability in connection with the administration, marketing or trading of the Product. There is no assurance that investment products based on these Indices will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment advisor. Inclusion of a security within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice.

S&P DOW JONES INDICES DOES NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THESE INDICES OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY NORTH AMERICAN, OWNERS OF THE NAC RetireChoice 10, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDICES OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR AGREEMENTS BETWEEN S&P DOW JONES INDICES AND THE COMPANY, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.

The Nasdaq-100®, Nasdaq-100® Index and Nasdaq® are trademarks of the Nasdaq Stock Market Inc. (which with its affiliates are the "Corporations") and are licensed for use by North American. The Product(s) have not been passed on by the Corporations as to their legality or suitability. The NAC RetireChoice is not issued, endorsed, sold or promoted by the Corporations. THE CORPORATIONS MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO THE NAC RetireChoice 10.

The Gold Price Index Option credits interest based on the change in the price of gold per troy ounce in US Dollars as established by the London Bullion Market Association (LBMA) Afternoon (PM) Gold Price and administered by the ICE Benchmark Administration (IBA). The LBMA Afternoon (PM) Gold Price is available at the website <http://www.lbma.org.uk/pricing-and-statistics>. We reserve the right to add, remove or revise availability of the Gold Price Index Option, or to substitute a different widely published benchmark for the price of gold for the use in the Gold Price Index Option. The Gold Price Index Option does not constitute a purchase of or direct investment in gold.

All references to the London Bullion Market Association (LBMA) prices are used with their permission and have been provided for informational purposes only. The LBMA accepts no liability or responsibility for the accuracy of the prices or the underlying product to which the prices may be referenced.

# 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 <sup>A,B</sup>	S&P GLOBAL RATINGS <sup>B,C</sup>	FITCH RATINGS <sup>D</sup>
<p><b>“A+”</b> (Superior) (2nd category of 15) Superior ability to meet ongoing obligations to policyholders</p>	<p><b>“A+”</b> (Strong) (5th category of 22) Very strong financial security characteristics</p>	<p><b>“A+”</b> (Stable) (5th category of 19) Strong business profile, low financial leverage</p>

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. S&P Global Ratings 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 above apply to North American's financial strength and claims-paying ability. **a)** A.M. Best rating affirmed on July 14, 2016. For the latest rating, access [www.ambest.com](http://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 October 19, 2016. **d)** Fitch Ratings, a global leader in financial information services and credit ratings, on May 2, 2017, assigned an Insurer Financial Strength rating of A+ Stable for North American. This rating is the fifth highest of 19 possible rating categories. The rating reflects the organization's strong business profile, low financial leverage, very strong statutory capitalization and strong operating profitability supported by strong investment performance. For more information access [www.fitchratings.com](http://www.fitchratings.com).



4350 Westown Parkway  
West Des Moines, IA 50266  
[www.NorthAmericanCompany.com](http://www.NorthAmericanCompany.com)

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