



**NORTH AMERICAN TEN<sup>®</sup>**  
**FIXED INDEX ANNUITY**



## NORTH AMERICAN TEN®

Are you seeking ways to direct your future retirement income today that will enable you to maintain your lifestyle during retirement? North American offers a diverse product portfolio that offers you the flexibility to satisfy all aspects of your future financial needs. Because we specialize in annuities, you can count on our expertise in supporting your efforts toward building a comfortable and secure retirement. You also can rest assured that the financial strength of North American can provide the lifestyle freedom you desire.

The North American Ten fixed index annuity allows you to benefit from the advantages that annuities offer such as tax deferral, the potential to avoid probate, safety of premium, long-term growth, death benefit payout and income for life. This annuity is unique because it also offers you Index Account options that can provide an enhanced growth potential without experiencing loss of premium from fluctuations in the market<sup>1</sup>. These options earn Interest Credits based upon the annual performance of the indices you select; however, they are not an actual investment in the stock market or in the applicable index.

As an added benefit, you have complete freedom to choose how your initial premium is allocated between our distinctive account options. Additional premium can be added to your North American Ten annuity as well and can be transferred between account options once each contract anniversary for life. To get a jump start on your retirement savings, North American also awards you a 10% premium bonus on all premiums received during the first five contract years.

**ISSUE  
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0-79**

### THE NORTH AMERICAN TEN OFFERS:

- A 10-year surrender charge schedule with access to the full Accumulation Value after the tenth contract year.
- A 10% premium bonus on all premiums received in the first five contract years.
- The opportunity to elect a life annuity pay-out option based on the Accumulation Value after the first contract year or you may elect at least a 5-year annuity payout option after the fifth contract year. These annuity payout options are available by current Company practice.
- Ideal for people with long-term objectives who are comfortable with a 10-year surrender charge.
- Minimum guaranteed rates.
- Minimum guarantees based on state laws.

1. If surrendered early, surrender charges may apply.

2. Please note that issue age may vary by state.

# BENEFITS OF OWNING A DEFERRED ANNUITY

## 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. The chart to the right details the potential of a tax-deferred annuity.

## COMPANY FINANCIAL STRENGTH

All North American tax-deferred annuities are backed by the financial strength of the Company's investment portfolio, which emphasizes 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 payouts 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.

## LIFETIME INCOME

North American can provide you with a guaranteed income stream with the purchase of your tax-deferred annuity. You have the ability to choose from several different annuity payout options, including life or a specified period. See *Annuity Payout Options* on page 4 for complete details.

## 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 own legal or tax advisor.

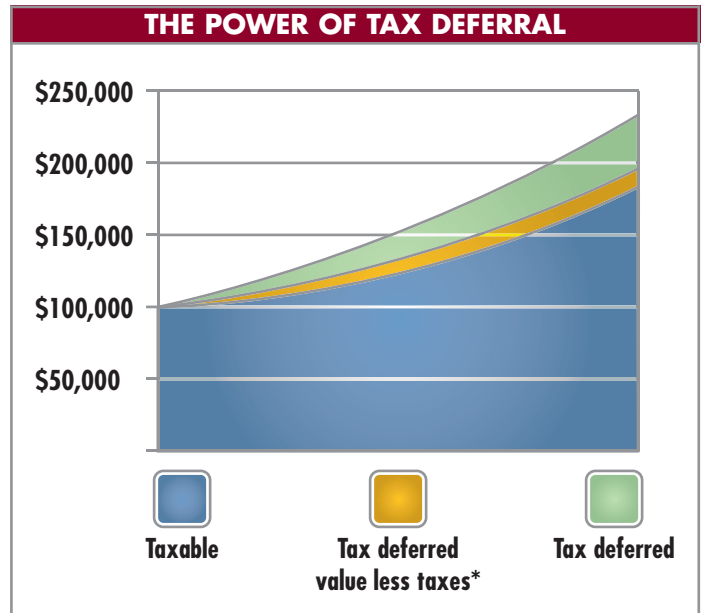


Chart is a hypothetical illustration of tax-deferral and assumes an initial premium of \$100,000 earning 6.00% compounded annual rate of return for 15 years. Not intended to predict or project performance. \*Tax deferred value less taxes represents the increase in value, due to tax deferral, less taxes at an assumed rate of 33% with no surrender charge or interest adjustment applied.



## ACCESSING YOUR MONEY

Emergencies do arise, and access to your money is always an important concern. The North American Ten offers a variety of liquidity features.

For additional withdrawals prior to the end of the surrender charge period, surrender charges may apply. Withdrawals will be treated as ordinary income and if taken prior to age 59 ½ may be subject to a 10% IRS penalty. Withdrawals from your contract will also reduce your Accumulation Value accordingly.

### ANNUITY PAYOUT OPTIONS

Should you decide to receive an income from your annuity after the surrender charge period, you will have several annuity payout options from which to choose. Annuity payout options are a benefit of deferred annuities, but are not a requirement with the North American Ten. Please refer to the chart on the right for available annuity payout options.

With non-qualified plans, a portion of each income payment represents a return of premium that is not taxable, thus reducing your tax liabilities.

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.

### INCOME OPTIONS

With the exception of Life Income options, income options are available for:

- A minimum of 5 years, or
- A maximum of 20 years.

The following options are available:

- Income for a Specified Period
- Income for a Specified Amount
- Life Income with a Period Certain
- Life Income
- Joint and Survivor Life Income

All options are available after the surrender charge period.

## PENALTY-FREE WITHDRAWALS

The North American Ten allows you to take a Penalty-Free Withdrawal (also known as Penalty-Free Partial Surrender) of up to 10% of your current 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 Withdrawal amount will be waived by current Company practice.

## NURSING HOME CONFINEMENT WAIVER<sup>3</sup>

As an added benefit, we will increase the Penalty-Free Partial Surrender amount by 10% of the contract's Accumulation Value each year while the annuitant is confined to a qualified nursing home facility. This benefit begins after the first contract anniversary and the annuitant must be confined for a period of at least 90 consecutive days. This enhanced feature is automatically included with your annuity at no additional cost and is available for issue ages 75 and younger.

## INTEREST ADJUSTMENT<sup>4</sup>

The North American Ten also includes an Interest Adjustment, which generally allows the Company to credit rates higher than on those products without an Interest Adjustment. This adjustment may increase or decrease your surrender value, depending on the change in interest rates since your annuity purchase.

Due to the mechanics of an Interest Adjustment feature, the cash surrender value generally increases as interest rates fall. Likewise, when interest rates have increased over a period of time, the surrender value generally declines. 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 10% penalty-free amount are waived by current Company practice.

## SURRENDER CHARGES

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 is assessed on any amount withdrawn, whether as a partial or full surrender, that exceeds the penalty-free amount applicable. However, surrender charges on any portion of an IRS-Required Minimum Distribution exceeding the 10% penalty-free amount are waived by current Company practice. These tables detail the declining charges by the option chosen. Additional premiums deposited into existing contracts will maintain the surrender charge schedule set forth by the initial premium. Certain payout options may incur a surrender charge.

Note: Please keep in mind that a surrender during the surrender charge period could result in a loss of premium. Surrender charge structure may vary by state. Consult your Annuity Disclosure Statement for details specific to your state.

CONTRACT YEAR	10-YEAR SURRENDER CHARGE	INTEREST ADJUSTMENT <sup>4</sup>
1	18%	Yes
2	16%	Yes
3	14%	Yes
4	12%	Yes
5	11%	Yes
6	10%	Yes
7	8%	Yes
8	6%	Yes
9	4%	Yes
10	2%	Yes
11	0%	No

3. In states where waiver is approved. Please contact your sales representative for state availability. If joint annuitants are named on the annuity, rider will apply to the first annuitant who qualifies for the benefit.

4. Interest Adjustment is not available in all states.

# PRODUCT FEATURES

## ACCUMULATION VALUE

The Accumulation Value is 100% of premium, plus any applicable bonus, allocated to the Fixed and Index Accounts, plus any Interest Credit or other interest earned. It will be reduced by the amount of any withdrawals, but cannot decrease due to negative index performance.

## INDEX ACCOUNT

The North American Ten fixed index annuity is not an investment in the stock market or in the applicable index. Some or all of your premiums may be allocated between the Index Accounts. This annuity offers enhanced ability to earn interest credits associated with the annual changes in several distinct indices without the risk of directly participating in stock, bond or equity investments. These indices are recognized worldwide as prominent benchmarks for stock market and bond performance. This is truly a fixed annuity using an interest crediting strategy of indexing to determine the credited rate. The Interest Credits will not mirror the exact performance of any stock market or bond index. In years when the Index Accounts apply 0% growth, you will receive a 0% Interest Credit. It is important to note that the Fixed Account Interest Rate is never applied to premiums allocated to the Index Accounts.

## ANNUAL RESET

The Annual Reset allows an index credit, if any, to be added to the Index Account on each contract anniversary. That amount, when added, becomes “locked-in” because it can not be taken away due to negative index performance. Once added, the “locked-in” Interest Credit will participate in any future credits, giving you the advantage of compounding in subsequent years.

This feature also resets your starting index point each year on your contract anniversary. Annual Reset can be a benefit when the index experiences a severe downturn during the year because you can take advantage of any gains from that point forward. Without this feature, you would have to wait for the index to climb up to its original level before any gains could be realized.

## INDEX CAP RATE

An Index Cap Rate is applied to each of the Index Accounts. This rate, which is based upon current economic conditions, is declared each contract anniversary. Upon issue, the minimum Index Cap Rate will be guaranteed for the entire term of your contract. The following outlines the guaranteed minimum Index Cap Rate by crediting method. At no time will the rate fall below these minimum values. An Index Cap Rate does not apply to the Fixed Account.

- 3%—Monthly Averaging and Annual Point-to-Point
- 1%—Monthly Point-to-Point

DIVERSIFY YOUR PREMIUM AMONG THE FOLLOWING INDEX ACCOUNT OPTIONS				
	MONTHLY AVERAGE	ANNUAL POINT-TO-POINT		MONTHLY POINT-TO-POINT
HOW IS INTEREST CREDIT CALCULATED?	Average sum of monthly closes in index, subject to annual Index Cap Rate	Annual change in index, subject to an annual Index Cap Rate		Sum of monthly performance subject to a monthly Index Cap Rate
WHEN IS INTEREST CREDIT CALCULATED/CREDITED?	Annually	Annually		Annually
WHEN IS THE INDEX CAP RATE APPLIED?	Annually	Annually		Monthly
WHEN CAN THE INDEX CAP RATE CHANGE?	Annually	Annually		Annually
INDEX AVAILABILITY*  NOTE: Past Index performance is not intended to predict future performance and the Index does not include dividends.	<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>• Russell 2000 Index®</li> </ul>	<ul style="list-style-type: none"> <li>• S&amp;P 500®</li> <li>• Dow Jones Euro STOXX 50®</li> <li>• (DJIA) Dow Jones Industrial Average™</li> <li>• S&amp;P MidCap 400®</li> <li>• Russell 2000 Index®</li> <li>• NASDAQ-100®</li> <li>• Lehman Brothers U.S. Aggregate Index (not available in all states)</li> </ul>	HINDSIGHT INDEX STRATEGY® Combination of: <ul style="list-style-type: none"> <li>• S&amp;P 500®</li> <li>• Dow Jones Euro STOXX 50®</li> <li>• Russell 2000 Index®</li> </ul>	<ul style="list-style-type: none"> <li>• S&amp;P 500®</li> <li>• NASDAQ-100®</li> </ul>

\* Indices may not be available in all states

## MONTHLY AVERAGE

This calculation method for determining any Interest Credit uses the average monthly changes in the index values, subject to an Index Cap Rate, to determine the Interest Credit for each contract anniversary. The Interest Credit is credited annually and is based on the average of the twelve previous monthly index values. The annual Interest Credit will never be less than zero.

## ANNUAL POINT-TO-POINT

Annual Point-to-Point measures index growth 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.

### Hindsight Index Strategy:

This is a Multi-Index Annual Point-to-Point crediting method, which uses a combination of three separate indices. Individual changes for each index are based on the changes in the index values on the contract anniversary at the beginning and end of the contract year. The individual changes, which can be positive or negative, are ranked by

their performance and multiplied by an index weight (50% for best performing, 30% for next best performing and 20% for lowest performing<sup>5</sup>). These subsequent values are then added together to determine the Index Growth for the year, subject to an annual Index Cap Rate. Negative returns on any of the three indices have no downside limit and will reduce the Index Credit, but the Index Credit calculation will never be less than zero.

## MONTHLY POINT-TO-POINT

This calculation method for determining any Interest Credit uses the monthly changes in the index, 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—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.

5. Please note the weighting percentages are subject to change for newly issued contracts. Contracts that have already been issued will maintain the weighting schedule that was originally set at the time of issue. Ask your sales representative for current index weighting percentages.

## FIXED ACCOUNT

Premium allocated to this account will earn the current Fixed Account interest rate. This rate will be guaranteed for the entire contract year and the rate will renew annually thereafter, but will never fall below the minimum guaranteed fixed account interest rate of 1.5%. Ask your sales representative for the current and interest rate.

FIXED ACCOUNT	
INTEREST CREDITED	Daily
INTEREST RATE CAN CHANGE	Annually on Contract Anniversary

## 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 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.

## SUBSEQUENT PREMIUMS

All subsequent premiums are deposited into the Fixed Account and will earn a Fixed Account interest rate, declared at the time the subsequent premium is received, until the end of the contract year. On each contract anniversary, North American will allocate any premiums received since the prior contract anniversary among the Fixed Account and Index Accounts according to your most recent instructions.

## TRANSFER OPTIONS

Each year, you may elect to transfer your values between the Fixed Account and Index Accounts. By current Company practice, you will have 30 days following each contract anniversary to reallocate. Transfers are not allowed until your first contract anniversary. Based on current tax laws, these transfers between options will not be taxable or subject to surrender penalties. (Please refer to your North American Ten Additional Benefits Specifications Page for minimum transfer amounts.)



## GUARANTEED GROWTH

The North American Ten contains guarantees that protect and maximize your retirement dollars. You are guaranteed the greater of the following values:

### INDEX ACCOUNT VALUE PLUS FIXED ACCOUNT VALUE

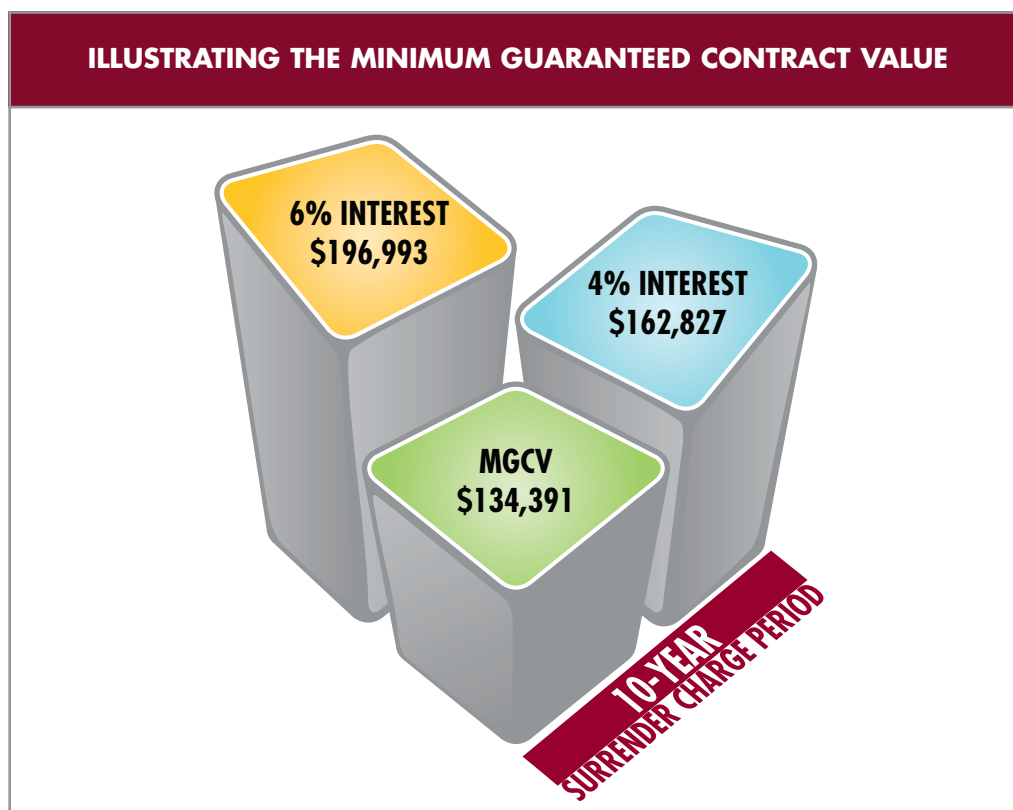
The Index Account Value equals 100% of premium allocated to the Index Account(s), adjusted for any transfer in or out of the account(s), less withdrawals and applicable surrender charges and Interest Adjustment, plus Interest Credits.

The Fixed Account Value equals 100% of your premiums allocated to the Fixed Account, adjusted for any transfers in or out of the account, less withdrawals and applicable surrender charges and Interest Adjustment, plus interest earned at the current rate.

### OR MINIMUM GUARANTEED CONTRACT VALUE (MGCV)

The MGCV equals 100% of premium (excluding any premium bonus), less any withdrawals—before any surrender charges or Interest Adjustment—accumulated at the MGCV Interest Rate of 3%, less surrender charges (as calculated in the contract). The MGCV Interest Rate is set at issue and is guaranteed for the entire contract term.

Even assuming that you allocated 100% of your premium to the Index Account(s) and there were no Interest Credits, North American guarantees that once your contract is outside the surrender charge period the MGCV will continue to accumulate at the MGCV Interest Rate each contract year.



In this hypothetical illustration using an initial premium of \$100,000 and 10 years of 0% index growth—thanks to the MGCV and an assumed MGCV interest rate of 3%, you will have \$134,391.63 at the end of the surrender charge period, even if there were no Interest Credits to the contract.

## 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, and/or lower Index Cap 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 rates and/or lower Index Cap Rates.

Premium taxes: Accumulation Value will be reduced for premium taxes as required by the state of residence. The North American Ten<sup>®</sup> annuity is issued on form LC160A (group certificate), LS160A (individual contract), LR424A, LR426A, LR427A, LR428A, LR430A, LR431A, LR433A, LR441A, LR442A, and LR447A (endorsements/riders) or appropriate state variation by North American Company for Life and Health Insurance, West Des Moines, IA. This products, 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 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 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 optional riders make the contract appropriate for your needs.

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## 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 assigned on April 16, 2009. 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 rating assigned February 26, 2009.

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

NORTH AMERICAN COMPANY FOR  
LIFE AND HEALTH INSURANCE  
Annuity Service Center  
4601 Westown Parkway, Suite 300  
West Des Moines, IA 50266



INSURANCE MARKETPLACE  
STANDARDS ASSOCIATION

**NOT FDIC INSURED.  
NO BANK GUARANTEE.**