

**State:** Arkansas **Filing Company:** North American Company for Life and Health Insurance  
**TOI/Sub-TOI:** A07I Individual Annuities - Special/A07I.001 Equity Indexed  
**Product Name:** NA1004A  
**Project Name/Number:** NA1004A, et.al./NA1004A, et.al

### Filing at a Glance

Company: North American Company for Life and Health Insurance  
Product Name: NA1004A  
State: Arkansas  
TOI: A07I Individual Annuities - Special  
Sub-TOI: A07I.001 Equity Indexed  
Filing Type: Form  
Date Submitted: 01/04/2013  
SERFF Tr Num: NALH-128835909  
SERFF Status: Closed-Approved-Closed  
State Tr Num:  
State Status: Approved-Closed  
Co Tr Num: NA1004A  
Implementation: On Approval  
Date Requested:  
Author(s): Laurie Christensen, Deanna Hoffman, Stacy Reece, Chris Cairns, Amy Peterson, Holley Taylor  
Reviewer(s): Linda Bird (primary)  
Disposition Date: 01/25/2013  
Disposition Status: Approved-Closed  
Implementation Date:  
State Filing Description:

**State:** Arkansas **Filing Company:** North American Company for Life and Health Insurance  
**TOI/Sub-TOI:** A071 Individual Annuities - Special/A071.001 Equity Indexed  
**Product Name:** NA1004A  
**Project Name/Number:** NA1004A, et.al./NA1004A, et.al

## General Information

Project Name: NA1004A, et.al. Status of Filing in Domicile: Pending  
 Project Number: NA1004A, et.al. Date Approved in Domicile:  
 Requested Filing Mode: Review & Approval Domicile Status Comments: Iowa is our state of domicile.  
 Explanation for Combination/Other: Market Type: Individual  
 Submission Type: New Submission Individual Market Type:  
 Overall Rate Impact: Filing Status Changed: 01/25/2013  
 State Status Changed: 01/25/2013  
 Deemer Date: Created By: Laurie Christensen  
 Submitted By: Laurie Christensen Corresponding Filing Tracking Number:

### Filing Description:

RE: NORTH AMERICAN COMPANY FOR LIFE AND HEALTH INSURANCE  
 NAIC #431-66974 FEIN #36-2428931

### New Submission Product Description

NA1004A Individual Flexible Premium Deferred Annuity Contract With Indexed Interest Accounts  
 SP1004A.10YR Specifications Page  
 SP1004A.14YR Specifications Page  
 SP1004B Additional Benefits Specifications Page

We are filing the above forms for your review and consideration for approval. These are new individual forms and do not replace any form currently on file with your department. These forms will be used on a general basis and will be marketed through our regular channels. The forms are laser printed and we reserve the right to change fonts and layouts. No part of this filing contains unusual or possibly controversial items from normal Company or industry standards.

FORM NA1004A is an Individual Flexible Premium Deferred Annuity Contract With Indexed Interest Accounts that will be marketed through our regular channels. This form contains both a fixed account and indexed accounts attached by Endorsement. The fixed account earns a current interest rate guaranteed for the first contract year and will be declared by the Company for future Contract Years.

This contract has an additional feature, Guaranteed Lifetime Withdrawal Benefit, which guarantees a specific amount, called the Lifetime Payment Amount, which can be withdrawn each contract year and guaranteed for the life of the Annuitant, even if the Accumulation Value and GLWB Value are both reduced to zero. There is no additional fee for this feature.

This contract will utilize Specifications Page, SP1004A.10YR, SP1004A.14YR and Additional Benefits Specifications Page, SP1004B. The information bracketed on these pages are considered to be variable. Statements of variability have been enclosed for additional details regarding the variable information.

The chart below illustrates the product design that will be marketed using the previously filed/approved Riders/Endorsements.

PRODUCT DESIGN – NAC IncomeChoice  
 FORM DESCRIPTION FORM NUMBER APPROVAL STATUS  
 Base Annuity Contract NA1004A Pending Approval  
 Specifications Page SP1004A.10YR Pending Approval

**State:** Arkansas **Filing Company:** North American Company for Life and Health Insurance  
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Specifications Page SP1004A.14YR Pending Approval  
 Additional Benefits Specifications Page SP1004B Pending Approval  
 Annual Point to Point with Cap Index Account Endorsement LR431A Previously Approved  
 Monthly Averaging with Prate Index Account Endorsement LR423A Previously Approved  
 Monthly Point-To-Point With Cap Index Account Endorsement LR424A-1 Previously Approved  
 Annual Declared Rate Negative Performance Option (ADRNP) Endorsement AE520A Previously Approved  
 Interest Credits for Death Benefit Endorsement AE529A Previously Approved  
 Term Point-to-Point with Cap Index Account Endorsement AE533A Previously Approved  
 Nursing Home Confinement Waiver Rider LR433A Previously Approved

This contract will utilize application 11292Z, or the state variation of that form, previously approved by your department.

This annuity contract will be sold in both qualified and non-qualified markets. Appropriate endorsements, which have been previously approved by your department, will be utilized for the qualified annuities.

## Company and Contact

### Filing Contact Information

Laurie Christensen, Senior Contract Analyst lkchristensen@sfgmembers.com  
 4350 Westown Parkway 877-586-0240 [Phone] 35880 [Ext]  
 West Des Moines, IA 50266 877-586-0240 [FAX]

### Filing Company Information

North American Company for Life and Health Insurance	CoCode: 66974	State of Domicile: Iowa
Principal Office: 4601 Westown Parkway - Suite 300	Group Code: 431	Company Type: Life and Annuity
West Des Moines, IA 50266	Group Name:	State ID Number:
(800) 800-3656 ext. [Phone]	FEIN Number: 36-2428931	

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$200.00  
 Retaliatory? No  
 Fee Explanation: 4 forms @ \$50 each = \$200.00  
 Per Company: No

Company	Amount	Date Processed	Transaction #
North American Company for Life and Health Insurance	\$200.00	01/04/2013	66258898

State: Arkansas

Filing Company:

North American Company for Life and Health Insurance

TOI/Sub-TOI: A071 Individual Annuities - Special/A071.001 Equity Indexed

Product Name: NA1004A

Project Name/Number: NA1004A, et.al./NA1004A, et.al

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	01/25/2013	01/25/2013

### Objection Letters and Response Letters

#### Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Linda Bird	01/10/2013	01/10/2013

#### Response Letters

Responded By	Created On	Date Submitted
Stacy Reece	01/22/2013	01/22/2013

### Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	AE551A Actuarial Memorandum	Stacy Reece	01/24/2013	01/24/2013
Form	Specifications Page	Stacy Reece	01/24/2013	01/24/2013
Form	Specifications Page	Stacy Reece	01/24/2013	01/24/2013
Form	Additional Benefits Specifications Page	Stacy Reece	01/24/2013	01/24/2013
Form	Term Monthly Averaging with Participation Rate Index Account Endorsement	Stacy Reece	01/24/2013	01/24/2013
Supporting Document	Readability Certification	Stacy Reece	01/24/2013	01/24/2013
Supporting Document	Statement of Variability	Stacy Reece	01/24/2013	01/24/2013

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
We have a revision to add - please don't approve	Note To Reviewer	Stacy Reece	01/22/2013	01/22/2013

**State:** Arkansas  
**TOI/Sub-TOI:** A071 Individual Annuities - Special/A071.001 Equity Indexed  
**Product Name:** NA1004A  
**Filing Company:** North American Company for Life and Health Insurance  
**Project Name/Number:** NA1004A, et.al./NA1004A, et.al

## Disposition

Disposition Date: 01/25/2013

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		Yes
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	NA1004A Actuarial Memorandum		No
Supporting Document	Exhibit 1		Yes
Supporting Document	Exhibit 2		Yes
Supporting Document (revised)	Readability Certification		Yes
Supporting Document	Readability Certification	Replaced	Yes
Supporting Document (revised)	Statement of Variability		Yes
Supporting Document	Statement of Variability	Replaced	Yes
Supporting Document	Certification of Compliance		Yes
Supporting Document	AE551A Actuarial Memorandum		No
Form	Flexible Premium Deferred Annuity Contract		Yes
Form (revised)	Specifications Page		Yes
Form	Specifications Page	Replaced	Yes
Form (revised)	Specifications Page		Yes
Form	Specifications Page	Replaced	Yes

**SERFF Tracking #:**

NALH-128835909

**State Tracking #:****Company Tracking #:**

NA1004A

**State:**

Arkansas

**Filing Company:**

North American Company for Life and Health Insurance

**TOI/Sub-TOI:**

A071 Individual Annuities - Special/A071.001 Equity Indexed

**Product Name:**

NA1004A

**Project Name/Number:**

NA1004A, et.al./NA1004A, et.al

Schedule	Schedule Item	Schedule Item Status	Public Access
Form (revised)	Additional Benefits Specifications Page		Yes
Form	Additional Benefits Specifications Page	Replaced	Yes
Form	Term Monthly Averaging with Participation Rate Index Account Endorsement		Yes

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**State:** Arkansas **Filing Company:** North American Company for Life and Health Insurance

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**Product Name:** NA1004A

**Project Name/Number:** NA1004A, et.al./NA1004A, et.al

## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	01/10/2013
Submitted Date	01/10/2013
Respond By Date	02/11/2013

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Dear Laurie Christensen,

**Introduction:**

This will acknowledge receipt of the captioned filing.

**Objection 1**

Comments: Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue.

Regulation 49 requires that a Life and Health guaranty notice be given to each policy owner. Please review your issue procedures and assure us that you are in compliance with Regulation 49.

Regulation 19s10B requires that all new or revised filings submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of this Department.

External Indexed contracts are subject to the External Indexed Guidelines. Please furnish certification that this filing is in compliance with these guidelines and certifications required by these guidelines.

**Conclusion:**

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,  
Linda Bird

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## Response Letter

Response Letter Status Submitted to State  
 Response Letter Date 01/22/2013  
 Submitted Date 01/22/2013

Dear Linda Bird,

### Introduction:

### Response 1

#### Comments:

Thank you for your quick review. My apologies, I was out of the office and my co-worker tried her best to submit the filing in my absense. These certifications are typically included in our Filing Description and were just missed.

### Related Objection 1

Comments: Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue.

Regulation 49 requires that a Life and Health guaranty notice be given to each policy owner. Please review your issue procedures and assure us that you are in compliance with Regulation 49.

Regulation 19s10B requires that all new or revised filings submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of this Department.

External Indexed contracts are subject to the External Indexed Guidelines. Please furnish certification that this filing is in compliance with these guidelines and certifications required by these guidelines.

### Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Certification of Compliance
Comments:	
Attachment(s):	
AR Certification of Compliance.pdf	

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Conclusion:

**SERFF Tracking #:**

NALH-128835909

**State Tracking #:**

**Company Tracking #:**

NA1004A

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**State:**

Arkansas

**Filing Company:**

North American Company for Life and Health Insurance

**TOI/Sub-TOI:**

A07I Individual Annuities - Special/A07I.001 Equity Indexed

**Product Name:**

NA1004A

**Project Name/Number:**

NA1004A, et.al./NA1004A, et.al

*Please let me know if you have any further questions or concerns.*

Sincerely,

Stacy Reece

SERFF Tracking #:

NALH-128835909

State Tracking #:

Company Tracking #:

NA1004A

State:

Arkansas

Filing Company:

North American Company for Life and Health Insurance

TOI/Sub-TOI:

A071 Individual Annuities - Special/A071.001 Equity Indexed

Product Name:

NA1004A

Project Name/Number:

NA1004A, et.al./NA1004A, et.al

## Amendment Letter

Submitted Date:

01/24/2013

Comments:

I forgot to include the Actuarial Memo for the new endorsement.

Changed Items:

*No Form Schedule Items Changed.*

*No Rate Schedule Items Changed.*

### Supporting Document Schedule Item Changes

Satisfied - Item:

AE551A Actuarial Memorandum

Comments:

Attachment(s):

Term MA with Prate Index Account Endorsement Act Memo AE551A - NACOL - signed.pdf

SERFF Tracking #:

NALH-128835909

State Tracking #:

Company Tracking #:

NA1004A

State:

Arkansas

Filing Company:

North American Company for Life and Health Insurance

TOI/Sub-TOI:

A071 Individual Annuities - Special/A071.001 Equity Indexed

Product Name:

NA1004A

Project Name/Number:

NA1004A, et.al./NA1004A, et.al

## Amendment Letter

Submitted Date:

01/24/2013

Comments:

Thank you for keeping this filing open. We have made a few changes that I will explain below.

We have attached new Specifications Pages, SP1004A.10YR & SP1004A.14YR, as we realized that we missed bracketing on the GLWB Value Partial Surrender section. We have added bracketing to the Qualified and Non-Qualified portions to show that only one section will print with the client's contract depending on what type of contract the client has. We have also updated the Statement of Variability pertaining to this section.

We have developed a new Index Account Endorsement, form AE551A, to go with this product. In doing so, we have removed the previously approved Term Point to Point Endorsement (AE533A) from this product design. Besides attaching the new Endorsement for your review, we also updated our Additional Benefits Specifications Page, The Readability Certification and the Statement of Variability for the ABSP. I am not aware of a way to update the Filing Description on SERFF which is where we place our "Filing Letter" information. If you would like me to attach a new Filing Letter, please just let me know.

Changed Items:

State: Arkansas

Filing Company:

North American Company for Life and Health Insurance

TOI/Sub-TOI: A071 Individual Annuities - Special/A071.001 Equity Indexed

Product Name: NA1004A

Project Name/Number: NA1004A, et.al./NA1004A, et.al

## Form Schedule Item Changes:

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	Specifications Page	SP1004A.10 YR	SCH	Initial		0.000	SP1004A.10YR spec page 1.22.13.pdf	Date Submitted: 01/24/2013 By:
<i>Previous Version</i>								
1	<i>Specifications Page</i>	<i>SP1004A.10 YR</i>	<i>SCH</i>	<i>Initial</i>		<i>0.000</i>	<i>SP1004A.10YR spec page 1.02.13.pdf</i>	<i>Date Submitted: 01/04/2013 By: Laurie Christensen</i>
2	Specifications Page	SP1004A.14 YR	SCH	Initial		0.000	SP1004A.14YR Spec Page 1.22.13.pdf	Date Submitted: 01/24/2013 By:
<i>Previous Version</i>								
2	<i>Specifications Page</i>	<i>SP1004A.14 YR</i>	<i>SCH</i>	<i>Initial</i>		<i>0.000</i>	<i>SP1004A.14YR Spec Page 1.02.13.pdf</i>	<i>Date Submitted: 01/04/2013 By: Laurie Christensen</i>
3	Additional Benefits Specifications Page	SP1004B	SCH	Initial		0.000	SP1004B Additional Benefits Spec Page 01.24.13.pdf	Date Submitted: 01/24/2013 By:
<i>Previous Version</i>								
3	<i>Additional Benefits Specifications Page</i>	<i>SP1004B</i>	<i>SCH</i>	<i>Initial</i>		<i>0.000</i>	<i>SP1004B Additional Benefits Spec Page 1.02.13.pdf</i>	<i>Date Submitted: 01/04/2013 By: Laurie Christensen</i>

**State:** Arkansas      **Filing Company:** North American Company for Life and Health Insurance  
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**Product Name:** NA1004A  
**Project Name/Number:** NA1004A, et.al./NA1004A, et.al

**Form Schedule Item Changes:**

Form Schedule Item Changes								
4	Term Monthly Averaging with Participation Rate Index Account Endorsement	AE551A	POLA	Initial		50.000	AE551A - Term Monthly Averaging with Participation Rate FINAL.pdf	Date Submitted: 01/24/2013 By:

*No Rate Schedule Items Changed.*

SERFF Tracking #:

NALH-128835909

State Tracking #:

Company Tracking #:

NA1004A

State:

Arkansas

Filing Company:

North American Company for Life and Health Insurance

TOI/Sub-TOI:

A071 Individual Annuities - Special/A071.001 Equity Indexed

Product Name:

NA1004A

Project Name/Number:

NA1004A, et.al./NA1004A, et.al

**Supporting Document Schedule Item Changes**

Satisfied - Item:

Readability Certification

Comments:

Attachment(s):

ReadabilityCert 1.24.13.pdf

*Previous Version*

*Satisfied - Item:*

*Readability Certification*

*Comments:*

*Attachment(s):*

*ReadabilityCert 1.02.13.pdf*

Satisfied - Item:

Statement of Variability

Comments:

Attachment(s):

STATEMENT OF VARIABILITY SP1004A.10YR 1.22.13.pdf

STATEMENT OF VARIABILITY SP1004B 01.24.13.pdf

*Previous Version*

*Satisfied - Item:*

*Statement of Variability*

*Comments:*

*Attachment(s):*

*STATEMENT OF VARIABILITY SP1004A. 10YR 01.02. 13.pdf*

*STATEMENT OF VARIABILITY SP1004B 01.02. 13.pdf*

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**State:** Arkansas **Filing Company:** North American Company for Life and Health Insurance  
**TOI/Sub-TOI:** A071 Individual Annuities - Special/A071.001 Equity Indexed  
**Product Name:** NA1004A  
**Project Name/Number:** NA1004A, et.al./NA1004A, et.al

## Note To Reviewer

**Created By:**

Stacy Reece on 01/22/2013 10:49 AM

**Last Edited By:**

Stacy Reece

**Submitted On:**

01/22/2013 10:49 AM

**Subject:**

We have a revision to add - please don't approve

**Comments:**

We have another Crediting Method Endorsement to add to this filing and would like to update our Additional Benefits Spec Page to coordinate with the change. We were just notified. We should have the revision submitted within a day or two if you could hold off on your final review until then? Sorry for the inconvenience.

State: Arkansas

Filing Company:

North American Company for Life and Health Insurance

TOI/Sub-TOI: A071 Individual Annuities - Special/A071.001 Equity Indexed

Product Name: NA1004A

Project Name/Number: NA1004A, et.al./NA1004A, et.al

## Form Schedule

### Lead Form Number:

Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1		Flexible Premium Deferred Annuity Contract	NA1004A	POL	Initial		50.000	NA1004A_Income Choice 01.02.13.pdf
2		Specifications Page	SP1004A.10 YR	SCH	Initial		0.000	SP1004A.10YR spec page 1.22.13.pdf
3		Specifications Page	SP1004A.14 YR	SCH	Initial		0.000	SP1004A.14YR Spec Page 1.22.13.pdf
4		Additional Benefits Specifications Page	SP1004B	SCH	Initial		0.000	SP1004B Additional Benefits Spec Page 01.24.13.pdf
5		Term Monthly Averaging with Participation Rate Index Account Endorsement	AE551A	POLA	Initial		50.000	AE551A - Term Monthly Averaging with Participation Rate FINAL.pdf

### Form Type Legend:

<b>ADV</b>	Advertising	<b>AEF</b>	Application/Enrollment Form
<b>CER</b>	Certificate	<b>CERA</b>	Certificate Amendment, Insert Page, Endorsement or Rider
<b>DDP</b>	Data/Declaration Pages	<b>FND</b>	Funding Agreement (Annuity, Individual and Group)
<b>MTX</b>	Matrix	<b>NOC</b>	Notice of Coverage

SERFF Tracking #:

NALH-128835909

State Tracking #:

Company Tracking #:

NA1004A

State:

Arkansas

Filing Company:

North American Company for Life and Health Insurance

TOI/Sub-TOI:

A071 Individual Annuities - Special/A071.001 Equity Indexed

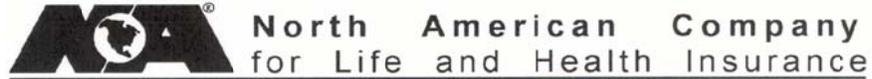
Product Name:

NA1004A

Project Name/Number:

NA1004A, et.al./NA1004A, et.al

<b>OTH</b>	Other	<b>OUT</b>	Outline of Coverage
<b>PJK</b>	Policy Jacket	<b>POL</b>	Policy/Contract/Fraternal Certificate
<b>POLA</b>	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	<b>SCH</b>	Schedule Pages



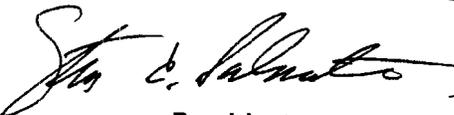
( 4350 Westown Parkway • West Des Moines, IA 50266  
A Stock Company  
Annuity Service Center: P.O. Box 79905, Des Moines, Iowa )

In this Contract, North American Company for Life and Health is referred to as “We”, “Us”, “Our”, or the “Company”. “You” and “Your” refer to the Owner.

This Contract is a legal Contract between You, as Owner, and Us. Your Contract is issued based on the information You give Us and payment of the Initial Premium as shown on the Specification Page.

**RIGHT TO EXAMINE CONTRACT** - It is important to Us that You are satisfied with this Contract and that it meets Your insurance goals. Read it carefully. If You are not satisfied with it, You may return it to Us or to Your agent within 30 days after You receive it. We will then cancel it as of the Issue Date and refund the premium paid, within 10 days after the Contract is returned.

**THIS IS A LEGAL CONTRACT BETWEEN YOU AND US. READ IT CAREFULLY.** This is a flexible premium indexed annuity. Interest credited depends on an external index. Indices are shown on the Additional Benefits Specifications Page. While the values of the Contract may be affected by an external index, the Contract does not directly participate in any stock or equity investments.

(  )

President

(  )

SECRETARY

**Individual Flexible Premium Deferred Annuity Contract  
With Indexed Interest Accounts  
Death Benefit Payable Before Maturity Date  
Non-Participating - Not Eligible For Dividends**

**THIS CONTRACT CONTAINS AN INTEREST ADJUSTMENT WHICH MAY CAUSE CERTAIN BENEFITS AND VALUES OF THIS CONTRACT TO INCREASE OR DECREASE**

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## SECTION 1: DEFINITIONS

The following are key words used in this Contract. They are important in describing both Your rights and Ours. When they are used, they are capitalized. As You read Your Contract, refer back to these definitions.

**Accumulation Value:** The value used to determine the benefits under this Contract, except for the GLWB benefit. The Accumulation Value is the sum of the Fixed Account Value and the Index Account Value(s).

**Annuitant:** The person(s) named in the application and on the Specifications Page to whom annuity payments will be paid. This is the person(s) whose life is used to determine the amount and duration of any annuity payments involving life contingencies. The Annuitant will be considered the Owner of this Contract unless otherwise stated on the application. The Annuitant may not be changed.

**Attained Age:** Attained Age means the age of the Annuitant as of the last birthday. If there are joint Annuitants, the Attained Age shall mean the age of the younger joint Annuitant on his or her last birthday.

**Beneficiary:** The person(s) to whom the death benefit will be paid in the event of the death of the Annuitant or an Owner.

**Contingent Beneficiary:** The person(s) designated by You, to receive the death benefit if the Primary Beneficiary is deceased at the time the death benefit becomes payable.

**Contract:** The entire Contract between You and Us consisting of the Contract, any attached application, and any Endorsements, Riders, and amendments. All statements made by the applicant for the issuance of the Contract shall, in the absence of fraud, be deemed representations and not warranties.

**Contract Anniversary:** The same date in each Contract Year as the Issue Date.

**Contract Year:** The period from one Contract Anniversary to the next Contract Anniversary. The first Contract Year is from the Issue Date to the first Contract Anniversary.

**Endorsement or Rider:** A form which amends this Contract or which provides additional benefits. When an Endorsement or Rider is attached to this Contract, it is a part of this Contract and is subject to all the terms of this Contract unless We state otherwise.

**Fixed Account:** An account which will earn interest at the Initial Premium Interest Rate, as shown on the Specifications Page and as described in Section 5.2.

**Fixed Account Initial Premium:** Initial Premium allocated to the Fixed Account, as shown on the Specifications Page.

**Fixed Account Value:** The value of the Fixed Account. The calculation of the Fixed Account Value is further explained in Section 5.1.

**Guaranteed Lifetime Withdrawal Benefit (GLWB):** This feature guarantees that a specified amount, the Lifetime Payment Amount (LPA), can be withdrawn each Contract Year for the life of the Annuitant, even if the Accumulation Value and the GLWB Value of this Contract are both reduced to zero.

**GLWB Bonus:** The Initial GLWB Value as shown on the Specifications Page includes the GLWB Bonus. The GLWB Bonus amount is equal to the premium, less Gross Partial Surrender Amount(s), multiplied by the GLWB Bonus Percentage during the GLWB Bonus Period shown on the Specifications Page. The Contract Accumulation Value does not increase as a result of the GLWB Bonus.

**GLWB Bonus Percentage:** The GLWB Bonus Percentage is used in the calculation of the GLWB Bonus. The GLWB Bonus Percentage will be applied to the Initial Premium and any subsequent premiums, less Gross Partial Surrender Amount(s), received during the GLWB Bonus Period shown on the Specifications Page.

**GLWB Stacking Roll-Up Credit:** On each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period, provided no partial surrenders were taken during the preceding Contract Year, the current GLWB Value will be increased as shown on the Specifications Page.

**GLWB Value:** The GLWB Value is used for the purpose of calculating the Lifetime Payment Amount. The GLWB Value cannot be withdrawn in a lump sum. The Initial GLWB Value is shown on the Specifications Page.

**Gross Partial Surrender Amount:** Total amount requested as a partial surrender, prior to any Interest Adjustment, reduction for surrender charges, and Premium Tax, if applicable. You cannot request a Gross Partial Surrender Amount that would reduce your Accumulation Value to less than the Minimum Accumulation Value shown on the Specifications Page.

**Index Account:** An account which will earn an amount of interest called Interest Credit, based upon changes in the index(es) within the Index Accounts listed on the Additional Benefits Specifications Page. The Interest Credit is further explained in the attached Endorsements.

**Initial Premium:** The Initial Premium is shown on the Specifications Page and is the sum of all premium paid on or before the Issue Date.

**Interest Adjustment Period:** The period during which an Interest Adjustment may be applied to any full or partial surrender. The Interest Adjustment Period is shown on the Specifications Page.

**Issue Age:** The age of the Annuitant on the last birthday before the Issue Date. The Issue Age is shown on the Specifications Page.

**Issue Date:** The date this Contract is issued and Your rights and benefits begin. The Issue Date is shown on the Specifications Page.

**Lifetime Payment Amount:** The Lifetime Payment Amount is only available after the Lifetime Payment Election Date. After the Lifetime Payment Election Date, the Lifetime Payment Amount is guaranteed to be available each Contract Year during the life of the Annuitant while the Contract is in effect, provided total partial surrenders in the Contract Year do not exceed the GLWB Value Partial Surrender Allowance as shown on the Specifications Page. The Lifetime Payment Amount is not subject to any Surrender Charge or Interest Adjustment. The Lifetime Payment Amount includes, but is not in addition to any Penalty-Free Partial Surrender.

**Lifetime Payment Election Date:** The date on which the Lifetime Payment Amount begins, as explained on the Specifications Page.

**Lifetime Payment Percentage:** The Lifetime Payment Percentage, as shown on the Specifications Page, is used in the calculation of the Lifetime Payment Amount.

**Maturity Date:** The date when a Pay-Out Option must be elected and annuity payments begin. The Maturity Date is shown on the Specifications Page and is further explained in section 3.13.

**Minimum Accumulation Value:** The minimum amount that must remain in the Contract upon a partial surrender. The Minimum Accumulation Value is shown on the Specifications Page.

**Minimum Fixed Account Allocation:** We may require You to allocate a certain percentage of Your Initial Premium to the Fixed Account and that You allocate a minimum percentage of Your Accumulation Value to the Fixed Account on each Contract Anniversary. The Minimum Fixed Account Allocation percentage, if any, is shown on the Specifications Page.

**Owner:** The person(s) or entity named in the application, unless subsequently changed and filed with Us, entitled to exercise all rights and privileges provided in this Contract.

**Partial Surrender Amount(s):** Total amount received by the Owner as a partial surrender, after any Interest Adjustment and any reductions for surrender charges and Premium Tax, if applicable.

**Payee:** The Annuitant is the Payee on the Maturity Date. The Beneficiary is the Payee of the proceeds at the death of the Annuitant or an Owner if the date of death is prior to the Maturity Date.

**Pay-Out Option:** The option chosen by You under which annuity payments will be made under this Contract.

**Premium Tax:** An amount that may be deducted from the Accumulation Value at full and partial surrender, payout or death.

**Primary Beneficiary:** The person(s), designated by You, who has the first right to receive the death benefit in the event of the death of the Annuitant or an Owner, provided such person survives the Annuitant or Owner. If more than one Primary Beneficiary is named, each named Beneficiary will share equally in any benefit or rights granted by this Contract, unless You have given Us other Written Notice.

**Proof of Death:** A certified copy of the death certificate or any other documentation satisfactory to the Company.

**Surrender Charge Period:** The period during which a surrender charge will be applied to any full or partial surrender. The Surrender Charge Period is shown on the Specifications Page.

**Surrender Value:** The amount available at time of full surrender, as described in Section 7.3. At no time will the Surrender Value under this Contract be less than the minimum required by the laws of the state in which this Contract is delivered.

**Written Notice:** A notice submitted in a written form satisfactory to Us. Written Notice must be signed by the Owner and received by Us at the address shown on the Specifications Page.

## **SECTION 2: WITHDRAWAL OPTIONS PRIOR TO MATURITY DATE**

**2.1 Withdrawal Options:** Prior to the Maturity Date you may withdraw from the value of your Contract in the following ways:

- 1) At any time prior to the Maturity Date, You may surrender this Contract for its Surrender Value. (Surrenders are further explained in Section 7, Surrender Value is further explained in Section 7.3)
- 2) After the first Contract Year and upon Your request, You may select a Pay-Out Option as specified in the Pay-Out Provisions, in Section 11, of this Contract. Your payment amount under this Pay-Out Option will be calculated based on Your Surrender Value at the time the Pay-Out Option is elected.
- 3) After the Surrender Charge Period, as shown on the Specifications Page, full and partial surrenders may be taken without surrender charges.
- 4) Once in each Contract Year, after the first Contract Year and during the Surrender Charge Period, You may take a Penalty-Free Partial Surrender in an amount no greater than the Penalty-Free Partial Surrender Allowance shown on the Specifications Page. (Penalty-Free Partial Surrenders are further explained in Section 8.2).
- 5) After the Lifetime Payment Election Date of the Guaranteed Lifetime Withdrawal Benefit, You may withdraw the Lifetime Payment Amount each Contract Year for the life of the Annuitant, even if the Accumulation Value and GLWB Value are both reduced to zero.
- 6) Other Withdrawal Options may be available by attached Endorsement or Rider.

## **SECTION 3: GENERAL PROVISIONS**

**3.1 Changes to the Contract:** No one has the right to change any part of this Contract or to waive any of its provisions unless the change is approved in writing by one of Our officers. Only Our President or Secretary may change this Contract.

We may change this Contract without Your consent to conform to state or federal laws or regulations by attaching an Endorsement or Rider to this Contract.

- 3.2 Beneficiary:** The Beneficiary is the person named as Beneficiary on the application or as later changed by sending Us Written Notice, as explained in Section 3.3. A Beneficiary is revocable unless otherwise stated in the Beneficiary designation. If no Primary Beneficiary is living at the time of an Annuitant's or an Owner's death, the death benefit is payable to the Contingent Beneficiary. If no Contingent Beneficiary is living at the time of an Annuitant's or an Owner's death, the death benefit will be paid to You or Your estate.

If there are joint Owners, the surviving joint Owner, will be the designated Primary Beneficiary, unless the joint Owners have otherwise designated a Primary Beneficiary either on the application or by sending Us Written Notice. If a person other than a joint Owner is named a Primary Beneficiary, the surviving Owner will not be entitled to proceeds upon the death of the first Owner.

- 3.3 Change of Beneficiary:** You may change a revocable Beneficiary. We must receive Written Notice informing Us of the change. A change takes effect as of the date the Written Notice was signed, unless otherwise specified by the Owner. We will not be liable for any payment made before We record the Written Notice.

An irrevocable Beneficiary cannot be changed without permission from the irrevocable Beneficiary. By designating an irrevocable Beneficiary, You give up the right to change that Beneficiary.

- 3.4 Incontestability:** We will not contest this Contract.

- 3.5 Misstatement of Age or Sex:** If the age or sex of the Annuitant has been misstated, We will adjust the amount of each annuity payment to equal that which the applied value would have purchased at the correct age and sex of the Annuitant(s).

Any overpayments or underpayments by the Company on account of misstatement of age or sex shall, be charged or credited against the current or next succeeding payments to be made by the Company.

- 3.6 Annual Statement:** At least once each year, We will send You a report containing account activity information required by applicable state law.

- 3.7 Non-participating:** This Contract does not participate in the surplus or profits of the Company and the Company does not pay any dividends on it.

- 3.8 Claims of Creditors:** To the extent permitted by law, no benefits payable under this Contract to a Beneficiary or Payee are subject to the claims of creditors.

- 3.9 Minimum Benefits:** The Accumulation Value on the Maturity Date, Surrender Values and death benefit under this Contract will not be less than the minimum required by the laws of the state in which this Contract is delivered.

- 3.10 Payment of Premiums:** The Initial Premium is due on the Issue Date. You may make additional premium payments in any amount and frequency, subject to the Minimum Additional Premium limits shown on the Specifications Page. The amount of subsequent premium that We can accept in any Contract Year is limited. You may not exceed this limit without prior approval from Us. The Maximum Additional Premium that We can accept in any Contract Year is shown on the Specifications Page.

We may return any portion of a premium payment that would cause it to exceed any federal limitations on premium payments received during any taxable year.

**3.11 Ownership:** This Contract belongs to You. You have all rights granted by this Contract, including the right to change Owners and Beneficiaries, subject to the rights of:

- 1) Any assignee of record with Us;
- 2) Any irrevocable Beneficiary; and
- 3) Any restricted ownership.

We must receive Written Notice informing Us of any change, designation or revocation. Once recorded, a change, designation or revocation takes effect as of the date the Written Notice was signed, unless otherwise specified by the Owner. However, We are not liable for payments made by Us before We record the Written Notice.

**3.12 Assignment:** You may assign this Contract by giving Us Written Notice. The assignment takes effect on the date the Written Notice is signed, unless otherwise specified by the Owner. We will not be responsible for the validity of any assignment. We will not be liable for any payments We make prior to recording the Written Notice of assignment.

**3.13 Maturity Date:** On the Contract's Maturity Date, two options may be available:

- 1) Elect a Contract Pay-Out Option as described in section 11, or
- 2) Continue the GLWB as Your Pay-out Option.

If a Pay-Out Option is elected, the Contract will terminate. If the GLWB is continued as Your Pay-Out Option, the Contract will terminate and the Lifetime Payment Amount, if it is greater than zero, will continue to be paid out for the life of the Annuitant.

#### **SECTION 4: ALLOCATIONS AND TRANSFERS**

**4.1 Allocation of Premiums:** You must select the portion of Your Initial Premium to be allocated to the Fixed Account and Index Account(s). The amount allocated to an Index Account must be at least equal to the Minimum Account Value.

All subsequent premiums received during a Contract Year will be allocated to the Fixed Account. On each Contract Anniversary, We will allocate any premiums received since the prior Contract Anniversary to the Index Account(s) according to Your most recent instructions.

The percentage of the Accumulation Value allocated to the Fixed Account must satisfy any Minimum Fixed Account Allocation requirements shown on the Specification Page. On each Contract Anniversary, We reserve the right to reallocate Your Contract's Accumulation Value on a pro-rata basis in the event that the percentage of Your Accumulation Value that is allocated to the Fixed Account is less than the Minimum Fixed Account Allocation percentage shown on the Specifications Page.

**4.2 Transfers:** You may request a transfer to or from the Fixed Account and Index Account(s) to be effective on the next Contract Anniversary, subject to the following:

- 1) We must receive Your written Notice requesting a transfer at least five business days prior to the Contract Anniversary.
- 2) The amount transferred cannot be less than the Minimum Transfer Amount shown on the Additional Benefits Specifications Page.
- 3) If You do not transfer the entire balance of an Index Account, the amount remaining in an Index Account after the transfer must be equal to or greater than the Minimum Accumulation Value shown on the Specifications Page.
- 4) We reserve the right to require You to maintain at least an amount equal to the Minimum Fixed Account Allocation percentage of Your Contract's Accumulation Value in the Fixed Account after any transfer request.

We will also declare the current interest rate for any amounts transferred to the Fixed Account.

- 4.3 Reallocation of Values:** On each Contract Anniversary, We reserve the right to reallocate Your Contract's Accumulation Value on a pro-rata basis in the event that the percentage of Your Accumulation Value that is allocated to the Fixed Account is less than the Minimum Fixed Account Allocation percentage shown on the Specifications Page.

## **SECTION 5: FIXED ACCOUNT**

- 5.1 Fixed Account Value:** The Fixed Account Value equals:

- 1) Your Fixed Account Initial Premium; plus
- 2) Any subsequent premium; plus or minus
- 3) Any transfers to or from the Fixed Account; less
- 4) Any Gross Partial Surrender Amount(s); plus
- 5) Interest credited at the current interest rate.

- 5.2 Fixed Account Interest Rates:** The Initial Premium Interest Rate on the Issue Date as shown on the Specifications Page, is applicable to the Fixed Account Initial Premium, and is guaranteed for the Initial Premium Interest Rate Guarantee Period shown on the Specifications Page.

We will declare the interest rate for any subsequent premium at the time the subsequent premium is received. The interest rate applicable to any subsequent premium is guaranteed until the end of the Contract Year.

The interest rate will be declared for future durations. The interest rate will never be less than the Minimum Guaranteed Fixed Account Interest Rate shown on the Specifications Page.

## **SECTION 6: GUARANTEED LIFETIME WITHDRAWAL BENEFIT**

- 6.1 GUARANTEED LIFETIME WITHDRAWAL BENEFIT (GLWB):** Your Contract provides for a Guaranteed Lifetime Withdrawal Benefit (GLWB) prior to the Maturity Date of the Contract. The GLWB guarantees that You may take a partial surrender of an amount up to the Lifetime Payment Amount each Contract Year during the life of the Annuitant even if Your Contract Accumulation Value and GLWB Value are reduced to zero. The GLWB is effective on the Issue Date, as shown on the Specifications Page.

- 6.2 CALCULATION OF THE GLWB VALUE:**

- 1) **Calculation of the GLWB Value:** The Initial GLWB Value on the Issue Date equals your initial premium plus the GLWB Bonus and is shown on the Specifications Page. Each time an additional premium is received, the GLWB Value will increase by the amount of that additional premium, including GLWB Bonus, if applicable.

As detailed below, the GLWB Value will also increase as a result of a GLWB Stacking Roll-Up Credit and will decrease as a result of any partial surrender. The GLWB Value will never exceed the Maximum GLWB Value, as shown on the Specifications Page.

- 2) **Effect of GLWB Stacking Roll-Up Credit:** On each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period, the current GLWB Value will be increased by an amount equal to:
- a) GLWB Stacking Roll-Up Credit Percentage multiplied by the current GLWB Value, plus
  - b) the dollar amount of the Interest Credited to the Accumulation Value, if any, during the preceding Contract Year,

The applicable GLWB Stacking Roll-Up Credit Period, the GLWB Stacking Roll-Up Credit Percentage and the application of GLWB Stacking Roll-Up Credit criteria are shown on the Specifications Page. The GLWB Stacking Roll-Up Credit is applied according to the GLWB Stacking Roll-Up Credit Availability section of the Specifications Page. The GLWB Stacking

Roll-Up Credit Amount is calculated as shown on the Specifications Page. At the time of calculation, the GLWB Stacking Roll-Up Credit Amount is added to the GLWB Value. The GLWB Stacking Roll-Up Credit will terminate on the Lifetime Payment Election Date.

- 3) **Effect of GLWB Bonus:** The Initial GLWB Value as shown on the Specifications Page includes the GLWB Bonus. The GLWB Bonus Amount is equal to the premium, less Gross Partial Surrender Amount(s), multiplied by the GLWB Bonus Percentage during the GLWB Bonus Period shown on the Specifications Page. The Contract Accumulation Value does not increase as a result of the GLWB Bonus.
- 4) **Effect of Electing Pay-Out Option:** Upon an election of a Pay-Out Option, the GLWB Value will equal zero.

### 6.3 LIFETIME PAYMENT AMOUNT:

- 1) **Lifetime Payment Amount (LPA):** On the Lifetime Payment Election Date, the Lifetime Payment Amount is equal to:
  - a) The Lifetime Payment Percentage, as shown on the Specifications Page; multiplied by
  - b) The GLWB Value on the Lifetime Payment Election Date.

The Lifetime Payment Amount may increase as a result of additional premiums or GLWB Bonus, and may decrease as a result of partial surrenders in excess of the GLWB Value Partial Surrender Allowance.

The Lifetime Payment Amount is available each year for the life of the Annuitant, provided there are no partial surrenders in excess of the GLWB Value Partial Surrender Allowance as shown on the Specifications Page. In order to receive the Lifetime Payment Amount, the Annuitant must be living on the date of each payment. We reserve the right to require proof that this condition is met. We reserve the right to recover from the Owner or his/her estate any payments made after the death of the Annuitant.

The Lifetime Payment Amount is not subject to any surrender charge or Interest Adjustment. The Lifetime Payment Amount includes, but is not in addition to, any Penalty-Free Partial Surrender provided by the Contract.

If You choose not to withdraw the full Lifetime Payment Amount available in any Contract Year, the remaining Lifetime Payment Amount cannot be carried forward to a future Contract Year.

- 2) **Effect of Additional Premium on the LPA:** Each time an additional premium is received after the Lifetime Payment Election Date, the Lifetime Payment Amount will equal the greater of:
  - a) the Lifetime Payment Amount immediately prior to the additional premium; or
  - b) the lesser of:
    1. the Lifetime Payment Percentage, as shown on the Specifications Page; multiplied by the GLWB Value immediately after the additional premium; or
    2. The Lifetime Payment Amount immediately prior to the premium plus an amount equal to the additional premium (including any increase in the GLWB Bonus as a result of this additional premium) multiplied by the applicable Lifetime Payment Percentage.
- 3) **Increase of Lifetime Payment Amount due to increase in Attained Age:** On each Contract Anniversary after the Lifetime Payment Election Date, the Lifetime Payment Amount equals the great of:
  - a) The current GLWB Value, after any applicable GLWB stacking roll-up credits, multiplied by the applicable Lifetime Payment Percentage; or
  - b) The current Lifetime Payment Amount.

- 6.4 GLWB Settlement Phase:** The Contract will enter the GLWB Settlement Phase when the Contract Accumulation Value equals zero and the GLWB Value or Lifetime Payment Amount is still greater than zero. The Lifetime Payment Amount will continue but all other rights and benefits under the Contract, including death benefits, will terminate and additional premiums will not be accepted.

Settlement payments of an amount no greater than the Lifetime Payment Amount will automatically be paid to You each Contract Year during the life of the Annuitant. The settlement payments will be paid no less frequently than annually.

See the Specifications Page for details on Spousal Continuance.

## SECTION 7: SURRENDERS

- 7.1 Surrender:** You may surrender this Contract for its Surrender Value at any time prior to the Maturity Date. The Surrender Value will be determined as of the date that We receive Written Notice and this Contract is returned to Us.

We may defer payment of the Surrender Value for up to six months upon making a written request and receiving written approval from the Commissioner for the state in which this Contract was delivered. If payment is deferred for 30 or more days, interest at the rate required by the jurisdiction in which this Contract is delivered will be paid.

- 7.2 Surrender Charges:** We will deduct a surrender charge upon full surrender during the Surrender Charge Period. The surrender charge is equal to:

- 1) The Accumulation Value; less
- 2) The available Penalty-Free Partial Surrender Allowance; multiplied by
- 3) The Surrender Charge Percentage.

The Penalty-Free Partial Surrender Allowance and Surrender Charge Percentage are shown on the Specifications Page.

- 7.3 Surrender Value:** The Surrender Value is equal to:

- 1) The Accumulation Value; plus
- 2) The Interest Adjustment, if any, as explained in section 9.1; less
- 3) The surrender charge, if any; less
- 4) Any applicable Premium Tax.

The Surrender Value cannot be greater than the Accumulation Value, but in no event will it be less than the minimum required by the laws of the state in which this Contract is delivered.

- 7.4 Effect of Surrender on GLWB Value:** The GLWB Value is not available upon surrender, nor is it ever available as a lump sum payment. Upon surrender the GLWB Value will be reduced to zero.

## SECTION 8: PARTIAL SURRENDERS

- 8.1 Partial Surrenders:** You may surrender part of the Accumulation Value at any time prior to the Maturity Date, subject to the Minimum Gross Partial Surrender Amount shown on the Specifications Page. A Gross Partial Surrender Amount may not bring the Accumulation Value below the Minimum Accumulation Value shown on the Specifications Page.

We may defer payment of the Partial Surrender Amount for up to six months upon making a written request and receiving written approval from the Commissioner for the state in which this Contract was delivered. If payment is deferred for 30 or more days, interest at the rate required by the jurisdiction in which this Contract is delivered will be paid.

**8.2 Penalty-Free Partial Surrender:** You may withdraw without application of Interest Adjustment and without incurring any surrender charge a percentage no greater than the Penalty-Free Partial Surrender Percentage shown on the Specifications Page.

If this option is not exercised during any Contract Year, any unused amount will not be carried over to a subsequent Contract Year.

**8.3 Surrender Charges:** During the Surrender Charge Period, We will deduct a surrender charge upon any surrender in excess of the available Penalty-Free Partial Surrender amount. The surrender charge is equal to:

- 1) The Gross Partial Surrender Amount; less
- 2) The available Penalty-Free Partial Surrender amount, if any; multiplied by
- 3) The Surrender Charge Percentage.

The Surrender Charge Period, Surrender Charge Percentage and Penalty-Free Partial Surrender Percentage are shown on the Specifications Page.

**8.4 Partial Surrender Amount:** The Partial Surrender Amount is equal to:

- 1) The Gross Partial Surrender Amount; plus
- 2) The Interest Adjustment, if any, as explained in section 9.1; less
- 3) The surrender charge, if any; less
- 4) Any applicable Premium Tax.

**8.5 Effect of Partial Surrender on GLWB Value:** The GLWB Value will be reduced by the amount of the Gross Partial Surrender Amount, provided the total Gross Partial Surrender Amounts during a Contract Year are less than the GLWB Value Partial Surrender Allowance.

Any Gross Partial Surrender Amount that exceeds the GLWB Value Partial Surrender Allowance during a Contract Year will reduce the GLWB Value by the same proportion that the Gross Partial Surrender Amount reduced the Accumulation Value at the time of the partial surrender.

A Gross Partial Surrender Amount in excess of the GLWB Value Partial Surrender Allowance may be subject to surrender charges or Interest Adjustment.

**8.6 Effect of Partial Surrender on GLWB Lifetime Payment Amount:** During a Contract Year, if the total Gross Partial Surrender Amount is less than the GLWB Value Partial Surrender Allowance, the Lifetime Payment Amount will not change as a result of the partial surrenders.

Any Gross Partial Surrender Amount that exceeds the GLWB Value Partial Surrender Allowance, during a Contract Year will automatically reset the Lifetime Payment Amount to equal the lesser of:

- 1) The Lifetime Payment Amount immediately prior to the partial surrender; or
- 2) The applicable Lifetime Payment Percentage, as shown on the Specifications Page; multiplied by the greater of:
  - a) The Contract Accumulation Value immediately after the partial surrender; or
  - b) The GLWB Value immediately after the partial surrender.

## SECTION 9: INTEREST ADJUSTMENT

- 9.1 Interest Adjustment:** In the case of a full surrender or partial surrender during the Interest Adjustment Period, an Interest Adjustment will be calculated by multiplying the portion of the full surrender or Gross Partial Surrender Amount that exceeds any available Penalty-Free Partial Surrender amount, by a factor equal to:

$(i_o - i_t - .005) \times (T)$ , where

$i_o$  = The rate used to compute interest on the Fixed Account as of the Issue Date for this Contract, stated as an annual rate.

$i_t$  = The rate that would be used to compute interest on the Fixed Account for new issues of this Contract on the date of the applicable full surrender or partial surrender of this Contract, stated as an annual rate. If new issues of this Contract no longer are being issued by the Company at the time of the full surrender or partial surrender, then  $i_t$  shall be the Fixed Account interest rate that would apply to an additional premium received with respect to this Contract on the date of the applicable full surrender or partial surrender, stated as an annual rate. In no event will we use a rate that is less than the Minimum Guaranteed Fixed Account Interest Rate of this Contract, as shown on the Specifications Page.

$T$  = Time in years as follows: Number of days from the date of the full or partial surrender to the end of the current Contract Year divided by 365; plus whole number of years remaining in the Interest Adjustment Period, as shown on the Additional Benefits Specification Page.

An Interest Adjustment will only be made during the Interest Adjustment Period. An Interest Adjustment is only applied to the portion of the full or partial surrender that exceeds any available Penalty-Free Partial Surrender amount.

The Interest Adjustment applied to a full surrender or any partial surrender will be limited so that it neither increases nor decreases the amount payable to You pursuant to that full surrender or partial surrender by more than the lesser of (A) or (B) where:

(A) is equal to:

- 1) The total amount of interest credited to the Accumulation Value since the Issue Date; less
- 2) The sum of the increases and decreases in any prior partial surrenders due to any prior Interest Adjustments applied with respect to this Contract. Such increases and decreases shall each be treated as positive (or absolute value) numbers, such that each term in the calculation of the sum required by this clause (2) is positive and increases and decreases do not offset each other.

And

(B) is equal to:

- 1) The surrender charge applicable at the time of the full or partial surrender.

## SECTION 10: DEATH BENEFIT

- 10.1 Death of the Annuitant or an Owner Before the Maturity Date:** If the Annuitant or an Owner dies prior to the Maturity Date, upon receiving Proof of Death, We will pay the death benefit to the appropriate Beneficiary. The death benefit is the Accumulation Value as of the date of death, increased by interest at the rate required by the state in which this Contract is delivered until the date of payment and less any applicable Premium Tax. The death benefit will be at least as great as the Surrender Value.

Death benefits will be distributed on the death of the first Owner, unless the sole Beneficiary is the spouse. In which case, the spouse may elect to continue this Contract as the new Owner as described in Section 10.2.

If there are joint Owners, the surviving joint Owner will be the designated Primary Beneficiary unless the joint Owners have otherwise designated a Primary Beneficiary either on the application or by sending Us Written Notice. If a person other than a joint Owner is named as Primary Beneficiary, the surviving Owner will not be entitled to death benefits upon the death of the first Owner.

If the Owner dies with remaining value in the Contract and the surviving spouse is not the sole Beneficiary, any remaining Accumulation Value will:

- 1) Be distributed to the appropriate Beneficiary within 5 years from the death of the Owner, or
- 2) If requested by the Beneficiary, be distributed over a period not extending beyond the life expectancy of the Beneficiary, provided such distributions begin no later than one year after the date of death of the Owner or a later date as prescribed by Internal Revenue Service regulations.

If there are joint Annuitants, the death benefit will be paid upon the death of the second Annuitant unless otherwise required by law. If the joint Annuitants are also joint Owners, the death benefit will be paid upon the death of the first Owner as specified above.

If the Annuitant and Owner are not the same, and the Annuitant dies with remaining value in the Contract any remaining Accumulation Value will:

- 1) Be distributed to the appropriate Beneficiary in the year of death, or
- 2) If requested by the Beneficiary, be distributed over a period not extending beyond the life expectancy of the Beneficiary, provided such distributions are elected no later than 60 days after the date of death of the Annuitant or a later date as prescribed by Internal Revenue Service regulations.

Payments under this Section are in full settlement of all liability under this Contract.

- 10.2 Spousal Continuation:** If the Owner dies, and the sole Beneficiary is the deceased Owner's spouse, the Beneficiary may elect to continue this Contract as the new Owner. See Specifications Page for details on Spousal Continuation.
- 10.3 Death of the Annuitant or an Owner On or After the Maturity Date:** If the Annuitant or an Owner dies on or after the Maturity Date and before a Pay-Out Option is fully distributed, upon receiving Proof of Death, any remaining balance will be paid at least as rapidly as under the Pay-Out Option in effect on the date of death.
- 10.4 Simultaneous Death:** If joint Owners or joint Annuitants die within 24 hours of one another, they are considered to have died simultaneously and the eldest is presumed to have died first. In the event of the simultaneous death of the Owner and the Annuitant, the Owner is presumed to have died first, and the Owner's Beneficiary would be paid the death benefit.
- 10.5 Effect of Death of Owner or Annuitant on GLWB and Lifetime Payment Amount:** The GLWB Value is not available as a Death Benefit. Upon death of an Owner, the Contract will terminate unless the Contract is continued pursuant to the Spousal Continuation provision. If there are joint Annuitants, upon the death of the first Annuitant, the GLWB will continue when the Contract continues and there will be no change to the Lifetime Payment Amount. Upon the death of the second Annuitant, the GLWB will terminate.
- 10.6 Effect of Spousal Continuation on GLWB and Lifetime Payment Amount:** Upon the death of an individual Annuitant who is also the Owner of the Contract, the GLWB will terminate, unless the Contract is continued pursuant to the Spousal Continuation provision of the Contract. If the Contract is continued under the Spousal Continuation provision, the GLWB will continue only if the surviving spouse is the sole beneficiary. See the Specifications Page for details on Spousal Continuation.

## SECTION 11: PAY-OUT PROVISIONS

- 11.1 Annuity Payments:** On the Maturity Date, You have two options as shown in section 3.13. If you chose a Pay-Out Option then We will pay the Accumulation Value of this Contract, less any applicable Premium Tax, to the Annuitant if living. You may elect to have the value paid under one of the Pay-Out Options described in Section 11.3. The election of a Pay-Out Option must be made in writing at least 30 days prior to the Maturity Date. If no election is made, the automatic payment plan of a life annuity with 10 year certain period (monthly income for a minimum of 120 months and as long thereafter as the Annuitant lives) will be applied.

Annuity payments will not be less than those that would be provided by the application of the cash surrender value to purchase a single premium immediate annuity contract at purchase rates offered by the company at the time to the same class of annuitants.

Once a Pay-Out Option is elected and annuity payments begin, all other rights and benefits under this Contract are terminated.

If the Accumulation Value on the Maturity Date is less than \$2,500, the annual payment is less than \$50, or the Payee is a corporation, partnership, association, trustee or assignee, We reserve the right to pay the Accumulation Value to the Owner in a lump sum cash payment.

- 11.2 Frequency of Annuity Payments:** Annuity payments will be made monthly, unless a different mode of payment is elected. If monthly payments would be less than \$20, We reserve the right to change the payment frequency, so that payments are at least \$20.

- 11.3 Pay-Out Options:** Annuity payments will be made according to one of the following Pay-Out Options (Tables 1, 2 & 3 can be located in the attached APPENDIX).

**Option 1 - Income for Specified Period:** We will pay an income for a specific number of years in equal payments. We guarantee these payments to be at least those shown in Table 1.

At Our sole discretion, excess interest may be paid or credited from time to time in addition to the payments guaranteed under Option 1.

### **Option 2 - Life Annuity:**

**Life Only:** We will pay equal monthly payments during the lifetime of the Payee. Upon the death of the Payee, payments will cease. We guarantee these payments to be at least those shown in Table 2.

**With Certain Period:** We will pay equal monthly payments for a selected number of guaranteed payments, and then for as long as the Payee is living thereafter. We guarantee these payments to be at least those shown in Table 2.

**Option 3 - Income for a Specified Amount:** We pay income of the specified amount until the Accumulation Value is exhausted. The specified amount is subject to the limitation that the Accumulation Value must be payable for at least 5 years, and must be exhausted at the end of 20 years. Payments will begin upon election of the payment plan option and will continue until the Accumulation Value, at the rate of 1.50% compounded per annum, is exhausted.

**Option 4 - Joint and Survivor Income:** We will pay monthly payments during the lifetime of the Annuitant and the named Beneficiary. We determine the payment amount by the sex and age of each person according to Table 3. The Annuitant must be at least 50 years old, and the Beneficiary/Payee must be at least 45 years old, at the time of the first monthly payment. On request, We will furnish values for age or sex combinations not shown in Table 3.

**11.4 Additional Payment Plans:** If, at the time You elect a payment plan, We offer payment plans in addition to those listed in Section 11.3, You may elect to have annuity payments made under any payment plan offered by Us.

**11.5 Evidence of Age and Survival:** Income under Options 2 and 4 is based on the age of each Payee. We require proof of age. We reserve the right to require proof of survival under Options 2 and 4.

## **SECTION 12: TERMINATION**

**12.1 Contract Termination:** This Contract terminates upon the occurrence of the first of the following events:

- 1) When a Pay-Out Option is fully distributed; or
- 2) Full surrender of the Contract; or
- 3) On the date the Contract Accumulation Value, the GLWB Value and the Lifetime Payment Amount all equal zero; or
- 4) Death of the Owner or Annuitant, where the Beneficiary does not continue the Contract under Spousal Continuation.

**APPENDIX**

**TABLE 1**

**INCOME FOR SPECIFIED PERIOD FACTORS**

Payments shown are for each \$1,000 of net proceeds applied. Interest is 1.50%, and is subject to change as described in the Pay-out Provisions Section.

Specified Period not to exceed 20 years. Payment will begin upon election.

<b>ANNUAL YEARS</b>	<b>ANNUAL</b>	<b>SEMI-ANNUAL</b>	<b>QUARTERLY</b>	<b>MONTHLY</b>
1	N/A	N/A	N/A	N/A
2	N/A	N/A	N/A	N/A
3	N/A	N/A	N/A	N/A
4	N/A	N/A	N/A	N/A
5	205.99	103.38	51.78	17.28
6	172.93	86.78	43.47	14.50
7	149.31	74.93	37.53	12.52
8	131.60	66.04	33.08	11.04
9	117.84	59.14	29.62	9.88
10	106.83	53.61	26.85	8.96
11	97.82	49.09	24.59	8.20
12	90.32	45.33	22.70	7.57
13	83.98	42.14	21.11	7.04
14	78.54	39.41	19.74	6.59
15	73.83	37.05	18.56	6.19
16	69.71	34.98	17.52	5.84
17	66.08	33.16	16.61	5.54
18	62.86	31.54	15.80	5.27
19	59.97	30.10	15.07	5.03
20	57.38	28.79	14.42	4.81

**TABLE 2**

**MONTHLY INCOME FOR LIFE AND LIFE WITH GUARANTEED PERIODS**

Equal monthly payments for life only, for guaranteed periods of 10 or 20 years as elected, and for life thereafter as shown in the table below. Amount of each monthly payment shown is per \$1,000 of net proceeds. Amounts are based on Annuity 2000 Table and 1.50% interest.

Payment will begin upon election.

**Unisex**

Age of Payee	Life Only	Life with 10 Year Certain	Life with 20 Year Certain
25	2.10	2.10	2.10
26	2.12	2.12	2.12
27	2.14	2.14	2.14
28	2.17	2.16	2.16
29	2.19	2.19	2.18
30	2.21	2.21	2.21
31	2.24	2.24	2.23
32	2.27	2.27	2.26
33	2.29	2.29	2.29
34	2.32	2.32	2.32
35	2.35	2.35	2.35
36	2.38	2.38	2.38
37	2.42	2.41	2.41
38	2.45	2.45	2.44
39	2.49	2.48	2.47
40	2.52	2.52	2.51
41	2.56	2.56	2.55
42	2.60	2.60	2.58
43	2.64	2.64	2.62
44	2.69	2.68	2.66
45	2.73	2.73	2.71
46	2.78	2.77	2.75
47	2.83	2.82	2.80
48	2.88	2.88	2.84
49	2.94	2.93	2.89
50	3.00	2.99	2.95
51	3.06	3.05	3.00
52	3.12	3.11	3.05
53	3.19	3.17	3.11
54	3.26	3.24	3.17
55	3.33	3.31	3.23
56	3.41	3.39	3.30
57	3.49	3.47	3.36
58	3.58	3.55	3.43
59	3.67	3.64	3.50
60	3.77	3.73	3.58
61	3.87	3.83	3.65
62	3.99	3.93	3.72

Age of Payee	Life Only	Life with 10 Year Certain	Life with 20 Year Certain
63	4.10	4.04	3.80
64	4.23	4.16	3.88
65	4.36	4.28	3.95
66	4.50	4.41	4.03
67	4.66	4.54	4.11
68	4.82	4.69	4.18
69	5.00	4.84	4.25
70	5.19	5.00	4.32
71	5.39	5.16	4.38
72	5.61	5.34	4.44
73	5.85	5.52	4.50
74	6.11	5.71	4.55
75	6.38	5.90	4.59
76	6.68	6.10	4.63
77	7.01	6.31	4.67
78	7.36	6.51	4.70
79	7.74	6.72	4.72
80	8.15	6.93	4.74
81	8.60	7.13	4.76
82	9.08	7.33	4.77
83	9.61	7.51	4.78
84	10.18	7.69	4.79
85	10.79	7.85	4.80
86	11.45	8.00	4.80
87	12.15	8.14	4.80
88	12.91	8.27	4.81
89	13.71	8.38	4.81
90	14.54	8.47	4.81
91	15.42	8.56	4.81
92	16.34	8.64	4.81
93	17.29	8.70	4.81
94	18.28	8.76	4.81
95	19.32	8.81	4.81
96	20.41	8.85	4.81
97	21.59	8.88	4.81
98	22.89	8.91	4.81
99	24.34	8.93	4.81
100	26.00	8.94	4.81

**TABLE 2 (continued)**

**MONTHLY INCOME FOR LIFE AND LIFE WITH GUARANTEED PERIODS**

Equal monthly payments for life only, for guaranteed periods of 10 or 20 years as elected, and for life thereafter as shown in the table below. Amount of each monthly payment shown is per \$1,000 of net proceeds. Amounts are based on Annuity 2000 Table and 1.50% interest.

Payment will begin upon election.

**Female**

Age of Payee	Life Only	Life with 10 Year Certain	Life with 20 Year Certain
25	2.10	2.10	2.10
26	2.12	2.12	2.12
27	2.14	2.14	2.14
28	2.17	2.16	2.16
29	2.19	2.19	2.18
30	2.21	2.21	2.21
31	2.24	2.24	2.23
32	2.27	2.27	2.26
33	2.29	2.29	2.29
34	2.32	2.32	2.32
35	2.35	2.35	2.35
36	2.38	2.38	2.38
37	2.42	2.41	2.41
38	2.45	2.45	2.44
39	2.49	2.48	2.47
40	2.52	2.52	2.51
41	2.56	2.56	2.55
42	2.60	2.60	2.58
43	2.64	2.64	2.62
44	2.69	2.68	2.66
45	2.73	2.73	2.71
46	2.78	2.77	2.75
47	2.83	2.82	2.80
48	2.88	2.88	2.84
49	2.94	2.93	2.89
50	3.00	2.99	2.95
51	3.06	3.05	3.00
52	3.12	3.11	3.05
53	3.19	3.17	3.11
54	3.26	3.24	3.17
55	3.33	3.31	3.23
56	3.41	3.39	3.30
57	3.49	3.47	3.36
58	3.58	3.55	3.43
59	3.67	3.64	3.50
60	3.77	3.73	3.58
61	3.87	3.83	3.65
62	3.99	3.93	3.72

Age of Payee	Life Only	Life with 10 Year Certain	Life with 20 Year Certain
63	4.10	4.04	3.80
64	4.23	4.16	3.88
65	4.36	4.28	3.95
66	4.50	4.41	4.03
67	4.66	4.54	4.11
68	4.82	4.69	4.18
69	5.00	4.84	4.25
70	5.19	5.00	4.32
71	5.39	5.16	4.38
72	5.61	5.34	4.44
73	5.85	5.52	4.50
74	6.11	5.71	4.55
75	6.38	5.90	4.59
76	6.68	6.10	4.63
77	7.01	6.31	4.67
78	7.36	6.51	4.70
79	7.74	6.72	4.72
80	8.15	6.93	4.74
81	8.60	7.13	4.76
82	9.08	7.33	4.77
83	9.61	7.51	4.78
84	10.18	7.69	4.79
85	10.79	7.85	4.80
86	11.45	8.00	4.80
87	12.15	8.14	4.80
88	12.91	8.27	4.81
89	13.71	8.38	4.81
90	14.54	8.47	4.81
91	15.42	8.56	4.81
92	16.34	8.64	4.81
93	17.29	8.70	4.81
94	18.28	8.76	4.81
95	19.32	8.81	4.81
96	20.41	8.85	4.81
97	21.59	8.88	4.81
98	22.89	8.91	4.81
99	24.34	8.93	4.81
100	26.00	8.94	4.81

**TABLE 2 (continued)**

**MONTHLY INCOME FOR LIFE AND LIFE WITH GUARANTEED PERIODS**

Equal monthly payments for life only, for guaranteed periods of 10 or 20 years as elected, and for life thereafter as shown in the table below. Amount of each monthly payment shown is per \$1,000 of net proceeds. Amounts are based on Annuity 2000 Table and 1.50% interest.

Payment will begin upon election.

**Male**

Age of Payee	Life Only	Life with 10 Year Certain	Life with 20 Year Certain
25	2.19	2.19	2.19
26	2.22	2.22	2.21
27	2.24	2.24	2.24
28	2.27	2.27	2.26
29	2.30	2.29	2.29
30	2.32	2.32	2.32
31	2.35	2.35	2.34
32	2.38	2.38	2.37
33	2.42	2.41	2.40
34	2.45	2.45	2.44
35	2.48	2.48	2.47
36	2.52	2.52	2.50
37	2.56	2.56	2.54
38	2.60	2.60	2.58
39	2.64	2.64	2.61
40	2.68	2.68	2.65
41	2.73	2.72	2.70
42	2.78	2.77	2.74
43	2.83	2.82	2.78
44	2.88	2.87	2.83
45	2.93	2.92	2.88
46	2.99	2.97	2.93
47	3.05	3.03	2.98
48	3.11	3.09	3.03
49	3.17	3.15	3.08
50	3.24	3.22	3.14
51	3.31	3.29	3.20
52	3.38	3.36	3.26
53	3.46	3.43	3.32
54	3.54	3.51	3.38
55	3.63	3.59	3.44
56	3.72	3.68	3.51
57	3.82	3.77	3.58
58	3.92	3.86	3.65
59	4.03	3.96	3.72
60	4.14	4.07	3.79
61	4.27	4.18	3.86
62	4.40	4.30	3.93

Age of Payee	Life Only	Life with 10 Year Certain	Life with 20 Year Certain
63	4.54	4.42	4.00
64	4.69	4.55	4.07
65	4.85	4.68	4.13
66	5.02	4.82	4.20
67	5.20	4.97	4.26
68	5.39	5.12	4.33
69	5.59	5.28	4.38
70	5.81	5.44	4.44
71	6.05	5.61	4.49
72	6.30	5.78	4.53
73	6.56	5.96	4.58
74	6.84	6.14	4.61
75	7.15	6.32	4.65
76	7.47	6.5	4.68
77	7.82	6.68	4.70
78	8.19	6.86	4.72
79	8.58	7.04	4.74
80	9.01	7.22	4.76
81	9.46	7.39	4.77
82	9.95	7.55	4.78
83	10.46	7.71	4.79
84	11.02	7.86	4.80
85	11.61	7.99	4.80
86	12.23	8.12	4.80
87	12.90	8.24	4.81
88	13.61	8.35	4.81
89	14.36	8.44	4.81
90	15.16	8.53	4.81
91	16.01	8.61	4.81
92	16.90	8.68	4.81
93	17.85	8.74	4.81
94	18.87	8.79	4.81
95	19.96	8.83	4.81
96	21.13	8.87	4.81
97	22.41	8.90	4.81
98	23.83	8.92	4.81
99	25.44	8.94	4.81
100	27.26	8.95	4.81

**TABLE 3**

**JOINT AND SURVIVOR INCOME FACTORS**

We will furnish values for age combinations not shown in the table on request. They will be calculated on the same basis as those in this table.

<b>Female Age</b>	<b>Male Age</b>					
	45	50	55	60	65	70
45	2.50	2.57	2.62	2.66	2.69	2.71
50	2.61	2.71	2.80	2.86	2.91	2.95
55	2.70	2.84	2.97	3.09	3.17	3.23
60	2.77	2.96	3.14	3.32	3.46	3.57
65	2.83	3.05	3.29	3.54	3.77	3.97
70	2.87	3.12	3.41	3.73	4.07	4.39

Payments shown are monthly and are for each \$1,000 of net proceeds applied. Based on Annuity 2000 Tables, and 1.50% interest.

Payment will begin upon election.

**Individual Flexible Premium Deferred Annuity Contract  
With Indexed Interest Accounts  
Death Benefit Payable Before Maturity Date  
Non-Participating - Not Eligible For Dividends**

**THIS CONTRACT CONTAINS AN INTEREST ADJUSTMENT WHICH MAY CAUSE  
CERTAIN BENEFITS AND VALUES OF THIS CONTRACT TO INCREASE OR DECREASE**

## SPECIFICATIONS PAGE

**CONTRACT NUMBER:** ..... [L012345678]  
**ANNUITANT:** ..... [JOHN DOE]  
**ISSUE AGE:** ..... [35]  
**OWNER:** ..... [MARY DOE]  
**ISSUE DATE:** ..... [OCTOBER 1, 2012]  
**SEX OF ANNUITANT:** ..... [MALE]  
**MATURITY DATE:** ..... [OCTOBER 1, 2092]  
**INITIAL PREMIUM:** ..... [\$20,000.00]  
**MINIMUM ADDITIONAL PREMIUM:** ..... [\$25.00]  
**MAXIMUM ADDITIONAL PREMIUM:** ..... [\$5,000.00]  
**MINIMUM ACCUMULATION VALUE:** ..... [\$1,000.00]  
**MINIMUM GROSS PARTIAL SURRENDER AMOUNT:** ..... [\$500.00]  
**INTEREST ADJUSTMENT PERIOD:** ..... [10 years]  
**PENALTY FREE PARTIAL SURRENDER PERCENTAGE:** ..... [5%] [After [1<sup>st</sup>] Contract Year]

### SURRENDER CHARGE PERIOD

<u>Contract Year</u>	<u>Surrender Charge Percentage</u>
1	10%
2	10%
3	10%
4	10%
5	10%
6	9%
7	8%
8	6%
9	4%
10	2%
11+	0%

**FIXED ACCOUNT:**

**FIXED ACCOUNT INITIAL PREMIUM:** ..... [\$10,000.00]  
**INITIAL PREMIUM INTEREST RATE:** ..... [2.60%]  
**INITIAL PREMIUM INTEREST RATE GUARANTEE PERIOD:** ..... [One] Contract Year  
**MINIMUM GUARANTEED FIXED ACCOUNT INTEREST RATE:** ..... [0.50%]

## **GUARANTEED LIFETIME WITHDRAWAL BENEFIT**

**Lifetime Payment Election Date:**

- [Upon Notification from You]
- [The date must be at least [12 months] after the Issue Date;]
- [The date must be after Attained Age [50]]

**Initial GLWB Value:** [\$50,000.00]

**Maximum GLWB Value:** [\$5,000,000]

### **GLWB BONUS**

**GLWB Bonus Period:**

[Available on premiums received in the first 5 years.]

**GLWB Bonus Percentage:**

[5.00]%

### **GLWB STACKING ROLL-UP CREDIT**

**GLWB Stacking Roll-Up Credit Period:**

[Contract Anniversary [1]–[20] from Issue Date]

**GLWB Stacking Roll-Up Credit Percentage:**

[5.00%]

**GLWB Stacking Roll-Up Credit Availability:**

[Before Lifetime Payment Election Date]:

[Available each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period provided a partial surrender was not taken in the preceding Contract Year or each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period when only the RMD\* was taken in the preceding Contract Year] or [Available each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period provided a partial surrender was not taken in the preceding Contract Year.]

[After Lifetime Payment Election Date]

[GLWB Stacking Roll-Up Credit is not available]

[The GLWB Stacking Roll-Up Credit will terminate on the Lifetime Payment Election Date.]

**GLWB Stacking Roll-Up Credit Amount:**

[On each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period, the GLWB Stacking Roll-Up Credit Percentage, when available, multiplied by the current GLWB Value; plus the dollar amount of interest credited to the Accumulation Value (if any) during the preceding Contract Year.]

**GLWB VALUE PARTIAL SURRENDER**

**GLWB Value Partial Surrender Allowance:**

( Qualified Contracts: [Before Lifetime Payment Election Date]: [After Lifetime Payment Election Date]:	[RMD*] or [\$0.00]	) [greater of RMD* or Lifetime Payment Amount] [Lifetime Payment Amount]
	[Lifetim Payment Amount]	
( Non-Qualified Contracts: [Before Lifetime Payment Election Date]: [After Lifetime Payment Election Date]:	[\$0.00]	) [Lifetime Payment Amount]
	[Lifetime Payment Amount]	

[\*Partial surrenders on and after age 70½ shall satisfy the Required Minimum Distribution (RMD) requirements of the Internal Revenue Code of 1986 as amended.]

**LIFETIME PAYMENT PERCENTAGE**

[The Lifetime Payment Percentage is based on the Annuitant's current Attained Age on the Lifetime Payment Election Date.] [Thereafter, the Lifetime Payment Percentage is based on the Annuitant's Attained Age on the most recent Contract Anniversary.]

<b>INDIVIDUAL</b>		<b>JOINT ANNUITANTS (based on age of younger Annuitant)</b>	
<b>Attained Age of Annuitant</b>	<b>Lifetime Payment Percentage</b>	<b>Attained Age of Annuitant</b>	<b>Lifetime Payment Percentage</b>
[50-54	[4.25%	[50-54	[3.25%
55-59	4.25%	55-59	3.25%
60	4.75%	60	3.75%
61	4.85%	61	3.85%
62	4.95%	62	3.95%
63	5.05%	63	4.05%
64	5.15%	64	4.15%
65	5.25%	65	4.25%
66	5.35%	66	4.35%
67	5.45%	67	4.45%
68	5.55%	68	4.55%
69	5.65%	69	4.65%
70	5.75%	70	4.75%
71	5.85%	71	4.85%
72	5.95%	72	4.95%
73	6.05%	73	5.05%
74	6.15%	74	5.15%
75	6.25%	75	5.25%
76	6.35%	76	5.35%
77	6.45%	77	5.45%
78	6.55%	78	5.55%
79	6.65%	79	5.65%
80+]	6.75%]	80+]	5.75%]

## SPOUSAL CONTINUANCE

### **EFFECT OF SPOUSAL CONTINUANCE:**

[Lifetime Payment Election Date Occurs Before Spousal Continuance]:

[Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until the earlier of the GLWB Value equals zero or upon death of surviving spouse].

[Lifetime Payment Election Date Occurs After Spousal Continuance]:

[The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age on the Lifetime Payment Election Date and the Lifetime Payment Amount is paid until the earlier of the GLWB Value equals zero or upon death of surviving spouse.]

[GLWB Stacking Roll-Up Credit Availability During Spousal Continuance]:

[Eligible for any remaining GLWB Stacking Roll-Up Credit Amounts]

[Spousal Continuance During GLWB Settlement Phase]:

[If the Contract is in GLWB Settlement Phase, Spousal Continuance is not available]

If you have any questions or concerns, contact your agent or write or call Us at:

North American Company for Life and Health Insurance

Annuity Service Center

P. O. Box 79905

Des Moines, Iowa 50325-0905

Toll-free telephone: 1-866-322-7069

## SPECIFICATIONS PAGE

**CONTRACT NUMBER:** ..... [L012345678]  
**ANNUITANT:** ..... [JOHN DOE]  
**ISSUE AGE:** ..... [35]  
**OWNER:** ..... [MARY DOE]  
**ISSUE DATE:** ..... [OCTOBER 1, 2012]  
**SEX OF ANNUITANT:** ..... [MALE]  
**MATURITY DATE:** ..... [OCTOBER 1, 2092]  
**INITIAL PREMIUM:** ..... [\$20,000.00]  
**MINIMUM ADDITIONAL PREMIUM:** ..... [\$25.00]  
**MAXIMUM ADDITIONAL PREMIUM:** ..... [\$5,000.00]  
**MINIMUM ACCUMULATION VALUE:** ..... [\$1,000.00]  
**MINIMUM GROSS PARTIAL SURRENDER AMOUNT:** ..... [\$500.00]  
**INTEREST ADJUSTMENT PERIOD:** ..... [14 years]  
**PENALTY FREE PARTIAL SURRENDER PERCENTAGE:** ..... [5%] [After [1<sup>st</sup>] Contract Year]

### SURRENDER CHARGE PERIOD

<u>Contract Year</u>	<u>Surrender Charge Percentage</u>
1	10%
2	10%
3	10%
4	10%
5	10%
6	9%
7	8%
8	7%
9	6%
10	5%
11	4%
12	3%
13	2%
14	1%
15+	0%

**FIXED ACCOUNT:**  
**FIXED ACCOUNT INITIAL PREMIUM:** ..... [\$10,000.00]  
**INITIAL PREMIUM INTEREST RATE:** ..... [2.60%]  
**INITIAL PREMIUM INTEREST RATE GUARANTEE PERIOD:** ..... [One] Contract Year  
**MINIMUM GUARANTEED FIXED ACCOUNT INTEREST RATE:** ..... [0.50%]

## **GUARANTEED LIFETIME WITHDRAWAL BENEFIT**

**Lifetime Payment Election Date:**

- [Upon Notification from You]
- [The date must be at least [12 months] after the Issue Date;]
- [The date must be after Attained Age [50]]

**Initial GLWB Value:** [\$50,000.00]

**Maximum GLWB Value:** [\$5,000,000]

### **GLWB BONUS**

**GLWB Bonus Period:**

[Available on premiums received in the first 5 years.]

**GLWB Bonus Percentage:**

[5.00%]

### **GLWB STACKING ROLL-UP CREDIT**

**GLWB Stacking Roll-Up Credit Period:**

[Contract Anniversary [1]–[20] from Issue Date]

**GLWB Stacking Roll-Up Credit Percentage:**

[5.00%]

**GLWB Stacking Roll-Up Credit Availability:**

[Before Lifetime Payment Election Date]:

[Available each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period provided a partial surrender was not taken in the preceding Contract Year or each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period when only the RMD\* was taken in the preceding Contract Year] or [Available each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period provided a partial surrender was not taken in the preceding Contract Year.]

[After Lifetime Payment Election Date]

[GLWB Stacking Roll-Up Credit is not available]

[The GLWB Stacking Roll-Up Credit will terminate on the Lifetime Payment Election Date.]

**GLWB Stacking Roll-Up Credit Amount:**

[On each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period, GLWB Stacking Roll-Up Credit Percentage, when available, multiplied by the current GLWB Value; plus the dollar amount of interest credited to the Accumulation Value (if any) during the preceding Contract Year.]

**GLWB VALUE PARTIAL SURRENDER**

**GLWB Value Partial Surrender Allowance:**

( Qualified Contracts: [Before Lifetime Payment Election Date]: [After Lifetime Payment Election Date]:	[RMD*] or [\$0.00]	) [greater of RMD* or Lifetime Payment Amount] [Lifetime Payment Amount]
	[Lifetim Payment Amount]	
( Non-Qualified Contracts: [Before Lifetime Payment Election Date]: [After Lifetime Payment Election Date]:	[\$0.00]	) [Lifetime Payment Amount]
	[Lifetime Payment Amount]	

[\*Partial surrenders on and after age 70½ shall satisfy the Required Minimum Distribution (RMD) requirements of the Internal Revenue Code of 1986 as amended.]

**LIFETIME PAYMENT PERCENTAGE**

[The Lifetime Payment Percentage is based on the Annuitant's current Attained Age on the Lifetime Payment Election Date.] [Thereafter, the Lifetime Payment Percentage is based on the Annuitant's Attained Age on the most recent Contract Anniversary.]

<b>INDIVIDUAL</b>		<b>JOINT ANNUITANTS (based on age of younger Annuitant)</b>	
<b>Attained Age of Annuitant</b>	<b>Lifetime Payment Percentage</b>	<b>Attained Age of Annuitant</b>	<b>Lifetime Payment Percentage</b>
[50-54	[4.25%	[50-54	[3.25%
55-59	4.25%	55-59	3.25%
60	4.75%	60	3.75%
61	4.85%	61	3.85%
62	4.95%	62	3.95%
63	5.05%	63	4.05%
64	5.15%	64	4.15%
65	5.25%	65	4.25%
66	5.35%	66	4.35%
67	5.45%	67	4.45%
68	5.55%	68	4.55%
69	5.65%	69	4.65%
70	5.75%	70	4.75%
71	5.85%	71	4.85%
72	5.95%	72	4.95%
73	6.05%	73	5.05%
74	6.15%	74	5.15%
75	6.25%	75	5.25%
76	6.35%	76	5.35%
77	6.45%	77	5.45%
78	6.55%	78	5.55%
79	6.65%	79	5.65%
80+]	6.75%]	80+]	5.75%]

## SPOUSAL CONTINUANCE

**EFFECT OF SPOUSAL CONTINUANCE:**

[Lifetime Payment Election Date Occurs Before Spousal Continuance]:

[Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until the earlier of the GLWB Value equals zero or upon death of surviving spouse].

[Lifetime Payment Election Date Occurs After Spousal Continuance]:

[The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age on the Lifetime Payment Election Date and the Lifetime Payment Amount is paid until the earlier of the GLWB Value equals zero or upon death of surviving spouse.]

[GLWB Stacking Roll-Up Credit Availability During Spousal Continuance]:

[Eligible for any remaining GLWB Stacking Roll-Up Credit Amounts]

[Spousal Continuance During GLWB Settlement Phase]:

[If the Contract is in GLWB Settlement Phase, Spousal Continuance is not available]

If you have any questions or concerns, contact your agent or write or call Us at:

North American Company for Life and Health Insurance  
Annuity Service Center

P. O. Box 79905  
Des Moines, Iowa 50325-0905  
Toll-free telephone: 1-866-322-7069

**ADDITIONAL BENEFITS SPECIFICATIONS PAGE**

**NURSING HOME CONFINEMENT WAIVER (NHCW)**

Effective Date [October 1, 2012]  
 Nursing Home Confinement Waiver (NHCW) Percentage: [10.00%]

**INDEXED ACCOUNT ENDORSEMENTS**

Minimum Fixed Account Allocation: [0%]  
 Minimum Transfer Amount: [\$500.00]

**INDEX ACCOUNTS\***

\*We reserve the right to add, remove or revise availability of index(es) in the Index Accounts.

INITIAL PREMIUM ALLOCATED	INDEX VALUE AT ISSUE	INTEREST CREDIT FACTOR
---------------------------	----------------------	------------------------

**[APP-Cap]**

<b>[S&amp;P 500®]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[5.25%]
<b>[Dow Jones Industrial Average (DJIA)<sup>sm</sup>]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[5.20%]
<b>[S&amp;P MidCap 400®]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[4.70%]
<b>[NASDAQ-100®]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[4.65%]
<b>[Gold Price (Afternoon (PM) London Gold Market Fixing Price – USD)]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[5.00%]

**[MPP-Cap]**

<b>[S&amp;P 500®]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[2.30%]
<b>[NASDAQ-100®]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[2.25%]

**[TMA-PRate]**

[Term]: ..... [[3] contract years]  
 [Initial Term Start Date]: .....[ 10/1/2012 ]  
 [Initial Term End Date]: .....[ 10/1/2015 ]

<b>[S&amp;P 500®]</b> Participation Rate <sup>2</sup>	[1,000.00]	[1,400]	[75.00%]
--	------------	---------	----------

**[MA-PRate]**

<b>[S&amp;P 500®]</b> Participation Rate <sup>3</sup>			[65.00%]
<b>[Dow Jones Industrial Average (DJIA)<sup>sm</sup>]</b> Participation Rate <sup>3</sup>			[65.00%]
<b>[S&amp;P MidCap 400®]</b> Participation Rate <sup>3</sup>	[1,000.00]	[1,400]	[50.00%]

## ADDITIONAL BENEFITS SPECIFICATIONS PAGE

**INDEX ACCOUNTS\***

\*We reserve the right to add, remove or revise availability of index(es) in the Index Accounts.

**INITIAL  
PREMIUM  
ALLOCATED**

**INDEX  
VALUE AT  
ISSUE**

**INTEREST  
CREDIT  
FACTOR**

**[ADRNP]**

**[S&P 500®]**

Declared Performance Rate<sup>4</sup>

[1,000.00]

[1,109.55]

[3.50%]

**Conditions on Allocations and Transfers to ADRNP Index Account:**

**[S&P 500®] ADRNP Index Account:**

[You may allocate any Premium and transfers to the S&P 500® ADRNP Index Account subject to the Minimum Fixed Account Allocation and Minimum Transfer Amount.]

<sup>1</sup>[Guaranteed for [one] Contract Year[s]. [Guaranteed never to go below [2.00%] for [APP-Cap].]  
[Guaranteed never to go below [1.00%] for [MPP-Cap].]

<sup>2</sup>Guaranteed on Premium for the [first] Term. Guaranteed never below [20.00%] for [TMA-PRate] ]

<sup>3</sup>Guaranteed for [one] Contract Year[s]. Guaranteed never to go below [10.00%] for [MA-PRate].]

<sup>4</sup>Guaranteed for [one] Contract Year[s]. Guaranteed to never go below [1.00%] for [ADRNP].]

## ADDITIONAL BENEFITS SPECIFICATIONS PAGE

### THE STANDARD & POOR'S 500<sup>®</sup> COMPOSITE STOCK PRICE INDEX

This Index does not include dividends paid by the underlying companies.

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This Index does not include dividends paid by the underlying companies

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- **The merchantability and the fitness for a particular purpose or use of the DJIA or its data;**
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### **THE NASDAQ-100<sup>®</sup> STOCK PRICE INDEX**

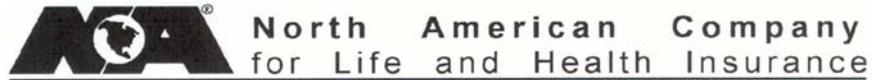
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### **GOLD PRICE INDEX OPTION**

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 Afternoon (PM) London Gold Market Fixing Price. The Afternoon (PM) London Gold Market Fixing Price is available at the website [[www.goldfixing.com](http://www.goldfixing.com)], and also can be found at Bloomberg.com under the symbol [GOLDLNPM: IND.] 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 should the Company in its discretion determine that the use of the Afternoon (PM) London Gold Market Fixing Price no longer is commercially reasonable. The Gold Price Index Option does not constitute a purchase of or direct investment in gold.

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A Stock Company  
Annuity Service Center: P.O. Box 79905, Des Moines, Iowa

## TERM MONTHLY AVERAGING WITH PARTICIPATION RATE INDEX ACCOUNT ENDORSEMENT

This Endorsement is a part of the Contract to which it is attached and is subject to all of the provisions of that Contract, except as otherwise stated herein. In the case of a conflict with any provision in the Contract, the provisions of this Endorsement will control. This Endorsement will be effective upon issuance of the Contract.

### BENEFIT

This Endorsement adds a Term Monthly Averaging with Participation Rate (TMA-PRate) Index Account to Your Contract. You may allocate premium to this Index Account according to the Allocation of Premium section of this Endorsement. You may transfer Your money to or from this Index Account according to the Transfers section of this Endorsement.

### DEFINITIONS

**Index Account:** An account which will earn an Interest Credit, based upon changes in the index(es) listed on the Additional Benefits Specifications Page.

**Index Account Value:** The value of this Index Account. The calculation of this Account Value is further explained in the Calculations Section of this Endorsement.

**Index Value:** The Index Value on any trading day is the closing value on the previous trading day associated with the index shown on the Additional Benefits Specifications Page. On a non-trading day, we will use the same Index Value as we used for the most recent previous trading day. If publication of the appropriate index is discontinued, or the calculation is substantially changed, We may substitute a suitable index and notify You.

**Interest Credit:** The interest credited to this Index Account. This Interest Credit is calculated according to the Calculations section of this Endorsement. Any Interest Credit will be added to this Index Account at the end of each Term.

**Minimum Fixed Account Allocation:** We may require You to allocate a certain percentage of Your Premium to the Fixed Account and that You maintain a minimum percentage of Your Accumulation Value in the Fixed Account on each Contract Anniversary. The Minimum Fixed Account Allocation percentage, if any, is shown on the Additional Benefits Specifications Page.

**Minimum Transfer Amount:** The minimum amount of each transfer to or from this Index Account, as shown on the Additional Benefits Specifications page.

**Monthly Index Date:** The Monthly Index Date is the same day in each month as the date of the Contract Anniversary. If the Monthly Index Date for a given month does not exist, the Monthly Index Date for that month will be the last calendar day of the month.

**Participation Rate:** The Participation Rate is used in the calculation of the Interest Credit, as described in this Endorsement. The initial Participation Rate is declared on the issue date and guaranteed for the Term shown on the Additional Benefits Specifications Page. The Participation Rate for future Terms will be declared on each Contract Anniversary and guaranteed for the following Term. The guaranteed minimum Participation Rate is shown on the Additional Benefits Specifications Page.

**Term:** The Term is a length of time used in determining the Interest Credit. The Term and the Initial Term Start Date are shown on the Additional Benefits Specifications Page. Any transfers to this Index Account after the Initial Term Start Date must occur on a Contract Anniversary, and will be subject to a new Term that begins on that Contract Anniversary. Any transfers from this Index Account must occur on the Term End Date that applies to the money being transferred. Any money not transferred out by its Term End Date will begin a new Term and have a new Term Start Date.

**Term End Date:** The Term End Date is the end date for each Term. The Initial Term End Date is shown on the Additional Benefits Specifications Page. The Term End Date is the last day of each Term and ends on a Contract Anniversary.

**Term Start Date:** The Term Start Date is the beginning date for each term. The Initial Term Start Date is shown on the Additional Benefits Specifications Page. The Term Start Date is the first day of each Term and begins on each Contract Anniversary.

## **CALCULATIONS**

### **CALCULATION OF THE INDEX ACCOUNT VALUE:**

The Index Account Value equals:

- 1) The Premium allocated to all available indexes for this Index Account; plus or minus
- 2) Any transfers to or from this Index Account; less
- 3) Any Gross Partial Surrender Amounts from this Index Account; plus
- 4) Any Interest Credits for each available index.

### **CALCULATION OF THE INTEREST CREDIT:**

The Interest Credit, for each available index and Term, equals:

- 1) The Monthly Index Average for the current Term; minus the Index Value on the Term Start Date; divided by
- 2) The Index Value on the Term Start Date; multiplied by
- 3) The Participation Rate; multiplied by
- 4) The Index Account Value allocated to that index and Term on the Term Start Date, plus or minus any transfers on the Term Start Date to or from this Index Account allocated to that index, less any Gross Partial Surrender Amounts from this Index Account allocated to that index during the Term.

**Monthly Index Average:** The Monthly Index Average for a Term equals: The sum of the Index Values from each Monthly Index Date during the Term, divided by the number of Monthly Index Dates during the Term.

The Interest Credit will not be less than zero.

## **ALLOCATIONS AND TRANSFERS**

**Allocation of Premium:** You must select the portion of Your Premium to be allocated to the Index Account.

The percentage of the Accumulation Value allocated to the Fixed Account must satisfy any Minimum Fixed Account Allocation requirements shown on the Additional Benefits Specification Page. On each Contract Anniversary, We reserve the right to reallocate Your Contract's Accumulation Value on a pro-rata basis in the event that the percentage of Your Accumulation Value that is allocated to the Fixed Account is less than the Minimum Fixed Account Allocation percentage shown on the Additional Benefits Specifications Page.

**Transfers:** You may request a transfer to this Index Account or among the available index(es), to be effective on the next Contract Anniversary. Any transfers to this Index Account after the Initial Term Start Date must occur on a Contract Anniversary, and will be subject to a new Term that begins on that Contract Anniversary. Any transfers from this Index Account must occur on the Term End Date that applies to the money being transferred. Any money not transferred out on its Term End Date will begin a new Term and have a new Term Start Date.

Transfers are subject to the following:

- 1) We must receive Your Written Notice requesting a transfer at least five business days prior to the Contract Anniversary for a transfer to this Index Account and at least five business days prior to the Term End Date for transfers out of this Index Account.
- 2) The amount transferred cannot be less than the Minimum Transfer Amount shown on the Additional Benefits Specifications Page.
- 3) We reserve the right to require You to maintain at least an amount equal to the Minimum Fixed Account Allocation percentage of Your Contract's Accumulation Value in the Fixed Account after any transfer request.

We will also declare the current Interest Rate for any amounts transferred to the Fixed Account.

#### **FIXED ACCOUNT**

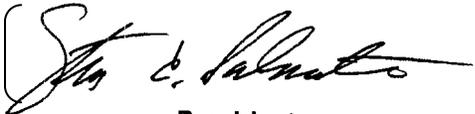
The following replaces the definition of Fixed Account Value in the Contract to which this Endorsement is attached.

**Fixed Account Value:** The Fixed Account Value equals:

- 1) Your Fixed Account Premium; plus or minus
- 2) Any transfers to or from the Fixed Account; less
- 3) Any Gross Partial Surrender Amount(s); plus
- 4) Interest credited at the current Interest Rate.

#### **TERMINATION**

This Endorsement terminates upon termination of the benefits of the Contract to which it is attached.

 ) ( 

**President** **SECRETARY**

SERFF Tracking #:

NALH-128835909

State Tracking #:

Company Tracking #:

NA1004A

State: Arkansas

Filing Company:

North American Company for Life and Health Insurance

TOI/Sub-TOI: A071 Individual Annuities - Special/A071.001 Equity Indexed

Product Name: NA1004A

Project Name/Number: NA1004A, et.al./NA1004A, et.al

## Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Flesch Certification		
Comments:	See template below for Flesch Readability score. Other certificaions can be found in the Filing Description on the General Information tab.		

		Item Status:	Status Date:
Satisfied - Item:	Application		
Comments:	We will use previously approved application 11292Z, approved by your department 10/19/2007.		

		Item Status:	Status Date:
Satisfied - Item:	Life & Annuity - Acturial Memo		
Comments:	See template below.		

		Item Status:	Status Date:
Satisfied - Item:	NA1004A Actuarial Memorandum		
Comments:			
Attachment(s):	Act Memo - NA1004A - base contract.pdf		

		Item Status:	Status Date:
Satisfied - Item:	Exhibit 1		
Comments:			
Attachment(s):	NA IncomeChoice 10Yr Exhibit 1 - updated.pdf NA IncomeChoice 14Yr Exhibit 1 - updated.pdf		

		Item Status:	Status Date:
Satisfied - Item:	Exhibit 2		
Comments:			

SERFF Tracking #:

NALH-128835909

State Tracking #:

Company Tracking #:

NA1004A

State: Arkansas

Filing Company:

North American Company for Life and Health Insurance

TOI/Sub-TOI: A071 Individual Annuities - Special/A071.001 Equity Indexed

Product Name: NA1004A

Project Name/Number: NA1004A, et.al./NA1004A, et.al

Attachment(s):

NA IncomeChoice 10Yr Exhibit 2.pdf

NA IncomeChoice 14Yr Exhibit 2.pdf

Item Status:

Status Date:

Satisfied - Item:

Readability Certification

Comments:

Attachment(s):

ReadabilityCert 1.24.13.pdf

Item Status:

Status Date:

Satisfied - Item:

Statement of Variability

Comments:

Attachment(s):

STATEMENT OF VARIABILITY SP1004A.10YR 1.22.13.pdf

STATEMENT OF VARIABILITY SP1004B 01.24.13.pdf

Item Status:

Status Date:

Satisfied - Item:

Certification of Compliance

Comments:

Attachment(s):

AR Certification of Compliance.pdf

Item Status:

Status Date:

Satisfied - Item:

AE551A Actuarial Memorandum

Comments:

Attachment(s):

Term MA with Prate Index Account Endorsement Act Memo AE551A - NACOL - signed.pdf

# North American Company for Life and Health

## Individual Flexible Premium Deferred Annuity form no. NA1004A

### Actuarial Memorandum

#### DESCRIPTION OF CONTRACT

The plan is a flexible premium deferred annuity. The Contract is available for issue at ages 0 to 85 (ALB). The plan will be sold in both qualified and non-qualified markets. The maturity date is determined at issue and will be the Contract anniversary following the annuitant's 115<sup>th</sup> birthday.

This plan provides a Guaranteed Lifetime Withdrawal Benefit (GLWB) which guarantees that partial surrenders up to the Lifetime Payment Amount may be taken each contract year during the life of the Annuitant even if the contract's accumulation value and the GLWB Value are reduced to zero.

This plan provides the ability to withdraw an amount equal to the Penalty-Free Partial Surrender Percentage, as shown on the Specifications Page, from the Accumulation Value without surrender charges or interest adjustment.

*Accumulation Value:* The Accumulation Value is the sum of the Fixed Account Value and the Account Value(s) of any Account Endorsements attached to this Contract.

*Surrender Value:* The Surrender Value is the Accumulation Value plus interest adjustment less a Surrender Charge less premium tax (if applicable). The Surrender Value cannot be greater than the Accumulation Value.

*Surrender Charges:* During the Surrender Charge Period, a Surrender Charge will apply to any full or partial surrender. The Surrender Charge will be a percentage of the surrendered amount in excess of the available Penalty-Free Partial Surrender Percentage. The Surrender Charge percentages are shown on the Specifications Page of the Contract.

*Fixed Account Value:* The fixed account value is equal to the Fixed Account Initial Premium plus any subsequent premium less any Gross Partial Surrender Amounts plus interest credited.

*Fixed Account Interest Rates:* The Initial Premium Interest Rate on the Issue Date as shown on the Specifications Page, is applicable to the Fixed Account Initial Premium, and is guaranteed for the Initial Premium Interest Rate Guarantee Period shown on the Specifications Page.

We will declare the interest rate for any subsequent premium at the time the subsequent premium is received. The interest rate applicable to any subsequent premium is guaranteed until the end of the Contract Year.

The interest rate will be declared for future durations. The interest rate will never be less than the Minimum Guaranteed Fixed Account Interest Rate shown on the Specifications Page.

*Penalty-Free Partial Surrender Percentage:* The amount as shown on the Specifications page that may be withdrawn without incurring any surrender charge or interest adjustment.

*Interest Adjustment:* The Interest Adjustment will generally increase the Surrender Value if interest rates have declined and vice versa. The Interest Adjustment is calculated by multiplying the portion of the Gross Partial Surrender Amount or full surrender amount that exceeds any available Penalty-Free Partial Surrender amount, by a factor equal to:

$$(i_0 - i_t - .005) \times (T), \text{ where}$$

$i_0$  = The rate used to compute interest on the Fixed Account as of the Issue Date for this Contract, stated as an annual rate.

$i_t$  = The rate that would be used to compute interest on the fixed account for new issues of this Contract on the date of the applicable full surrender or partial surrender of this Contract, stated as an annual rate. If new issues of this Contract no longer are being issued by the Company at the time of the full surrender or partial surrender, then  $i_t$  shall be the Fixed Account interest rate that would apply to an additional premium received with respect to this Contract on the date of the applicable full surrender or partial surrender, stated as an annual rate. In no event will we use a rate that is less than the Minimum Guaranteed Fixed Account Interest Rate as shown on the Specifications Page.

T = Time in years as follows: Number of days from the date of the partial or full surrender to the end of the current Contract Year divided by 365; plus whole number of years remaining in the Interest Adjustment Period, as shown on the Additional Benefits Specification Page.

An Interest Adjustment will only be made during the Interest Adjustment Period. An Interest Adjustment is only applied to the portion of the partial or full surrender that exceeds any available penalty-free partial surrender amount.

The Interest Adjustment applied to a full surrender or any partial surrender will be limited so that it neither increases nor decreases the amount payable to You pursuant to that full surrender or partial surrender by more than the lesser of (A) or (B) where:

(A) is equal to:

- 1) The total amount of interest credited to the Accumulation Value since the Issue Date; less
- 2) The sum of the increases and decreases in any prior partial surrenders due to any prior Interest Adjustments applied with respect to this Contract. Such increases and decreases shall each be treated as positive (or absolute value) numbers, such that each term in the calculation of the sum required by this clause (2) is positive and increases and decreases do not offset each other.

And

(B) is equal to:

- 1) The surrender charge applicable at the time of the full or partial surrender.

**GLWB Value:** The GLWB Value is used in the calculation of the GLWB benefit. The GLWB Value cannot be withdrawn in a lump sum. The initial GLWB Value on the Issue Date is shown on the Specifications Page. The GLWB Value is increased with every subsequent premium payment. The GLWB Value also increases as a result of GLWB Stacking Roll-up Credits, but will never exceed the Maximum GLWB Value. The GLWB Value is reduced by each partial surrender. If total partial surrenders during a contract year are less than the GLWB Value Partial Surrender Allowance, then the GLWB Value will be reduced by the amount of the partial surrenders. Any Gross Partial Surrenders during a contract year that exceeds the GLWB Value Partial Surrender Allowance will reduce the GLWB Value by the same proportion that the partial surrender reduced the current Accumulation Value of the base contract.

**GLWB Bonus:** The GLWB Bonus amount is equal to the premium, less Gross Partial Surrender Amount(s), multiplied by the GLWB Bonus Percentage during the GLWB Bonus Period shown on the Specifications Page.

**GLWB Stacking Roll-up Credit:** The GLWB Stacking Roll-up Credit Period and the GLWB Stacking Roll-up Credit Percentage are specified on the Specifications Page. Criteria for application of each GLWB Stacking Roll-up Credit are also shown on the Specifications page. At the time that each GLWB Stacking Roll-up Credit is calculated, it is added to the GLWB Value.

*Lifetime Payment Amount:* While this contract is in effect, the Lifetime Payment Amount is guaranteed to be available for partial surrender each contract year during the life of the Covered Person. The Lifetime Payment Amount is not subject to Surrender Charge or any applicable Interest Adjustment; it includes but is not in addition to any penalty-free partial surrender amount provided by the contract; and any unused amount in one Contract Year cannot be carried forward to a future Contract Year. The Lifetime Payment Amount may increase due to subsequent premium payments, an increase in the Covered Person's Attained Age. The Lifetime Payment Amount may decrease if total partial surrenders during a contract year exceed the GLWB Value Partial Surrender Allowance.

*Lifetime Payment Election Date:* The Lifetime Payment Amount is first calculated and first available on the Lifetime Payment Election Date. Criteria for determining the Lifetime Payment Election Date are shown on the Specifications Page. On the Lifetime Payment Election Date, the Lifetime Payment Amount equals the applicable Lifetime Payment Percentage multiplied by the current GLWB Value.

*Lifetime Payment Percentage:* The Lifetime Payment Percentage is used in the calculation of the Lifetime Payment Amount. The Lifetime Payment Percentages and the criteria for determining the applicable Lifetime Payment Percentage are shown on the Specifications Page.

*Increase of Lifetime Payment Amount on Contract Anniversary:* On each Contract Anniversary after the Lifetime Payment Amount Election Date, the Lifetime Payment Amount will equal the greater of the current Lifetime Payment Amount, or the current GLWB Value multiplied by the applicable Lifetime Payment Percentage.

*Settlement Phase:* Once the contract's Accumulation Value has been reduced to zero, provided the Lifetime Payment Amount is still greater than zero, settlement payments of the Lifetime Payment Amount will continue to be paid for the remaining life of the Covered Person.

## **NONFORFEITURE COMPLIANCE**

The minimum cash value as described in the Standard Nonforfeiture Law for Flexible Premium Deferred annuity contracts is 87.50% of premiums accumulated at the nonforfeiture interest rate. The nonforfeiture interest rate for a given calendar year (1/1/20xx – 12/31/20xx) is equal to the five-year Constant Maturity Treasury Rates reported by the Federal Reserve averaged for the month of October of the prior calendar year, rounded to the nearest 1/20<sup>th</sup> of one percent and reduced by 125 basis points, subject to a minimum of 1.00% and a maximum of 3.00%.

The Surrender Value is guaranteed to be greater than or equal to the minimum nonforfeiture values for all years.

The nonforfeiture interest rate is used to determine the Minimum Guaranteed Contract Value. The Minimum Guaranteed Contract Value is equal to 87.5% of all premiums; less any partial surrenders; accumulated at an interest rate equal to the nonforfeiture interest rate. The Accumulation Value and Surrender Value will never be less than the Minimum Guaranteed Contract Value at any time.

Therefore, the Contract satisfies the minimum value requirement of the NAIC Standard Nonforfeiture Law for Individual Deferred Annuities Model Regulation. Exhibit 1 shows that the contract satisfies the minimum value requirements of the Standard Nonforfeiture Law. Exhibit 1 also shows that the contract satisfies the prospective test of the Standard Nonforfeiture Law.

## RESERVES

Reserves will be calculated as defined in the Standard Valuation Law for flexible premium deferred annuities. The method is the Commissioners' Annuity Reserve Valuation Method (CARVM).

Reserves will be based on the Annuity 2000 Mortality Table and interest rates in accordance with Plan Type B formula in the Standard Valuation Law and will not be less than the surrender value on the valuation date.

Additional Reserves, if any, due to Guideline 33 will be held.

General reserving examples are attached in Exhibit 2.

## CERTIFICATION

I certify that surrender values will equal or exceed the minimum cash values as defined in the NAIC Standard Nonforfeiture Law for Individual Deferred Annuities Model Regulation. I also certify that statutory reserves will be calculated in accordance with the minimum required.

*Marcy Baker*

*M* Marcy Baker  
2013.01.04  
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Marcy Baker, F.S.A., M.A.A.A.  
Manager, Product Development

4 January 2012

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Date

Comparison to Standard Nonforfeiture Law Minimum Values

End of Year	Premium (Paid at BOY)	Accumulation Value at 0.00%	Surrender Charge Schedule	PFWD %	Surrender Charge	Accumulation Value less Surrender Charges <sup>1</sup> (A)	Minimum Surrender Value (SNF) (B)	Surrender Value = Maximum [ (A), (B) ] (C)	Minimum SNF Value <sup>2</sup> at 1.00% (D)	Excess (C) - (D)	Pass/Fail
1	10,000.00	10,000.00	10%	0%	1,000.00	9,000.00	8,837.50	9,000.00	8,837.50	162.50	PASS
2	-	10,000.00	10%	5%	950.00	9,050.00	8,925.88	9,050.00	8,925.88	124.13	PASS
3	-	10,000.00	10%	5%	950.00	9,050.00	9,015.13	9,050.00	9,015.13	34.87	PASS
4	-	10,000.00	10%	5%	950.00	9,050.00	9,105.29	9,105.29	9,105.29	-	PASS
5	-	10,000.00	10%	5%	950.00	9,050.00	9,196.34	9,196.34	9,196.34	-	PASS
6	-	10,000.00	9%	5%	855.00	9,145.00	9,288.30	9,288.30	9,288.30	-	PASS
7	-	10,000.00	8%	5%	760.00	9,240.00	9,381.18	9,381.18	9,381.18	-	PASS
8	-	10,000.00	6%	5%	570.00	9,430.00	9,475.00	9,475.00	9,475.00	-	PASS
9	-	10,000.00	4%	5%	380.00	9,620.00	9,569.75	9,620.00	9,569.75	50.25	PASS
10	-	10,000.00	2%	5%	190.00	9,810.00	9,665.44	9,810.00	9,665.44	144.56	PASS
11	-	10,000.00	0%	0%	-	10,000.00	9,762.10	10,000.00	9,762.10	237.90	PASS

1: The penalty-free partial surrender amount is excluded from the calculation of applicable surrender charges.

2: The Minimum SNF column is based upon the net considerations (not including the annual contract charge) to demonstrate compliance for all premium levels. Thus, if any given premium level were illustrated all amounts would be proportional to those shown above. If the annual contract charge was included the Excess listed above would be greater, but not necessarily proportional for other premium levels.

Prospective Test<sup>3</sup>

Issue Age 85

End of Year	Age	Premium (Paid at BOY)	Accumulation Value at 0.00%	Surrender Charge Schedule	PFWD %	Surrender Charge	Accumulation Value less Surrender Charges <sup>4</sup>		Surrender Value =		Projected Guaranteed Maturity Value	Discounted Present Value	Difference	Pass/Fail
							(A)	Minimum SNF (B)	MAX(A,B) (C)					
1	86	10,000.00	10,000.00	10%	0%	1,000.00	9,000.00	8,837.50	9,000.00	11,793.68	6,641.17	2,358.83	PASS	
2	87	-	10,000.00	10%	5%	950.00	9,050.00	8,925.88	9,050.00	11,793.68	6,773.99	2,276.01	PASS	
3	88	-	10,000.00	10%	5%	950.00	9,050.00	9,015.13	9,050.00	11,793.68	6,909.47	2,140.53	PASS	
4	89	-	10,000.00	10%	5%	950.00	9,050.00	9,105.29	9,105.29	11,793.68	7,047.66	2,057.63	PASS	
5	90	-	10,000.00	10%	5%	950.00	9,050.00	9,196.34	9,196.34	11,793.68	7,188.61	2,007.73	PASS	
6	91	-	10,000.00	9%	5%	855.00	9,145.00	9,288.30	9,288.30	11,793.68	7,332.38	1,955.92	PASS	
7	92	-	10,000.00	8%	5%	760.00	9,240.00	9,381.18	9,381.18	11,793.68	7,479.03	1,902.15	PASS	
8	93	-	10,000.00	6%	5%	570.00	9,430.00	9,475.00	9,475.00	11,793.68	7,628.61	1,846.38	PASS	
9	94	-	10,000.00	4%	5%	380.00	9,620.00	9,569.75	9,620.00	11,793.68	7,781.18	1,838.82	PASS	
10	95	-	10,000.00	2%	5%	190.00	9,810.00	9,665.44	9,810.00	11,793.68	7,936.81	1,873.19	PASS	
11	96	-	10,000.00	0%	0%	-	10,000.00	9,762.10	10,000.00	11,793.68	8,095.54	1,904.46	PASS	
12	97	-	10,000.00	0%	0%	-	10,000.00	9,859.72	10,000.00	11,793.68	8,257.45	1,742.55	PASS	
13	98	-	10,000.00	0%	0%	-	10,000.00	9,958.32	10,000.00	11,793.68	8,422.60	1,577.40	PASS	
14	99	-	10,000.00	0%	0%	-	10,000.00	10,057.90	10,057.90	11,793.68	8,591.06	1,466.84	PASS	
15	100	-	10,000.00	0%	0%	-	10,000.00	10,158.48	10,158.48	11,793.68	8,762.88	1,395.60	PASS	
16	101	-	10,000.00	0%	0%	-	10,000.00	10,260.06	10,260.06	11,793.68	8,938.13	1,321.93	PASS	
17	102	-	10,000.00	0%	0%	-	10,000.00	10,362.66	10,362.66	11,793.68	9,116.90	1,245.77	PASS	
18	103	-	10,000.00	0%	0%	-	10,000.00	10,466.29	10,466.29	11,793.68	9,299.23	1,167.06	PASS	
19	104	-	10,000.00	0%	0%	-	10,000.00	10,570.95	10,570.95	11,793.68	9,485.22	1,085.73	PASS	
20	105	-	10,000.00	0%	0%	-	10,000.00	10,676.66	10,676.66	11,793.68	9,674.92	1,001.74	PASS	
21	106	-	10,000.00	0%	0%	-	10,000.00	10,783.43	10,783.43	11,793.68	9,868.42	915.01	PASS	
22	107	-	10,000.00	0%	0%	-	10,000.00	10,891.26	10,891.26	11,793.68	10,065.79	825.47	PASS	
23	108	-	10,000.00	0%	0%	-	10,000.00	11,000.18	11,000.18	11,793.68	10,267.11	733.07	PASS	
24	109	-	10,000.00	0%	0%	-	10,000.00	11,110.18	11,110.18	11,793.68	10,472.45	637.73	PASS	
25	110	-	10,000.00	0%	0%	-	10,000.00	11,221.28	11,221.28	11,793.68	10,681.90	539.38	PASS	
26	111	-	10,000.00	0%	0%	-	10,000.00	11,333.49	11,333.49	11,793.68	10,895.54	437.96	PASS	
27	112	-	10,000.00	0%	0%	-	10,000.00	11,446.83	11,446.83	11,793.68	11,113.45	333.38	PASS	
28	113	-	10,000.00	0%	0%	-	10,000.00	11,561.30	11,561.30	11,793.68	11,335.72	225.58	PASS	
29	114	-	10,000.00	0%	0%	-	10,000.00	11,676.91	11,676.91	11,793.68	11,562.43	114.48	PASS	
30	115	-	10,000.00	0%	0%	-	10,000.00	11,793.68	11,793.68	11,793.68	11,793.68	-	PASS	

3: The above demonstration shows compliance with the prospective test using the maximum issue age and thus shows demonstration for all issue ages since the maturity date is the same for all issue ages.

4: The penalty-free partial surrender amount is excluded from the calculation of applicable surrender charges

Comparison to Standard Nonforfeiture Law Minimum Values

End of Year	Premium (Paid at BOY)	Accumulation Value at 0.00%	Surrender Charge Schedule	PFWD %	Surrender Charge	Accumulation Value less Surrender Charges <sup>1</sup>	Minimum Surrender Value	Surrender Value =	Minimum SNF Value <sup>2</sup> at 1.00%	Excess (C) - (D)	Pass/Fail
						(A)	(B)	Maximum [ (A), (B) ] (C)	(D)		
1	10,000.00	10,000.00	10%	0%	1,000.00	9,000.00	8,837.50	9,000.00	8,837.50	162.50	PASS
2	-	10,000.00	10%	5%	950.00	9,050.00	8,925.88	9,050.00	8,925.88	124.13	PASS
3	-	10,000.00	10%	5%	950.00	9,050.00	9,015.13	9,050.00	9,015.13	34.87	PASS
4	-	10,000.00	10%	5%	950.00	9,050.00	9,105.29	9,105.29	9,105.29	-	PASS
5	-	10,000.00	10%	5%	950.00	9,050.00	9,196.34	9,196.34	9,196.34	-	PASS
6	-	10,000.00	9%	5%	855.00	9,145.00	9,288.30	9,288.30	9,288.30	-	PASS
7	-	10,000.00	8%	5%	760.00	9,240.00	9,381.18	9,381.18	9,381.18	-	PASS
8	-	10,000.00	7%	5%	665.00	9,335.00	9,475.00	9,475.00	9,475.00	-	PASS
9	-	10,000.00	6%	5%	570.00	9,430.00	9,569.75	9,569.75	9,569.75	-	PASS
10	-	10,000.00	5%	5%	475.00	9,525.00	9,665.44	9,665.44	9,665.44	-	PASS
11	-	10,000.00	4%	0%	400.00	9,600.00	9,762.10	9,762.10	9,762.10	-	PASS
12	-	10,000.00	3%	0%	300.00	9,700.00	9,859.72	9,859.72	9,859.72	-	PASS
13	-	10,000.00	2%	0%	200.00	9,800.00	9,958.32	9,958.32	9,958.32	-	PASS
14	-	10,000.00	1%	0%	100.00	9,900.00	10,057.90	10,057.90	10,057.90	-	PASS
15	-	10,000.00	0%	0%	-	10,000.00	10,158.48	10,158.48	10,158.48	-	PASS

1: The penalty-free partial surrender amount is excluded from the calculation of applicable surrender charges.

2: The Minimum SNF column is based upon the net considerations (not including the annual contract charge) to demonstrate compliance for all premium levels. Thus, if any given premium level were illustrated all amounts would

Prospective Test<sup>3</sup>

Issue Age 85

End of Year	Age	Premium (Paid at BOY)	Accumulation Value at 0.00%	Surrender Charge Schedule	PFWD %	Surrender Charge	Accumulation Value less Surrender Charges <sup>4</sup>		Surrender Value =		Projected Guaranteed Maturity Value	Discounted Present Value	Difference	Pass/Fail
							(A)	Minimum SNF (B)	MAX(A,B) (C)					
1	86	10,000.00	10,000.00	10%	0%	1,000.00	9,000.00	8,837.50	9,000.00	11,793.68	6,641.17	2,358.83	PASS	
2	87	-	10,000.00	10%	5%	950.00	9,050.00	8,925.88	9,050.00	11,793.68	6,773.99	2,276.01	PASS	
3	88	-	10,000.00	10%	5%	950.00	9,050.00	9,015.13	9,050.00	11,793.68	6,909.47	2,140.53	PASS	
4	89	-	10,000.00	10%	5%	950.00	9,050.00	9,105.29	9,105.29	11,793.68	7,047.66	2,057.63	PASS	
5	90	-	10,000.00	10%	5%	950.00	9,050.00	9,196.34	9,196.34	11,793.68	7,188.61	2,007.73	PASS	
6	91	-	10,000.00	9%	5%	855.00	9,145.00	9,288.30	9,288.30	11,793.68	7,332.38	1,955.92	PASS	
7	92	-	10,000.00	8%	5%	760.00	9,240.00	9,381.18	9,381.18	11,793.68	7,479.03	1,902.15	PASS	
8	93	-	10,000.00	7%	5%	665.00	9,335.00	9,475.00	9,475.00	11,793.68	7,628.61	1,846.38	PASS	
9	94	-	10,000.00	6%	5%	570.00	9,430.00	9,569.75	9,569.75	11,793.68	7,781.18	1,788.56	PASS	
10	95	-	10,000.00	5%	5%	475.00	9,525.00	9,665.44	9,665.44	11,793.68	7,936.81	1,728.64	PASS	
11	96	-	10,000.00	4%	0%	400.00	9,600.00	9,762.10	9,762.10	11,793.68	8,095.54	1,666.55	PASS	
12	97	-	10,000.00	3%	0%	300.00	9,700.00	9,859.72	9,859.72	11,793.68	8,257.45	1,602.26	PASS	
13	98	-	10,000.00	2%	0%	200.00	9,800.00	9,958.32	9,958.32	11,793.68	8,422.60	1,535.71	PASS	
14	99	-	10,000.00	1%	0%	100.00	9,900.00	10,057.90	10,057.90	11,793.68	8,591.06	1,466.84	PASS	
15	100	-	10,000.00	0%	0%	-	10,000.00	10,158.48	10,158.48	11,793.68	8,762.88	1,395.60	PASS	
16	101	-	10,000.00	0%	0%	-	10,000.00	10,260.06	10,260.06	11,793.68	8,938.13	1,321.93	PASS	
17	102	-	10,000.00	0%	0%	-	10,000.00	10,362.66	10,362.66	11,793.68	9,116.90	1,245.77	PASS	
18	103	-	10,000.00	0%	0%	-	10,000.00	10,466.29	10,466.29	11,793.68	9,299.23	1,167.06	PASS	
19	104	-	10,000.00	0%	0%	-	10,000.00	10,570.95	10,570.95	11,793.68	9,485.22	1,085.73	PASS	
20	105	-	10,000.00	0%	0%	-	10,000.00	10,676.66	10,676.66	11,793.68	9,674.92	1,001.74	PASS	
21	106	-	10,000.00	0%	0%	-	10,000.00	10,783.43	10,783.43	11,793.68	9,868.42	915.01	PASS	
22	107	-	10,000.00	0%	0%	-	10,000.00	10,891.26	10,891.26	11,793.68	10,065.79	825.47	PASS	
23	108	-	10,000.00	0%	0%	-	10,000.00	11,000.18	11,000.18	11,793.68	10,267.11	733.07	PASS	
24	109	-	10,000.00	0%	0%	-	10,000.00	11,110.18	11,110.18	11,793.68	10,472.45	637.73	PASS	
25	110	-	10,000.00	0%	0%	-	10,000.00	11,221.28	11,221.28	11,793.68	10,681.90	539.38	PASS	
26	111	-	10,000.00	0%	0%	-	10,000.00	11,333.49	11,333.49	11,793.68	10,895.54	437.96	PASS	
27	112	-	10,000.00	0%	0%	-	10,000.00	11,446.83	11,446.83	11,793.68	11,113.45	333.38	PASS	
28	113	-	10,000.00	0%	0%	-	10,000.00	11,561.30	11,561.30	11,793.68	11,335.72	225.58	PASS	
29	114	-	10,000.00	0%	0%	-	10,000.00	11,676.91	11,676.91	11,793.68	11,562.43	114.48	PASS	
30	115	-	10,000.00	0%	0%	-	10,000.00	11,793.68	11,793.68	11,793.68	11,793.68	-	PASS	

3: The above demonstration shows compliance with the prospective test using the maximum issue age and thus shows demonstration for all issue ages since the maturity date is the same for all issue ages.

4: The penalty-free partial surrender amount is excluded from the calculation of applicable surrender charges

**North American Company for Life & Health  
NA1004A**

**Exhibit 2  
10-Year Surrender Charge Schedule**

Statutory Reserves - Fixed Account

Current interest rate:	0.50%
Valuation Interest Rate:	4.50%
Guar. Period	1
Guaranteed interest rate	0.50%

Year	Premium	Accumulation Value	Surrender Charges	Accum Value less Surr. Chgs	Statutory Reserves
0	10,000.00	10,000.00	1,000.00	9,000.00	9,000.00
1	0.00	10,050.00	1,005.00	9,045.00	9,045.00
2	0.00	10,100.25	1,010.03	9,090.23	9,090.23
3	0.00	10,150.75	1,015.08	9,135.68	9,135.68
4	0.00	10,201.51	1,020.15	9,181.35	9,181.35
5	0.00	10,252.51	1,025.25	9,227.26	9,227.26
6	0.00	10,303.78	927.34	9,376.44	9,376.44
7	0.00	10,355.29	828.42	9,526.87	9,526.87
8	0.00	10,407.07	624.42	9,782.65	9,782.65
9	0.00	10,459.11	418.36	10,040.74	10,040.74
10	0.00	10,511.40	210.23	10,301.17	10,301.17
11	0.00	10,563.96	0.00	10,563.96	10,563.96

Projected Accumulation Values

Year	1	2	3	4	5	6	7	8	9	10	11
0	10,050.00	10,100.25	10,150.75	10,201.51	10,252.51	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96
1	10,100.25	10,150.75	10,201.51	10,252.51	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78
2	10,150.75	10,201.51	10,252.51	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86
3	10,201.51	10,252.51	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21
4	10,252.51	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83
5	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71
6	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87
7	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29
8	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99
9	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96
10	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96	11,104.20



North American Company for Life & Health  
NA1004A

Exhibit 2  
14-Year Surrender Charge Schedule

Statutory Reserves - Fixed Account

Current interest rate:	0.50%
Valuation Interest Rate:	4.50%
Guar. Period	1
Guaranteed interest rate	0.50%

Year	Premium	Accumulation Value	Surrender Charges	Accum Value less Surr. Chgs	Statutory Reserves
0	10,000.00	10,000.00	1,000.00	9,000.00	9,000.00
1	0.00	10,050.00	1,005.00	9,045.00	9,045.00
2	0.00	10,100.25	1,010.03	9,090.23	9,090.23
3	0.00	10,150.75	1,015.08	9,135.68	9,135.68
4	0.00	10,201.51	1,020.15	9,181.35	9,181.35
5	0.00	10,252.51	1,025.25	9,227.26	9,227.26
6	0.00	10,303.78	927.34	9,376.44	9,376.44
7	0.00	10,355.29	828.42	9,526.87	9,526.87
8	0.00	10,407.07	728.49	9,678.58	9,678.58
9	0.00	10,459.11	627.55	9,831.56	9,831.56
10	0.00	10,511.40	525.57	9,985.83	9,985.83
11	0.00	10,563.96	422.56	10,141.40	10,141.40
12	0.00	10,616.78	318.50	10,298.27	10,298.27
13	0.00	10,669.86	213.40	10,456.46	10,456.46
14	0.00	10,723.21	107.23	10,615.98	10,615.98
15	0.00	10,776.83	0.00	10,776.83	10,776.83

Projected Accumulation Values

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
0	10,050.00	10,100.25	10,150.75	10,201.51	10,252.51	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83
1	10,100.25	10,150.75	10,201.51	10,252.51	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71
2	10,150.75	10,201.51	10,252.51	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87
3	10,201.51	10,252.51	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29
4	10,252.51	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99
5	10,303.78	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96
6	10,355.29	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96	11,104.20
7	10,407.07	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96	11,104.20	11,159.72
8	10,459.11	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96	11,104.20	11,159.72	11,215.52
9	10,511.40	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96	11,104.20	11,159.72	11,215.52	11,271.60
10	10,563.96	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96	11,104.20	11,159.72	11,215.52	11,271.60	11,327.96
11	10,616.78	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96	11,104.20	11,159.72	11,215.52	11,271.60	11,327.96	11,384.60
12	10,669.86	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96	11,104.20	11,159.72	11,215.52	11,271.60	11,327.96	11,384.60	11,441.52
13	10,723.21	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96	11,104.20	11,159.72	11,215.52	11,271.60	11,327.96	11,384.60	11,441.52	11,498.73
14	10,776.83	10,830.71	10,884.87	10,939.29	10,993.99	11,048.96	11,104.20	11,159.72	11,215.52	11,271.60	11,327.96	11,384.60	11,441.52	11,498.73	11,556.22



CERTIFICATE OF READABILITY  
**North American Company for Life and Health Insurance**

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Name of Company

This is to certify that the forms listed below are in compliance with state readability requirements.

A. Option Selected

- 1. Policy and its related forms are scored for the Flesch reading ease test as one unit and the combined score is listed below.
- 2. Policy and its related forms are scored separately for the Flesch reading ease test. Scores for the policy and each form are indicated below:
- 3. Form and Form Numbers to which Certification is Applicable:

<u>Form</u>	<u>Form Number</u>	<u>Flesch Score</u>
Flexible Premium Deferred Annuity Contract	NA1004A	50.0
Term Monthly Averaging With Participation Rate Index Account	AE551A	50.0
Endorsement		

Test Option Selected

- 1. Test was applied to entire policy form(s).
- 2. Test was applied on sample basis. Form(s) contain(s) more than 10,000 words. Copy of form(s) enclosed indicating word samples tested.

C. Standards for Certification

A checked block indicates the standard has been achieved:

- 1. The policy text achieves a minimum score of 45 on the Flesch reading ease test in accordance with the option chosen in Section A above.
- 2. It is printed in not less than ten point type, one point leaded. (This does not apply to specification pages, schedules and tables.)
- 3. The layout and spacing of the policy separate the paragraphs from each other and from the border of the paper.
- 4. The section titles are captioned in bold face type or otherwise stand out significantly from the text.
- 5. Unnecessarily long, complicated or obscure words, sentences, paragraphs or constructions are not used in the policy.
- 6. The style, arrangement and overall appearance of the policy give no undue prominence to any portion of the policy or to any endorsements or riders.
- 7. A table of contents or an index of the principle sections is included in the policy. (This applies only if the policy has more than 3,000 words or consists of more than 3 pages.)

This certification must be signed by an officer of the insurer.

Signature 

Date January 24, 2013

Mike Yanacheak  
Officer's Name

2<sup>nd</sup> Vice President, Product Development  
Officer's Title

**STATEMENT OF VARIABILITY  
FOR  
Specifications Pages SP1004A.10YR & SP1004A.14YR**

The following elements of the Specification Page are variable (listed in order of appearance). Policyholder specific variable information such as name, issue date, etc do not have detailed explanation as the nature of the information is always variable.

CONTRACT NUMBER	Contract Number at issue
ANNUITANT	Annuitant's name at issue
ISSUE AGE	Age of Annuitant at issue
OWNER	Owner's name at issue
ISSUE DATE	Date this contract is issued
SEX OF ANNUITANT	Sex of Annuitant
MATURITY DATE	Date this contract matures and pay-out begins
INITIAL PREMIUM	\$25 - \$5,000,000
MINIMUM ADDITIONAL PREMIUM:	\$25 to \$100,000
MAXIMUM ADDITIONAL PREMIUM:	\$0 to \$5,000,000
MINIMUM ACCUMULATION VALUE:	\$100 to \$500,000
MINIMUM GROSS PARTIAL SURRENDER AMOUNT:	\$100 to \$100,000
INTEREST ADJUSTMENT PERIOD:	10 YR - Contract Years 1-10 14 YR - Contract Years 1-14
PENALTY FREE PARTIAL SURRENDER PERCENTAGE:	<p>One of the following statements will print. We will use the first option when the product is rolled out:</p> <p>(Range 1% to 20%) after (Range 1<sup>st</sup> to 5<sup>th</sup>) Contract Year</p> <p><u>Other Options:</u></p> <p>Beginning after the (Range: 1<sup>st</sup> to 5<sup>th</sup>) Contract Year, once each Contract Year, any interest earned during the current Contract Year. Or</p> <p>Beginning after the (Range: 1<sup>st</sup> to 5<sup>th</sup>) Contract Year, once each Contract Year, any interest earned during the previous Contract Year. Or</p> <p>Beginning after the 1<sup>st</sup> Contract Year, once each Contract Year, any interest earned since the Contract Issue Date. Or</p> <p>Once each Contract Year, an amount up to (Range: 1% to 20%) of Your Accumulation Value. Or</p>

	<p>Once each Contract Year, any interest earned during the current Contract Year.</p> <p>Or</p> <p>Once each Contract Year, any interest earned during the previous Contract Year.</p> <p>Or</p> <p>Once each Contract Year, any interest earned since the Contract Issue Date.</p>
FIXED ACCOUNT INITIAL PREMIUM:	Initial premium allocated to the Fixed Account at issue.
INITIAL PREMIUM INTEREST RATE:	0.5% to 20%
INITIAL PREMIUM INTEREST RATE GUARANTEE PERIOD:	10YR: 1 to 10 year(s) 14YR: 1 to 14 year(s)
MINIMUM GUARANTEED FIXED ACCOUNT INTEREST RATE:	0.5% to 3%
COMPANY ADDRESS	Bracketed for future variability in case the company updates the logo, changes the physical location, P.O. Box or telephone numbers in the future.

LIFETIME PAYMENT ELECTION DATE	<p>Currently, we will use the following:</p> <ul style="list-style-type: none"> <li>• Upon Notification from You</li> <li>• The date must be at least 12 months after the Issue Date.</li> <li>• The date must be after Attained Age 50</li> </ul> <p>Others:</p> <ul style="list-style-type: none"> <li>• Date of first Partial Surrender after Attained Age 50</li> <li>• Issue Date</li> </ul> <p>The Attained Age for this variable will range from 0 – 115. The date after the Issue date will range from 1 day to 10 years.</p>
INITIAL GLWB VALUE	Range of \$0 - \$10,000,000
MAXIMUM GLWB VALUE	Range of \$0 - \$10,000,000
GLWB BONUS PERIOD	Contract Years 1 –14
GLWB BONUS PERCENTAGE	Range of 1 – 20%
GLWB STACKING ROLL-UP CREDIT PERIOD	<p>Currently, we will use the following:</p> <ul style="list-style-type: none"> <li>• Contract Years 1-20 from Issue Date</li> </ul> <p>Ranges above are both 1 - 100</p>
GLWB STACKING ROLL-UP CREDIT PERCENTAGE	<p>Currently we will use the following: 5.00% Interest Rate range of 0-20%</p> <p>Others:</p> <ul style="list-style-type: none"> <li>• 0% increasing by 1% every 1 Contract Year(s) after Issue Date</li> </ul> <p>Interest Rate of 0-20%. Increasing range of 0.10% - 5% Contract Years 1-20</p>

GLWB STACKING ROLL-UP CREDIT AVAILABILITY  
Before Lifetime Payment Election Date

Currently, we will use the following:  
Available each Contract Year a  
Partial Surrender is not taken or  
each year only the RMD\* is taken;  
or

Available each Contract Year a  
Partial Surrender is not taken.

However if Non-Qualified money,  
RMD portion of the statement will  
not print.

Others:

- Available each Contract Year any Partial Surrender is taken.
- Available each Contract Year only a Penalty Free Partial Surrender is taken.
- Available each Contract Year only a Lifetime Payment Amount is taken

GLWB STACKING ROLL-UP CREDIT AVAILABILITY  
After Lifetime Payment Election Date

Currently, we will use the following:  
GLWB Stacking Roll-Up Credit is  
not available

Others:

- Available each Contract Year a Partial Surrender is not taken
- Available each Contract Year only the RMD is taken
- Available each Contract Year any Partial Surrender is taken.
- Available each Contract Year only a Penalty-Free Partial Surrender is taken.
- Available each Contract Year only a Lifetime Payment Amount is taken

GLWB STACKING ROLL-UP CREDIT AMOUNT

Currently, we will use the following:  
On each Contract Anniversary, GLWB Stacking Roll-Up Credit Percentage multiplied by the current GLWB Value

Others:

- On each day, the effective daily rate of the GLWB Stacking Roll-Up Credit Percentage multiplied by the current GLWB Value
- On each Contract Anniversary, GLWB Stacking Roll-Up Credit Percentage multiplied by the initial GLWB Value
- On each Contract Anniversary, GLWB Stacking Roll-Up Credit Percentage multiplied by the current Accumulation Value.
- On each day, the effective daily rate of the GLWB Stacking Roll-Up Credit Percentage multiplied by the current Accumulation Value.

GLWB VALUE PARTIAL SURRENDER ALLOWANCE

Qualified Contract

Before Lifetime Payment Election Date:

This information will appear when it is a Qualified Contract.

Currently, we will use the following:  
RMD\* or \$0  
Range: \$0 to \$5,000,000

Others:

- Penalty Free Partial Surrenders
- Any Partial Surrender Amount

After Lifetime Payment Election Date:

Currently we will use:

- Greater of RMD\* or Lifetime Payment Amount; or
- Lifetime Payment Amount

Others:

- Penalty Free Partial Surrenders
- RMD
- \$0



	<ul style="list-style-type: none"><li>• Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until death of surviving spouse.</li><li>• The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age at the time of Spousal Continuance and will be paid until the earlier of the GLWB Value equals zero or upon death of surviving spouse.</li><li>• The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age at the time of Spousal Continuance and will be paid until death of the surviving spouse.</li></ul>
--	--

<p>LIFETIME PAYMENT ELECTION DATE OCCURS AFTER SPOUSAL CONTINUANCE</p>	<p>Currently, we will use the following:</p> <p>The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age on the Lifetime Payment Election Date and the Lifetime Payment Amount will be paid until the earlier of the GLWB Value equals zero or upon death of surviving spouse.</p> <p>Others:</p> <ul style="list-style-type: none"> <li>• No spousal continuance is available</li> <li>• The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age on the Lifetime Payment Election Date and will be paid until death of surviving spouse.</li> </ul>
<p>GLWB STACKING ROLL-UP CREDIT AVAILABILITY DURING SPOUSAL CONTINUANCE:</p>	<p>Currently, we will use the following: Eligible for any remaining GLWB Stacking Roll-Up Credit Amounts</p> <p>Others:</p> <ul style="list-style-type: none"> <li>• No GLWB Stacking Roll-Up Credit Amounts are available upon Spousal Continuance.</li> </ul>
<p>SPOUSAL CONTINUANCE DURING SETTLEMENT PHASE:</p>	<p>Currently, we will use the following: If Rider is in Settlement Phase, Spousal Continuance is not available</p> <p>Others:</p> <ul style="list-style-type: none"> <li>• Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until the earlier of the GLWB Value equals zero or upon death of surviving spouse</li> <li>• Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until death</li> </ul>

**STATEMENT OF VARIABILITY FOR  
ADDITIONAL BENEFITS SPECIFICATION PAGES  
SP1004B**

<b>NURSING HOME CONFINEMENT WAIVER (NHCW)</b>	This line and information below will appear when this endorsement is available.
Effective Date	Date the endorsement was added to the contract, either at issue or on contract anniversary.
Nursing Home Confinement Waiver (NHCW) Percentage	Range of 10% - 100%
<b>INDEXED ACCOUNT ENDORSEMENTS</b>	This line and information below will appear when index account endorsement(s) is/are available.
Minimum Fixed Account Allocation	Range of 0% to 100%
Minimum Transfer Amount	Range of \$100 to \$100,000
Index Accounts	The index(es) is/are variable to allow for a change in the future. The available index(es) may change after issue. If publication of an index is discontinued or the calculation is substantially changed, we may replace it with a comparable index. We also anticipate the possibility of offering additional index(es) in the future as market conditions warrant. At Company discretion we may add or remove index(es) from the Index Account(s).
Initial Premium Allocated	The Initial Premium Allocated to each available index within each available Index Account
Index Value At Issue	Index Value, applicable on the issue date, of each available index.
Interest Credit Factor	The factor, used in the calculation of the Interest Credit, applicable to each index and Index Account on the issue date.
Footnote 1	The Index Cap Rate (footnote <sup>1</sup> ) is guaranteed for 1-14 Contract Year(s). The Index Cap Rate is guaranteed to never go below 0.5% and never above 20% for the MPP, to never go below 1% and never above 40% for the APP..
Term	1-100 Contract Years
Initial Term Start Date	Date Term Starts
Initial Term End Date	Date Term Ends
Footnote 2	The Participation Rate (footnote <sup>2</sup> ) is guaranteed for 1-14 Contract Year(s). Participation Rate is guaranteed to never go below 20% and never above 100% for TMA-PRate.
Footnote 3	The Participation Rate (footnote <sup>3</sup> ) is guaranteed for 1-14 Contract Year(s). The Participation Rate is guaranteed to never go below 5% and never above 100% for MA.
Footnote 4	The Declared Performance Rate (footnote <sup>4</sup> ) is guaranteed for 1-14 Contract Year(s). The Declared Performance Rate is guaranteed to never go below 1% and never above 40%.

**ARKANSAS**  
**Certification of Compliance**

FORM NUMBER(S) NA1004A, et al

I, Michael Yanacheak, an officer of North American Company for Life and Health, hereby certify that to the best of my knowledge and belief, this filing is in compliance with the External Indexed Guidelines set forth by the state of Arkansas and that this filing meets the provisions of Rule & Regulation 19, Regulation 49, and Arkansas Code Ann. 23-79-138.



\_\_\_\_\_  
(Signature)

**Second Vice President, Product Development**

\_\_\_\_\_  
(Title)

1/22/2013

\_\_\_\_\_  
(Date)

**North American Company for Life and Health**

**Term Monthly Averaging with Participation Rate  
Index Account Endorsement form no. AE551A**

**Actuarial Memorandum**

**DESCRIPTION OF ENDORSEMENT**

This Endorsement adds a Term Monthly Averaging with Participation Rate Index Account to the Contract to which it is attached.

**DEFINITIONS**

Term: The Term is a length of time used in determining the Interest Credit for the Index Account.

Term End Date: The end date for each Term, which is the last day of the term and ends on a Contract Anniversary.

Term Start Date: The beginning date for each Term, which is the first day of the term and begins on a Contract Anniversary.

Interest Credit: The interest credited to this Index Account, calculated according to the Calculation below. Any Interest Credit will be added to this Index Account at the end of each Term.

Participation Rate: The Participation Rate is used in the calculation of the Interest Credit, as described in the Calculation below. The initial Participation Rate is declared on the issue date and guaranteed for the term shown on the Additional Benefits Specifications Page. The Participation Rate for future terms will be declared on each Contract Anniversary and guaranteed for the following Term. The guaranteed minimum Participation Rate is shown on the Additional Benefits Specifications Page.

Monthly Index Average: For a Term equals the sum of the Index Values from each Monthly Index Date during the Term, divided by the number of Monthly Index Dates during the Term.

Monthly Index Date: The same day in each month as the date of the Contract Anniversary. If the Monthly Index Date for a given month does not exist, the Monthly Index Date for that month will be the last calendar day of the month.

Index Value: The Index Value on any trading day is the closing value on the previous trading day associated with the index shown on the Additional Benefits Specifications Page. On a non-trading day, we will use the same Index Value as we used for the most recent previous trading day.

## **INDEXES**

The indices available under this Index Account are shown on the Additional Benefits Specifications Page. At the Company's discretion, We may add or remove indices from this Index Account. In addition, if the publication of an index is discontinued or changed substantially, a suitable index may be substituted.

The criteria to be used in selecting any new index(es) for replacing the current index(es) should they no longer be in existence or applicable or to add a new index(es), are as follows:

1. Equity based,
2. Broad (covering several securities), and
3. Significant option liquidity.

## **ALLOCATIONS & TRANSFERS**

Allocation of Premium: The portion of premium allocated to this index account must be specified, such that

Allocation of Premium: The portion of premium allocated to this index account must be specified, such that any Minimum Fixed Account Allocation requirement is still satisfied.

Transfers: A transfer to this Index Account can be requested and will be effective on the next Contract Anniversary. Any transfer into this Index Account will be subject to a new Term that starts on that Contract Anniversary. Any transfers from this account must occur on the Term End Date that applies to the money being transferred. Money cannot be transferred from this account during a Term.

## **CALCULATION OF THE INTEREST CREDIT:**

The Interest Credit, for each available index and Term, equals:

- 1) The Monthly Index Average on the Term End Date; minus The Index Value on the Term Start Date; divided by
- 2) The Index Value on the Term Start Date; multiplied by
- 3) The Participation Rate; multiplied by
- 5) The Index Account Value allocated to that index and Term on the Term Start Date, plus or minus any transfers on the Term Start Date of this Index Account allocated to that index, less any Gross Partial Surrender Amounts from this Index Account allocated to that index during the Term.

The Interest Credit will not be less than zero.

**CALCULATION OF THE INDEX ACCOUNT VALUE:**

The Index Account Value equals:

- 1) The Premium allocated to all available indexes for this Index Account; plus or minus
- 2) Any transfers of this Index Account; less
- 3) Any Gross Partial Surrender Amounts from this Index Account; plus
- 4) Any Interest Credits for each available index.

**NONFORFEITURE COMPLIANCE**

The underlying Contract to which this endorsement is attached will comply with the Standard Non-forfeiture Law.

**RESERVES**

Since the premium allocated to this Index Account immediately becomes a part of the Accumulation Value, it will be included in the reserve calculation of the underlying Contract.

In addition, the calculation of reserves to be consistent with Commissioners' Annuity Reserve Valuation Method (CARVM) for the index-based benefits will be done in accordance with Actuarial Guideline 35. Specifically, we plan to use the Black-Scholes Projection Method for this form.

Additional Reserves, if any, due to Guideline 33 will be held.

General reserving examples for the Index Account are attached in Exhibit A.

*Marcy Baker*      <sup>u</sup> Marcy Baker  
2013.01.24  
14:22:11 -06'00'

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Marcy Baker, F.S.A., M.A.A.A.  
Manager – Product Development

24 January 2013

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Date

State: Arkansas

Filing Company:

North American Company for Life and Health Insurance

TOI/Sub-TOI: A071 Individual Annuities - Special/A071.001 Equity Indexed

Product Name: NA1004A

Project Name/Number: NA1004A, et.al./NA1004A, et.al

## Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
01/04/2013	Replaced 01/25/2013	Supporting Document	Readability Certification	01/24/2013	ReadabilityCert 1.02.13.pdf (Superseded)
01/04/2013	Replaced 01/25/2013	Supporting Document	Statement of Variability	01/24/2013	STATEMENT OF VARIABILITY SP1004A.10YR 01.02.13.pdf (Superseded) STATEMENT OF VARIABILITY SP1004B 01.02.13.pdf (Superseded)
01/04/2013	Replaced 01/25/2013	Form	Specifications Page	01/24/2013	SP1004A.10YR spec page 1.02.13.pdf (Superseded)
01/04/2013	Replaced 01/25/2013	Form	Specifications Page	01/24/2013	SP1004A.14YR Spec Page 1.02.13.pdf (Superseded)
01/04/2013	Replaced 01/25/2013	Form	Additional Benefits Specifications Page	01/24/2013	SP1004B Additional Benefits Spec Page 1.02.13.pdf (Superseded)

CERTIFICATE OF READABILITY  
**North American Company for Life and Health Insurance**

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Name of Company

This is to certify that the forms listed below are in compliance with state readability requirements.

A. Option Selected

- 1. Policy and its related forms are scored for the Flesch reading ease test as one unit and the combined score is listed below.
- 2. Policy and its related forms are scored separately for the Flesch reading ease test. Scores for the policy and each form are indicated below:
- 3. Form and Form Numbers to which Certification is Applicable:

<u>Form</u>	<u>Form Number</u>	<u>Flesch Score</u>
Flexible Premium Deferred Annuity Contract	NA1004A	50.0

Test Option Selected

- 1. Test was applied to entire policy form(s).
- 2. Test was applied on sample basis. Form(s) contain(s) more than 10,000 words. Copy of form(s) enclosed indicating word samples tested.

C. Standards for Certification

A checked block indicates the standard has been achieved:

- 1. The policy text achieves a minimum score of 45 on the Flesch reading ease test in accordance with the option chosen in Section A above.
- 2. It is printed in not less than ten point type, one point leaded. (This does not apply to specification pages, schedules and tables.)
- 3. The layout and spacing of the policy separate the paragraphs from each other and from the border of the paper.
- 4. The section titles are captioned in bold face type or otherwise stand out significantly from the text.
- 5. Unnecessarily long, complicated or obscure words, sentences, paragraphs or constructions are not used in the policy.
- 6. The style, arrangement and overall appearance of the policy give no undue prominence to any portion of the policy or to any endorsements or riders.
- 7. A table of contents or an index of the principle sections is included in the policy. (This applies only if the policy has more than 3,000 words or consists of more than 3 pages.)

This certification must be signed by an officer of the insurer.

Signature 

Date January 4, 2013

Mike Yanacheak  
Officer's Name

2<sup>nd</sup> Vice President, Product Development  
Officer's Title

**STATEMENT OF VARIABILITY  
FOR  
Specifications Pages SP1004A.10YR & SP1004A.14YR**

The following elements of the Specification Page are variable (listed in order of appearance). Policyholder specific variable information such as name, issue date, etc do not have detailed explanation as the nature of the information is always variable.

CONTRACT NUMBER	Contract Number at issue
ANNUITANT	Annuitant's name at issue
ISSUE AGE	Age of Annuitant at issue
OWNER	Owner's name at issue
ISSUE DATE	Date this contract is issued
SEX OF ANNUITANT	Sex of Annuitant
MATURITY DATE	Date this contract matures and pay-out begins
INITIAL PREMIUM	\$25 - \$5,000,000
MINIMUM ADDITIONAL PREMIUM:	\$25 to \$100,000
MAXIMUM ADDITIONAL PREMIUM:	\$0 to \$5,000,000
MINIMUM ACCUMULATION VALUE:	\$100 to \$500,000
MINIMUM GROSS PARTIAL SURRENDER AMOUNT:	\$100 to \$100,000
INTEREST ADJUSTMENT PERIOD:	10 YR - Contract Years 1-10 14 YR - Contract Years 1-14
PENALTY FREE PARTIAL SURRENDER PERCENTAGE:	<p>One of the following statements will print. We will use the first option when the product is rolled out:</p> <p>(Range 1% to 20%) after (Range 1<sup>st</sup> to 5<sup>th</sup>) Contract Year</p> <p><u>Other Options:</u></p> <p>Beginning after the (Range: 1<sup>st</sup> to 5<sup>th</sup>) Contract Year, once each Contract Year, any interest earned during the current Contract Year. Or</p> <p>Beginning after the (Range: 1<sup>st</sup> to 5<sup>th</sup>) Contract Year, once each Contract Year, any interest earned during the previous Contract Year. Or</p> <p>Beginning after the 1<sup>st</sup> Contract Year, once each Contract Year, any interest earned since the Contract Issue Date. Or</p> <p>Once each Contract Year, an amount up to (Range: 1% to 20%) of Your Accumulation Value. Or</p>

	<p>Once each Contract Year, any interest earned during the current Contract Year.</p> <p>Or</p> <p>Once each Contract Year, any interest earned during the previous Contract Year.</p> <p>Or</p> <p>Once each Contract Year, any interest earned since the Contract Issue Date.</p>
FIXED ACCOUNT INITIAL PREMIUM:	Initial premium allocated to the Fixed Account at issue.
INITIAL PREMIUM INTEREST RATE:	0.5% to 20%
INITIAL PREMIUM INTEREST RATE GUARANTEE PERIOD:	10YR: 1 to 10 year(s) 14YR: 1 to 14 year(s)
MINIMUM GUARANTEED FIXED ACCOUNT INTEREST RATE:	0.5% to 3%
COMPANY ADDRESS	Bracketed for future variability in case the company updates the logo, changes the physical location, P.O. Box or telephone numbers in the future.

LIFETIME PAYMENT ELECTION DATE	<p>Currently, we will use the following:</p> <ul style="list-style-type: none"> <li>• Upon Notification from You</li> <li>• The date must be at least 12 months after the Issue Date.</li> <li>• The date must be after Attained Age 50</li> </ul> <p>Others:</p> <ul style="list-style-type: none"> <li>• Date of first Partial Surrender after Attained Age 50</li> <li>• Issue Date</li> </ul> <p>The Attained Age for this variable will range from 0 – 115. The date after the Issue date will range from 1 day to 10 years.</p>
INITIAL GLWB VALUE	Range of \$0 - \$10,000,000
MAXIMUM GLWB VALUE	Range of \$0 - \$10,000,000
GLWB BONUS PERIOD	Contract Years 1 –14
GLWB BONUS PERCENTAGE	Range of 1 – 20%
GLWB STACKING ROLL-UP CREDIT PERIOD	<p>Currently, we will use the following:</p> <ul style="list-style-type: none"> <li>• Contract Years 1-20 from Issue Date</li> </ul> <p>Ranges above are both 1 - 100</p>
GLWB STACKING ROLL-UP CREDIT PERCENTAGE	<p>Currently we will use the following: 5.00% Interest Rate range of 0-20%</p> <p>Others:</p> <ul style="list-style-type: none"> <li>• 0% increasing by 1% every 1 Contract Year(s) after Issue Date</li> </ul> <p>Interest Rate of 0-20%. Increasing range of 0.10% - 5% Contract Years 1-20</p>

GLWB STACKING ROLL-UP CREDIT AVAILABILITY  
Before Lifetime Payment Election Date

Currently, we will use the following:  
Available each Contract Year a  
Partial Surrender is not taken or  
each year only the RMD\* is taken;  
or

Available each Contract Year a  
Partial Surrender is not taken.

However if Non-Qualified money,  
RMD portion of the statement will  
not print.

Others:

- Available each Contract Year any Partial Surrender is taken.
- Available each Contract Year only a Penalty Free Partial Surrender is taken.
- Available each Contract Year only a Lifetime Payment Amount is taken

GLWB STACKING ROLL-UP CREDIT AVAILABILITY  
After Lifetime Payment Election Date

Currently, we will use the following:  
GLWB Stacking Roll-Up Credit is  
not available

Others:

- Available each Contract Year a Partial Surrender is not taken
- Available each Contract Year only the RMD is taken
- Available each Contract Year any Partial Surrender is taken.
- Available each Contract Year only a Penalty-Free Partial Surrender is taken.
- Available each Contract Year only a Lifetime Payment Amount is taken

GLWB STACKING ROLL-UP CREDIT AMOUNT

Currently, we will use the following:  
On each Contract Anniversary, GLWB Stacking Roll-Up Credit Percentage multiplied by the current GLWB Value

Others:

- On each day, the effective daily rate of the GLWB Stacking Roll-Up Credit Percentage multiplied by the current GLWB Value
- On each Contract Anniversary, GLWB Stacking Roll-Up Credit Percentage multiplied by the initial GLWB Value
- On each Contract Anniversary, GLWB Stacking Roll-Up Credit Percentage multiplied by the current Accumulation Value.
- On each day, the effective daily rate of the GLWB Stacking Roll-Up Credit Percentage multiplied by the current Accumulation Value.

GLWB VALUE PARTIAL SURRENDER ALLOWANCE  
Before Lifetime Payment Election Date:

Currently, we will use the following:  
RMD\* or \$0  
Range: \$0 to \$5,000,000

Others:

- Penalty Free Partial Surrenders
- Any Partial Surrender Amount

After Lifetime Payment Election Date:

Currently we will use:

- Greater of RMD\* or Lifetime Payment Amount; or
- Lifetime Payment Amount

Others:

- Penalty Free Partial Surrenders
- RMD
- \$0
- Any Partial Surrender Amount
- Any combination of the

	<p>above listed including the term "Greater of"  Range: \$0 to \$5,000,000</p>
<p>*PARTIAL SURRENDERS AT AGE 70 OR OLDER TO SATISFY RMD REQUIREMENT MUST COMPLY WITH IRC OF 1986.</p>	<p>Statement prints when RMD is used.</p>
<p>LIFETIME PAYMENT PERCENTAGE</p>	<p>The range of Lifetime Payment Percentage will be 0% to 30.0%</p>
<p>LIFETIME PAYMENT ELECTION DATE OCCURS BEFORE SPOUSAL CONTINUANCE</p>	<p>Currently, we will use the following:  Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until the earlier of the GLWB Value equals zero or upon death of surviving spouse.</p> <p>Others:</p> <ul style="list-style-type: none"> <li>• No spousal continuance is available</li> <li>• Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until death of surviving spouse.</li> <li>• The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age at the time of Spousal Continuance and will be paid until the earlier of the GLWB Value equals zero or upon death of surviving spouse.</li> <li>• The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age at the time of Spousal Continuance and will be paid until death of the surviving spouse.</li> </ul>

<p>LIFETIME PAYMENT ELECTION DATE OCCURS AFTER SPOUSAL CONTINUANCE</p>	<p>Currently, we will use the following:</p> <p>The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age on the Lifetime Payment Election Date and the Lifetime Payment Amount will be paid until the earlier of the GLWB Value equals zero or upon death of surviving spouse.</p> <p>Others:</p> <ul style="list-style-type: none"> <li>• No spousal continuance is available</li> <li>• The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age on the Lifetime Payment Election Date and will be paid until death of surviving spouse.</li> </ul>
<p>GLWB STACKING ROLL-UP CREDIT AVAILABILITY DURING SPOUSAL CONTINUANCE:</p>	<p>Currently, we will use the following: Eligible for any remaining GLWB Stacking Roll-Up Credit Amounts</p> <p>Others:</p> <ul style="list-style-type: none"> <li>• No GLWB Stacking Roll-Up Credit Amounts are available upon Spousal Continuance.</li> </ul>
<p>SPOUSAL CONTINUANCE DURING SETTLEMENT PHASE:</p>	<p>Currently, we will use the following: If Rider is in Settlement Phase, Spousal Continuance is not available</p> <p>Others:</p> <ul style="list-style-type: none"> <li>• Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until the earlier of the GLWB Value equals zero or upon death of surviving spouse</li> <li>• Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until death</li> </ul>

**STATEMENT OF VARIABILITY FOR  
ADDITIONAL BENEFITS SPECIFICATION PAGES  
SP1004B**

<b>NURSING HOME CONFINEMENT WAIVER (NHCW)</b>	This line and information below will appear when this endorsement is available.
Effective Date	Date the endorsement was added to the contract, either at issue or on contract anniversary.
Nursing Home Confinement Waiver (NHCW) Percentage	Range of 10% - 100%
<b>INDEXED ACCOUNT ENDORSEMENTS</b>	This line and information below will appear when index account endorsement(s) is/are available.
Minimum Fixed Account Allocation	Range of 0% to 100%
Minimum Transfer Amount	Range of \$100 to \$100,000
Index Accounts	The index(es) is/are variable to allow for a change in the future. The available index(es) may change after issue. If publication of an index is discontinued or the calculation is substantially changed, we may replace it with a comparable index. We also anticipate the possibility of offering additional index(es) in the future as market conditions warrant. At Company discretion we may add or remove index(es) from the Index Account(s).
Initial Premium Allocated	The Initial Premium Allocated to each available index within each available Index Account
Index Value At Issue	Index Value, applicable on the issue date, of each available index.
Interest Credit Factor	The factor, used in the calculation of the Interest Credit, applicable to each index and Index Account on the issue date.
Footnote 1	The Index Cap Rate (footnote <sup>1</sup> ) is guaranteed for 1-14 Contract Year(s). The Index Cap Rate is guaranteed to never go below 0.5% and never above 20% for the MPP, to never go below 1% and never above 40% for the APP..
Term	1-100 Contract Years
Initial Term Start Date	Date Term Starts
Initial Term End Date	Date Term Ends
Footnote 2	The Index Cap Rate (footnote <sup>2</sup> ) is guaranteed for 1-14 Contract Year(s). The Index Cap Rate is guaranteed to never go below 1% and never above 40%.
Footnote 3	The Participation Rate (footnote <sup>3</sup> ) is guaranteed for 1-14 Contract Year(s). The Participation Rate is guaranteed to never go below 5% and never above 100% for MA.
Footnote 4	The Declared Performance Rate (footnote <sup>4</sup> ) is guaranteed for 1-14 Contract Year(s). The Declared Performance Rate is guaranteed to never go below 1% and never above 40%.

## SPECIFICATIONS PAGE

**CONTRACT NUMBER:** ..... [L012345678]  
**ANNUITANT:** ..... [JOHN DOE]  
**ISSUE AGE:** ..... [35]  
**OWNER:** ..... [MARY DOE]  
**ISSUE DATE:** ..... [OCTOBER 1, 2012]  
**SEX OF ANNUITANT:** ..... [MALE]  
**MATURITY DATE:** ..... [OCTOBER 1, 2092]  
**INITIAL PREMIUM:** ..... [\$20,000.00]  
**MINIMUM ADDITIONAL PREMIUM:** ..... [\$25.00]  
**MAXIMUM ADDITIONAL PREMIUM:** ..... [\$5,000.00]  
**MINIMUM ACCUMULATION VALUE:** ..... [\$1,000.00]  
**MINIMUM GROSS PARTIAL SURRENDER AMOUNT:** ..... [\$500.00]  
**INTEREST ADJUSTMENT PERIOD:** ..... [10 years]  
**PENALTY FREE PARTIAL SURRENDER PERCENTAGE:** ..... [5%] [After [1<sup>st</sup>] Contract Year]

### SURRENDER CHARGE PERIOD

<u>Contract Year</u>	<u>Surrender Charge Percentage</u>
1	10%
2	10%
3	10%
4	10%
5	10%
6	9%
7	8%
8	6%
9	4%
10	2%
11+	0%

**FIXED ACCOUNT:**

**FIXED ACCOUNT INITIAL PREMIUM:** ..... [\$10,000.00]  
**INITIAL PREMIUM INTEREST RATE:** ..... [2.60%]  
**INITIAL PREMIUM INTEREST RATE GUARANTEE PERIOD:** ..... [One] Contract Year  
**MINIMUM GUARANTEED FIXED ACCOUNT INTEREST RATE:** ..... [0.50%]

## **GUARANTEED LIFETIME WITHDRAWAL BENEFIT**

**Lifetime Payment Election Date:**

- [Upon Notification from You]
- [The date must be at least [12 months] after the Issue Date;]
- [The date must be after Attained Age [50]]

**Initial GLWB Value:** [\$50,000.00]

**Maximum GLWB Value:** [\$5,000,000]

### **GLWB BONUS**

**GLWB Bonus Period:**

[Available on premiums received in the first 5 years.]

**GLWB Bonus Percentage:**

[5.00]%

### **GLWB STACKING ROLL-UP CREDIT**

**GLWB Stacking Roll-Up Credit Period:**

[Contract Anniversary [1]–[20] from Issue Date]

**GLWB Stacking Roll-Up Credit Percentage:**

[5.00%]

**GLWB Stacking Roll-Up Credit Availability:**

[Before Lifetime Payment Election Date]:

[Available each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period provided a partial surrender was not taken in the preceding Contract Year or each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period when only the RMD\* was taken in the preceding Contract Year] or [Available each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period provided a partial surrender was not taken in the preceding Contract Year.]

[After Lifetime Payment Election Date]

[GLWB Stacking Roll-Up Credit is not available]

[The GLWB Stacking Roll-Up Credit will terminate on the Lifetime Payment Election Date.]

**GLWB Stacking Roll-Up Credit Amount:**

[On each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period, the GLWB Stacking Roll-Up Credit Percentage, when available, multiplied by the current GLWB Value; plus the dollar amount of interest credited to the Accumulation Value (if any) during the preceding Contract Year.]

**GLWB VALUE PARTIAL SURRENDER**

**GLWB Value Partial Surrender Allowance:**

Qualified Contracts:

[Before Lifetime Payment Election Date]: [RMD\*] or [\$0.00]  
 [After Lifetime Payment Election Date]: [greater of RMD\* or Lifetime Payment Amount]  
 [Lifetime Payment Amount]

Non-Qualified Contracts:

[Before Lifetime Payment Election Date]: [\$0.00]  
 [After Lifetime Payment Election Date]: [Lifetime Payment Amount]

[\*Partial surrenders on and after age 70½ shall satisfy the Required Minimum Distribution (RMD) requirements of the Internal Revenue Code of 1986 as amended.]

**LIFETIME PAYMENT PERCENTAGE**

[The Lifetime Payment Percentage is based on the Annuitant's current Attained Age on the Lifetime Payment Election Date.] [Thereafter, the Lifetime Payment Percentage is based on the Annuitant's Attained Age on the most recent Contract Anniversary.]

<b>INDIVIDUAL</b>		<b>JOINT ANNUITANTS (based on age of younger Annuitant)</b>	
<b>Attained Age of Annuitant</b>	<b>Lifetime Payment Percentage</b>	<b>Attained Age of Annuitant</b>	<b>Lifetime Payment Percentage</b>
[50-54	[4.25%	[50-54	[3.25%
55-59	4.25%	55-59	3.25%
60	4.75%	60	3.75%
61	4.85%	61	3.85%
62	4.95%	62	3.95%
63	5.05%	63	4.05%
64	5.15%	64	4.15%
65	5.25%	65	4.25%
66	5.35%	66	4.35%
67	5.45%	67	4.45%
68	5.55%	68	4.55%
69	5.65%	69	4.65%
70	5.75%	70	4.75%
71	5.85%	71	4.85%
72	5.95%	72	4.95%
73	6.05%	73	5.05%
74	6.15%	74	5.15%
75	6.25%	75	5.25%
76	6.35%	76	5.35%
77	6.45%	77	5.45%
78	6.55%	78	5.55%
79	6.65%	79	5.65%
80+]	6.75%]	80+]	5.75%]

## SPOUSAL CONTINUANCE

**EFFECT OF SPOUSAL CONTINUANCE:**

[Lifetime Payment Election Date Occurs Before Spousal Continuance]:

[Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until the earlier of the GLWB Value equals zero or upon death of surviving spouse].

[Lifetime Payment Election Date Occurs After Spousal Continuance]:

[The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age on the Lifetime Payment Election Date and the Lifetime Payment Amount is paid until the earlier of the GLWB Value equals zero or upon death of surviving spouse.]

[GLWB Stacking Roll-Up Credit Availability During Spousal Continuance]:

[Eligible for any remaining GLWB Stacking Roll-Up Credit Amounts]

[Spousal Continuance During GLWB Settlement Phase]:

[If the Contract is in GLWB Settlement Phase, Spousal Continuance is not available]

If you have any questions or concerns, contact your agent or write or call Us at:

North American Company for Life and Health Insurance

Annuity Service Center

P. O. Box 79905

Des Moines, Iowa 50325-0905

Toll-free telephone: 1-866-322-7069

## SPECIFICATIONS PAGE

**CONTRACT NUMBER:** ..... [L012345678]  
**ANNUITANT:** ..... [JOHN DOE]  
**ISSUE AGE:** ..... [35]  
**OWNER:** ..... [MARY DOE]  
**ISSUE DATE:** ..... [OCTOBER 1, 2012]  
**SEX OF ANNUITANT:** ..... [MALE]  
**MATURITY DATE:** ..... [OCTOBER 1, 2092]  
**INITIAL PREMIUM:** ..... [\$20,000.00]  
**MINIMUM ADDITIONAL PREMIUM:** ..... [\$25.00]  
**MAXIMUM ADDITIONAL PREMIUM:** ..... [\$5,000.00]  
**MINIMUM ACCUMULATION VALUE:** ..... [\$1,000.00]  
**MINIMUM GROSS PARTIAL SURRENDER AMOUNT:** ..... [\$500.00]  
**INTEREST ADJUSTMENT PERIOD:** ..... [14 years]  
**PENALTY FREE PARTIAL SURRENDER PERCENTAGE:** ..... [5%] [After [1<sup>st</sup>] Contract Year]

### SURRENDER CHARGE PERIOD

<u>Contract Year</u>	<u>Surrender Charge Percentage</u>
1	10%
2	10%
3	10%
4	10%
5	10%
6	9%
7	8%
8	7%
9	6%
10	5%
11	4%
12	3%
13	2%
14	1%
15+	0%

**FIXED ACCOUNT:**  
**FIXED ACCOUNT INITIAL PREMIUM:** ..... [\$10,000.00]  
**INITIAL PREMIUM INTEREST RATE:** ..... [2.60%]  
**INITIAL PREMIUM INTEREST RATE GUARANTEE PERIOD:** ..... [One] Contract Year  
**MINIMUM GUARANTEED FIXED ACCOUNT INTEREST RATE:** ..... [0.50%]

## **GUARANTEED LIFETIME WITHDRAWAL BENEFIT**

**Lifetime Payment Election Date:**

- [Upon Notification from You]
- [The date must be at least [12 months] after the Issue Date;]
- [The date must be after Attained Age [50]]

**Initial GLWB Value:** [\$50,000.00]

**Maximum GLWB Value:** [\$5,000,000]

### **GLWB BONUS**

**GLWB Bonus Period:**

[Available on premiums received in the first 5 years.]

**GLWB Bonus Percentage:**

[5.00%]

### **GLWB STACKING ROLL-UP CREDIT**

**GLWB Stacking Roll-Up Credit Period:**

[Contract Anniversary [1]–[20] from Issue Date]

**GLWB Stacking Roll-Up Credit Percentage:**

[5.00%]

**GLWB Stacking Roll-Up Credit Availability:**

[Before Lifetime Payment Election Date]:

[Available each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period provided a partial surrender was not taken in the preceding Contract Year or each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period when only the RMD\* was taken in the preceding Contract Year] or [Available each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period provided a partial surrender was not taken in the preceding Contract Year.]

[After Lifetime Payment Election Date]

[GLWB Stacking Roll-Up Credit is not available]

[The GLWB Stacking Roll-Up Credit will terminate on the Lifetime Payment Election Date.]

**GLWB Stacking Roll-Up Credit Amount:**

[On each Contract Anniversary during the GLWB Stacking Roll-Up Credit Period, GLWB Stacking Roll-Up Credit Percentage, when available, multiplied by the current GLWB Value; plus the dollar amount of interest credited to the Accumulation Value (if any) during the preceding Contract Year.]

### GLWB VALUE PARTIAL SURRENDER

**GLWB Value Partial Surrender Allowance:**

Qualified Contracts:

[Before Lifetime Payment Election Date]:	[RMD*] or [\$0.00]
[After Lifetime Payment Election Date]:	[greater of RMD* or Lifetime Payment Amount] [Lifetime Payment Amount]

Non-Qualified Contracts:

[Before Lifetime Payment Election Date]:	[\$0.00]
[After Lifetime Payment Election Date]:	[Lifetime Payment Amount]

[\*Partial surrenders on and after age 70½ shall satisfy the Required Minimum Distribution (RMD) requirements of the Internal Revenue Code of 1986 as amended.]

### LIFETIME PAYMENT PERCENTAGE

[The Lifetime Payment Percentage is based on the Annuitant's current Attained Age on the Lifetime Payment Election Date.] [Thereafter, the Lifetime Payment Percentage is based on the Annuitant's Attained Age on the most recent Contract Anniversary.]

INDIVIDUAL		JOINT ANNUITANTS (based on age of younger Annuitant)	
Attained Age of Annuitant	Lifetime Payment Percentage	Attained Age of Annuitant	Lifetime Payment Percentage
[50-54	[4.25%	[50-54	[3.25%
55-59	4.25%	55-59	3.25%
60	4.75%	60	3.75%
61	4.85%	61	3.85%
62	4.95%	62	3.95%
63	5.05%	63	4.05%
64	5.15%	64	4.15%
65	5.25%	65	4.25%
66	5.35%	66	4.35%
67	5.45%	67	4.45%
68	5.55%	68	4.55%
69	5.65%	69	4.65%
70	5.75%	70	4.75%
71	5.85%	71	4.85%
72	5.95%	72	4.95%
73	6.05%	73	5.05%
74	6.15%	74	5.15%
75	6.25%	75	5.25%
76	6.35%	76	5.35%
77	6.45%	77	5.45%
78	6.55%	78	5.55%
79	6.65%	79	5.65%
80+]	6.75%]	80+]	5.75%]

## SPOUSAL CONTINUANCE

**EFFECT OF SPOUSAL CONTINUANCE:**

[Lifetime Payment Election Date Occurs Before Spousal Continuance]:

[Lifetime Payment Amount at the time of Spousal Continuance will be paid to the surviving spouse until the earlier of the GLWB Value equals zero or upon death of surviving spouse].

[Lifetime Payment Election Date Occurs After Spousal Continuance]:

[The Lifetime Payment Amount for the surviving spouse will be determined based on the surviving spouse's Attained Age on the Lifetime Payment Election Date and the Lifetime Payment Amount is paid until the earlier of the GLWB Value equals zero or upon death of surviving spouse.]

[GLWB Stacking Roll-Up Credit Availability During Spousal Continuance]:

[Eligible for any remaining GLWB Stacking Roll-Up Credit Amounts]

[Spousal Continuance During GLWB Settlement Phase]:

[If the Contract is in GLWB Settlement Phase, Spousal Continuance is not available]

If you have any questions or concerns, contact your agent or write or call Us at:

North American Company for Life and Health Insurance  
Annuity Service Center

P. O. Box 79905  
Des Moines, Iowa 50325-0905  
Toll-free telephone: 1-866-322-7069

**ADDITIONAL BENEFITS SPECIFICATIONS PAGE**

**NURSING HOME CONFINEMENT WAIVER (NHCW)**

Effective Date [October 1, 2012]  
 Nursing Home Confinement Waiver (NHCW) Percentage: [10.00%]

**INDEXED ACCOUNT ENDORSEMENTS**

Minimum Fixed Account Allocation: [0%]  
 Minimum Transfer Amount: [\$500.00]

**INDEX ACCOUNTS\***

\*We reserve the right to add, remove or revise availability of index(es) in the Index Accounts.

INITIAL PREMIUM ALLOCATED	INDEX VALUE AT ISSUE	INTEREST CREDIT FACTOR
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**[APP-Cap]**

<b>[S&amp;P 500®]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[5.25%]
<b>[Dow Jones Industrial Average (DJIA)<sup>sm</sup>]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[5.20%]
<b>[S&amp;P MidCap 400®]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[4.70%]
<b>[NASDAQ-100®]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[4.65%]
<b>[Gold Price (Afternoon (PM) London Gold Market Fixing Price – USD)]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[5.00%]

**[MPP-Cap]**

<b>[S&amp;P 500®]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[2.30%]
<b>[NASDAQ-100®]</b> Index Cap Rate <sup>1</sup>	[1,000.00]	[1,400]	[2.25%]

**[TPP-Cap]**

[Term]: ..... [[2] contract years]  
 [Initial Term Start Date]: .....[ 11/1/2011 ]  
 [Initial Term End Date]: .....[ 11/1/2013 ]

<b>[S&amp;P 500®]</b> Index Cap Rate <sup>2</sup>	[1,000.00]	[1,400]	[11.00%]
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**[MA-PRate]**

<b>[S&amp;P 500®]</b> Participation Rate <sup>3</sup>			[65.00%]
<b>[Dow Jones Industrial Average (DJIA)<sup>sm</sup>]</b> Participation Rate <sup>3</sup>			[65.00%]
<b>[S&amp;P MidCap 400®]</b> Participation Rate <sup>3</sup>	[1,000.00]	[1,400]	[50.00%]

## ADDITIONAL BENEFITS SPECIFICATIONS PAGE

**INDEX ACCOUNTS\***

\*We reserve the right to add, remove or revise availability of index(es) in the Index Accounts.

**INITIAL  
PREMIUM  
ALLOCATED**

**INDEX  
VALUE AT  
ISSUE**

**INTEREST  
CREDIT  
FACTOR**

**[ADRNP]**

**[S&P 500®]**

Declared Performance Rate<sup>4</sup>

[1,000.00]

[1,109.55]

[3.50%]

**Conditions on Allocations and Transfers to ADRNP Index Account:**

**[S&P 500®] ADRNP Index Account:**

[You may allocate any Premium and transfers to the S&P 500® ADRNP Index Account subject to the Minimum Fixed Account Allocation and Minimum Transfer Amount.]

<sup>1</sup>[Guaranteed for [one] Contract Year[s]. [Guaranteed never to go below [2.00%] for [APP-Cap].]

[Guaranteed never to go below [1.00%] for [MPP-Cap].]

<sup>2</sup>Guaranteed on Premium for the [first] Term. Guaranteed never below [4.00%] for TPP-Cap.] ]

<sup>3</sup>Guaranteed for [one] Contract Year[s]. Guaranteed never to go below [10.00%] for [MA-Prate].]

<sup>4</sup>Guaranteed for [one] Contract Year[s]. Guaranteed to never go below [1.00%] for ADRNP.] ]

## ADDITIONAL BENEFITS SPECIFICATIONS PAGE

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### **GOLD PRICE INDEX OPTION**

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 Afternoon (PM) London Gold Market Fixing Price. The Afternoon (PM) London Gold Market Fixing Price is available at the website [[www.goldfixing.com](http://www.goldfixing.com)], and also can be found at Bloomberg.com under the symbol [GOLDLNPM: IND.] 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 should the Company in its discretion determine that the use of the Afternoon (PM) London Gold Market Fixing Price no longer is commercially reasonable. The Gold Price Index Option does not constitute a purchase of or direct investment in gold.

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