



The North American Guarantee® is backed by the strength of North American Company for Life & Health Insurance . . .

Since 1886, Chicago-based North American Company for Life and Health Insurance has established a tradition of producing quality insurance products. North American Company's product lines are marketed in 49 states and the District of Columbia.

Portrait of Financial Stability

Independent rating agencies are an important source of information on an insurance company's ability to meet its obligations. Based on its financial strength and operating performance, North American Company continues to receive high ratings from the most well-respected ratings services, including:

AA (VERY STRONG) RATING FROM STANDARD & POOR'S

Standard & Poor's awarded its AA rating for insurer financial strength on December 8, 2005 to North American Company for Life and Health Insurance as part of Sammons Financial Group.

The AA rating, which is the third highest out of 22, reflects the financial strength of Sammons Financial Group, which is comprised of North American Company for Life and Health Insurance and Midland National Life Insurance Company.

A (Excellent) from A.M. Best

A.M. Best is a large third-party independent reporting and rating company that rates an insurance company on the basis of the company's financial strength, operating performance, and ability to meet its obligations to contract holders. (A is the third highest rating out of 15.)

AA- (VERY STRONG) FROM FITCH RATINGS

Fitch is a leading global rating agency committed to providing the world's credit markets with independent, timely and prospective credit opinions. Fitch's insurer financial strength ratings range from AAA to D. The AA- rating is the 4th highest rating out of 24 rating categories.

Premium Taxes: Contract holder values will be reduced for premium taxes as required by the state of residence.

Neither North American Company, nor any agents acting on its behalf, should be viewed as providing legal, tax or investment advice. Consult a qualified advisor.

The North American Guarantee® is issued in Texas on Form LC117A42 (group certificate) or LS117A42 (individual contract) by North American Company for Life and Health Insurance Chicago, IL.

- 1 In states where rider is approved. Please contact your sales representative for state availability. If joint annuitants are named on the annuity, riders will apply to the first annuitant who qualifies for the benefit.
- 2 If joint annuitants are named in the annuity, the Death Benefit will be paid at the second death. If joint owners are named in the annuity, the Death Benefit will be paid at the first death.
- 3 Surrender Charges vary according to state.



NOT FDIC INSURED.
NO BANK GUARANTEE.

NORTH AMERICAN GUARANTEE®

CREATING A FINANCIAL FUTURE

NORTH AMERICAN GUARANTEE®

The North American Guarantee® is designed to be a single premium, multi-year guarantee annuity that includes many features to help you achieve your goals for retirement. It offers you the option to select from several guaranteed interest periods – three, four, five, six or eight years.

Planning for future retirement income can be difficult. You want guarantees on your retirement savings, but no one knows where the equity or bond market may be tomorrow. The North American Guarantee® from North American Company for Life and Health Insurance offers you peace of mind through the protection of your principal, a guaranteed rate of interest, and the flexibility of several guaranteed interest periods—three, four, five, six or eight years—which can help you maximize your benefits and achieve your retirement goals.

Safety of Principal

All North American Company tax-deferred annuities are backed by the financial strength of North American Company and its investment portfolio, with emphasis on high-quality bonds that provide safety, liquidity and competitive rates.

State Insurance Department regulations require that North American Company carry the reserves equal to the withdrawal value of your annuity contract at all times. In addition, state laws require certain amounts of capital with which North American Company complies.

No Initial Sales Charges or Administrative Fees

Since there are no initial charges or fees, your entire premium is immediately working for you earning tax-deferred interest.

Tax-Deferred Growth

With the North American Guarantee® your money grows faster because you earn interest on dollars that would otherwise be paid in taxes. Your premium earns interest, your interest earns interest (compounding), and the money you save in taxes earns interest. With this tax-deferred status, you can accumulate more money over a shorter time period and can earn a greater return on your investment.

THE POWER OF TAX-DEFERRAL

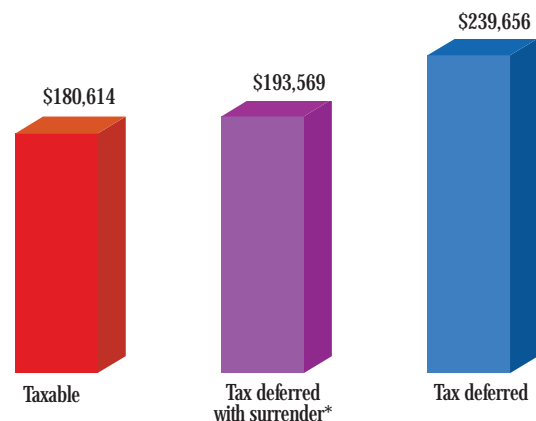


Chart is a hypothetical illustration of tax-deferral and assumes an initial premium of \$100,000 earning 6.00% compounded annual rate of return for 15 years. Not intended to predict or project performance. *Tax deferred with surrender represents the surrender value less taxes at an assumed rate of 33%.

Liquidity Features

Emergencies do arise, so accessing your money is always an important concern. The North American Guarantee® offers a variety of liquidity features, including the following:

Penalty-Free Withdrawals

The North American Guarantee® allows you to take a penalty-free withdrawal equal to the interest earned each year after the first contract year, without incurring any surrender charges or Interest Adjustments. You can elect to receive payments monthly, quarterly, semi-annually or annually as long as each payment is at least \$50.

Withdrawals prior to age 59½ may be subject to IRS penalties.

Nursing Home Confinement Rider

After the first contract anniversary, should the annuitant become confined to a qualified nursing home facility for at least 90 consecutive days, we will increase the penalty-free withdrawal by 10% of the total Accumulation Value each year while the annuitant is confined. For ages 75 and younger, this rider is automatically included in your annuity at no additional cost.¹

Death Benefit²

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

Renewal Feature

At the end of each selected guarantee period, you may choose to renew your annuity for another guaranteed interest period. Depending on your circumstances and financial goals, you can choose a shorter guarantee period or select a longer guarantee period. After the end of the guarantee period, renewal for the same guarantee period as previously chosen is automatically processed for your convenience, if no other election is taken within 30 days. **(Within this 30-day window, no surrender charges or Interest Adjustment will apply.)**

Surrender Charges

A Surrender Charge will be assessed in the event of a full or partial surrender exceeding the penalty-free withdrawal privileges described earlier. Surrender Charges are as follows:

Three-year period: 8%, 8%, 7.5%.

Four-year period: 8%, 8%, 7.5%, 6.5%.

Five-year period: 8%, 8%, 7.5%, 6.5%, 5.5%.

Six-year period: 8%, 8%, 7.5%, 6.5%, 5.5%, 4.5%.

Eight-year period: 8%, 8%, 7.5%, 6.5%, 5.5%, 4.5%, 3.5%, 2.5%.

Interest Adjustment

The North American Guarantee® includes an Interest Adjustment, which allows the Company to adjust interest rates to be higher or lower than those on products without an Interest Adjustment. This Interest Adjustment is applied only during the guarantee period to full or partial surrenders in excess of the penalty-free amount and may increase or decrease the Surrendered Value, based on the change in interest rates since you purchased your North American Guarantee®.

Settlement Options

Should you decide to receive an income from the North American Guarantee® after the surrender charge period, you will have several settlement options from which to choose. With the exception of the Life Income option, our settlement options are for a minimum of five years and a maximum of 20 years. The following options are available:

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

Additional Benefits

- Safety of Principal
- Tax-Deferred Growth
- Potential to Avoid Probate
- Loan Provision [TSA only; after first year]
- Income Guarantee for Life
[if Life Income Settlement Option is chosen]