

# DIRECT GUARANTEE®

## ANNUITY DISCLOSURE STATEMENT

**The Direct Guarantee® is a single premium, multi-year guarantee annuity that accumulates interest through a guaranteed interest rate that is set for a three-, four-, six-, eight- or ten-year period.**

### **Accumulation Value:**

The Accumulation Value equals your premium, less withdrawals and applicable surrender charges, earning the guaranteed interest rate. This rate will be guaranteed for the chosen guarantee period. Ask your sales representative for the current interest rate.

### **Minimum Guaranteed Cash Value (MGCV):**

The MGCV is 100% of premium, less any partial withdrawals, accumulating at 3% per year, less surrender charges.

### **Long-Term Benefits:**

Surrender charges allow the Company to invest your money on a long-term basis. A surrender charge will be assessed in the event of a full or partial surrender exceeding the penalty-free withdrawal limit. This allows the Company to credit multiple year interest rate guarantees. ***Please keep in mind that a surrender during the surrender period may result in a loss of principal.***

### **Interest Adjustment:**

The **Direct Guarantee®** includes an Interest Adjustment, which allows the Company to credit higher interest rates than on products without an Interest Adjustment. It is applied only during the surrender charge period to full surrenders and to any partial surrender in excess of the penalty-free amount. This adjustment may increase or decrease the surrender amount based on the change in interest rates during the period since you purchased your **Direct Guarantee®** annuity. See the "Understanding the Interest Adjustment" brochure for full details.

### **Renewal Feature:**

At the end of each selected guarantee period, you may choose to renew your annuity for another guaranteed interest 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 after the end of the guarantee period. Surrender charges will start over again for each new guarantee period.

### **Death Benefit:**

Midland National will pay out, as the Death Benefit, the full Accumulation Value to your beneficiary upon the death of the owner or annuitant. **Note:** 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.

**LIQUIDITY PROVISIONS:**

**Penalty-Free Withdrawals:**

At any time after year one, you may withdraw an amount equal to the interest earned in the current annuity year, without any surrender charge or interest adjustment. Certain withdrawals prior to age 59½ may be subject to an IRS penalty.

**Additional Benefit Rider:**

The following benefit rider covers the annuitant and will be automatically added to your annuity in states where available. Please see the **Direct Guarantee®** product brochure for specific details regarding the rider.

- **Nursing Home Confinement Rider** - For annuitants age 75 and younger.

**These liquidity provisions are suitable for my financial needs, such as cash for living and other related expenses. This contract is suitable for my financial needs.**

**Payment of Commissions: Midland National will pay compensation to the sales representative(s) for the sale of this annuity. Incentive compensation may also be paid to the sales representative. Commission amounts are not deducted from the submitted premium. One hundred percent (100%) of any premium payments will be applied to this annuity.**

**Applicant: I have received a copy of the product brochure and Company disclosure material for this contract. I understand that any values shown, other than the guaranteed minimum values, are not guarantees, promises or warranties.**

Note: Before purchasing an annuity for use in a qualified plan, you should obtain competent tax advice, both as to the treatment and suitability of such an annuity contract. An annuity is not required for tax deferral in qualified plans.

I understand that the **Direct Guarantee®** annuity is a **long-term contract with substantial penalties** for early surrenders. A surrender charge is assessed, as listed below, on any amount withdrawn, whether as a partial withdrawal or full surrender, that is in excess of the penalty-free amount applicable. The surrender charges are for 3, 4, 6, 8 or 10 years and decline as follows:

Owner(s) Initials Above: REQUIRED	<b>3 Year</b>				<b>4 Year</b>					<b>6 Year</b>									
	<b>Surr. Charge</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>Surr. Charge</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>Surr. Charge</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>			
		8%	8%	7.5%		8%	8%	7.5%	6.5%		8%	8%	7.5%	6.5%	5.5%	4.5%			
	<b>8 Year</b>				<b>10 Year</b>														
	<b>Surr. Charge</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>Surr. Charge</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
	8%	8%	7.5%	6.5%	5.5%	4.5%	3.5%	2.5%		8%	8%	7.5%	6.5%	5.5%	4.5%	3.5%	2.5%	1.5%	0%

*Surrender charges allow the Company to invest long-term, and in turn, generally credit higher yields.*

Annuitant/Owner's Signature	Date Signed (mm/dd/yyyy)
Joint Owner's Signature	

**AGENT:** I certify that the product brochure and Company disclosure material have been presented to the applicant. A copy was provided to the applicant. I have made no statements which differ in any significant manner from this material. I have not made any promises or guarantees about the future value of any non-guaranteed elements.

Agent's Signature	Date Signed (mm/dd/yyyy)
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**Refer to contract for complete details.** The use of living trusts with the sale of an annuity product can, in the appropriate circumstances, be a valuable planning device. Midland National strongly encourages you to consult your tax or legal advisor before establishing a living trust or purchasing any financial product in connection with utilizing a living trust. Neither Midland National, nor any agents acting on its behalf, should be viewed as providing legal, tax or investment advice. Consult a qualified advisor.

The **Direct Guarantee®** is issued in Texas by Midland National Life Insurance Company, West Des Moines, Iowa on form AS071A42 (individual contract). The tax-deferred feature is not necessary for a tax-qualified plan. In such instances, you should consider whether other features, such as the Death Benefit, lifetime annuity payments and optional riders make the contract appropriate for your needs. Before purchasing this annuity contract, you should obtain competent tax advice both as to the tax treatment of the contract and the suitability of the investment.



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Owner(s) Initials Above: REQUIRED	3 Year				4 Year					6 Year					
	Surr. Charge				Surr. Charge					Surr. Charge					
	1	2	3	8%	1	2	3	4	8%	1	2	3	4	5	6
	8%	8%	7.5%	8%	8%	8%	7.5%	6.5%	8%	8%	7.5%	6.5%	5.5%	4.5%	
	8%	8%	7.5%	6.5%	5.5%	4.5%	3.5%	2.5%	8%	8%	7.5%	6.5%	5.5%	4.5%	

*Surrender charges allow the Company to invest long-term, and in turn, generally credit higher yields.*

Annuitant/Owner's Original Signature	Date Signed (mm/dd/yyyy)
Joint Owner's Original Signature	

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NOT FDIC INSURED. NO BANK GUARANTEE.