



Annuity

NAC IncomeChoiceSM 14

Fixed Index Annuity

Consumer Brochure



The Income You Need – The Potential You Want

Like many individuals, you've probably spent years saving for retirement with the goal of having enough money to enjoy life in your retirement years. The challenge is predicting how long your retirement nest egg will need to last. Rising costs, low interest rates, inflation, and the impact of market fluctuation on the assets you were counting on may have left you wondering how to stretch those important retirement assets.

One of the biggest frustrations you may face today is securing a retirement paycheck that's both reliable and big enough to pay the bills. Rather than traditional savings plans or fluctuating market-based products, you may now be looking to guaranteed income plans to meet your needs. You want to ensure that you'll have a reliable retirement income stream and create a plan to guarantee that income for life.

You need secure income, you want growth potential, you deserve peace of mind. The NAC IncomeChoiceSM 14 from North American can provide all three.

This flexible premium Fixed Index Annuity¹ is designed for income for your lifetime through Guaranteed Lifetime Withdrawal Benefit (GLWB) features, but with the added benefit of growth potential from stock-market linked Index Accounts. From the very beginning NAC IncomeChoice 14 contract holders have multiple growth opportunities through a combination of a GLWB Bonus, a GLWB Stacking Roll-Up Credit, and Interest Credits.

Summary of Benefits for NAC IncomeChoice 14

- Available issue ages 40-75 (Qualified and Non-qualified)
- Guaranteed Lifetime Withdrawal Benefit (GLWB) feature
 - GLWB Bonus of 5% based on premium received for the first 5 contract years
 - GLWB Stacking Roll-Up Credit
 - 5% of GLWB Value (Compounded Annually)
- +
- Dollar amount of interest credit to Accumulation Value
 - Lifetime Payment Amount provides guaranteed lifetime income
- Multiple Index Account Options available
- Tax deferral, income for life, and full Accumulation Value at death
- Nursing Home Confinement Waiver available at no additional cost (available up to issue age 75, availability may vary by state): additional 10% of Accumulation Value is available penalty free

Individuals who benefit the most from the NAC IncomeChoice 14 fully utilize the Guaranteed Lifetime Withdrawal Benefit (GLWB) features for future retirement income and avoid taking withdrawals prior to utilizing the GLWB feature.

Growth potential combined with lifetime income. Experience the income advantage North American has to offer – the NAC IncomeChoice 14.

1. Fixed Index Annuities are not a direct investment in the stock market. They are long term insurance products with guarantees backed by the issuing company. They provide the potential for interest to be credited based in part on the performance of specific indices, without the risk of loss of premium due to market downturns or fluctuation. They may not be appropriate for all clients.

Company Financial Strength

All North American tax-deferred annuities are backed by the financial strength of the Company's investment portfolio, which emphasizes high-quality bonds that provide safety, liquidity and competitive interest rates.

In states where these products are approved, North American maintains reserves equal to those required by state regulation. Product guarantees are backed by North American and their claims paying ability and financial capacity to meet all insurance obligations.

Founded in 1886, North American has stood strong to help protect those who count on us for financial security. Through two world wars, the Great Depression, and multiple recessions, North American's focus on the long term has instilled trust and confidence in those that depend on us. Today, North American is one of the leading insurance companies in the U.S. It's important to have a financially strong carrier on your side. Part of what allows North American to maintain our financial strength is the stability that comes with our unique ownership. As part of a privately-held company, we are not subject to the short-term earnings pressures that publicly-held companies face. We are a company with plans to perpetuate itself for hundreds of years, not the next quarter or fiscal year. We focus on the long term. We focus on you. North American's asset quality is excellent. Overall net investment income provides ample margins to cover contractual obligations to all policyowners.

NORTH AMERICAN CORPORATE OBJECTIVES LEAD TO SUCCESS

Two major corporate objectives guide operations at North American. One is to be a provider of affordable life insurance and annuity products by keeping administrative costs low and maintaining a high-quality investment portfolio. The second objective is to remain a leader in developing new and innovative products that meet consumer needs throughout the ever-changing insurance industry and economic environment.



Understanding Your Income Opportunity

The NAC IncomeChoice 14 is designed to generate guaranteed lifetime income through the Guaranteed Lifetime Withdrawal Benefit (GLWB) feature. This feature ultimately guarantees that a specified amount, the Lifetime Payment Amount, can be withdrawn each contract year for the life of the annuitant, even if the Accumulation Value and the GLWB Value are both reduced to zero and provided no excess withdrawals are taken.

LET'S START BY DEFINING YOUR ACCUMULATION VALUE

Once you purchase your annuity, an Accumulation Value is established. Your Accumulation Value is equal to 100% of premium, plus any fixed and index account interest credited. Your Accumulation Value will be reduced by the amount of any withdrawals, but cannot decrease due to negative index performance. The Accumulation Value is used to determine your Surrender Value, Death Benefit, Nursing Home Confinement Waiver benefit and withdrawals prior to utilizing the GLWB benefit. Now let's take a look at some key features that help determine your lifetime income.

GLWB VALUE

The GLWB Value is used as the basis for calculating Lifetime Payment Amounts (LPAs) which can provide lifetime income. This value is used only in determining Lifetime Payment Amounts and not as the basis for calculating the Accumulation Value, Death Benefit or other withdrawals from the contract.

GLWB BONUS

A 5% GLWB Bonus will be applied to the GLWB Value on all premiums received in the first five contract years.

GLWB STACKING ROLL-UP CREDIT

In addition to the GLWB Bonus, a GLWB Stacking Roll-Up Credit may be added to the GLWB Value during the first 20 contract years and it compounds annually. On each contract anniversary during the first 20 contract years, the current GLWB Value may be increased by 5% of the GLWB Value plus the dollar amount of any interest credited to the Accumulation Value. The GLWB Stacking Roll-Up Credit only applies if no withdrawals are taken in the contract year. The GLWB Value is ultimately used to calculate your Lifetime Payment Amount.

Please see page 5 for GLWB Value examples.

How Do I Calculate My Accumulation Value?

	100% of Premiums (including subsequent premiums)
+	Plus... Fixed and Index Account Interest Credit
-	Minus... Withdrawals from contract (if applicable)
=	Accumulation Value

For detailed information on charges incurred if the contract is surrendered, see the Surrender Charge section on page 15.

How Do I Calculate My Guaranteed Lifetime Withdrawal Benefit Value?

	100% of Premiums (including subsequent premiums)
+	Plus... GLWB Bonus
+	Plus... Stacking Roll-Up Credits
-	Minus... Withdrawals from contract (if applicable)
=	GLWB Value

The GLWB Bonus and GLWB Stacking Roll-Up Credit do not apply to the Accumulation Value or Death Benefit. The GLWB Stacking Roll-Up Credit applies to the GLWB Value in the first 20 contract years and does not apply if a withdrawal is taken (RMD excluded) during the year or after Lifetime Payments are elected.

GLWB Value Example

THE FOLLOWING EXAMPLE SHOWS A 5% GLWB BONUS, INTEREST CREDIT,
AND A GLWB STACKING ROLL-UP CREDIT IN THE FIRST TWO YEARS.

	ACCUMULATION VALUE BEGINNING OF YEAR	GLWB BONUS	GLWB VALUE BEGINNING OF YEAR	INTEREST CREDIT TO ACCUMULATION VALUE END OF YEAR	GLWB STACKING ROLL-UP CREDIT AMOUNT END OF YEAR	GLWB VALUE END OF YEAR
Year 1	\$100,000	\$5,000	\$105,000	2% Interest Credit on \$100,000 = \$2000	5% of GLWB value of \$105,000 = \$5250 plus Dollar amount of interest credited to the Accumulation Value = \$2000 Equals \$7250	\$105,000 + \$7,250 <hr/> \$112,250
Year 2	\$102,000	\$0	\$112,250	1% Interest Credit on \$102,000 = \$1020	5% of GLWB value of \$112,250 = \$5612.50 plus Dollar amount of interest credited to the Accumulation Value = \$1020 Equals \$6632.50	\$112,250.00 + \$6,632.50 <hr/> \$118,882.50

Note: In contract years when a withdrawal is taken, the GLWB Stacking Roll-Up Credit will not apply, unless the withdrawal is used to satisfy a Required Minimum Distribution (RMD). Once you elect to take Lifetime Payment Amounts, GLWB Stacking Roll-Up Credits will no longer be credited to the GLWB Value.

These interest credit percentages shown are not guarantees or even estimates of the amounts you can expect from your annuity; actual results may be higher or lower. This chart is a hypothetical example and is not intended to predict future performance.

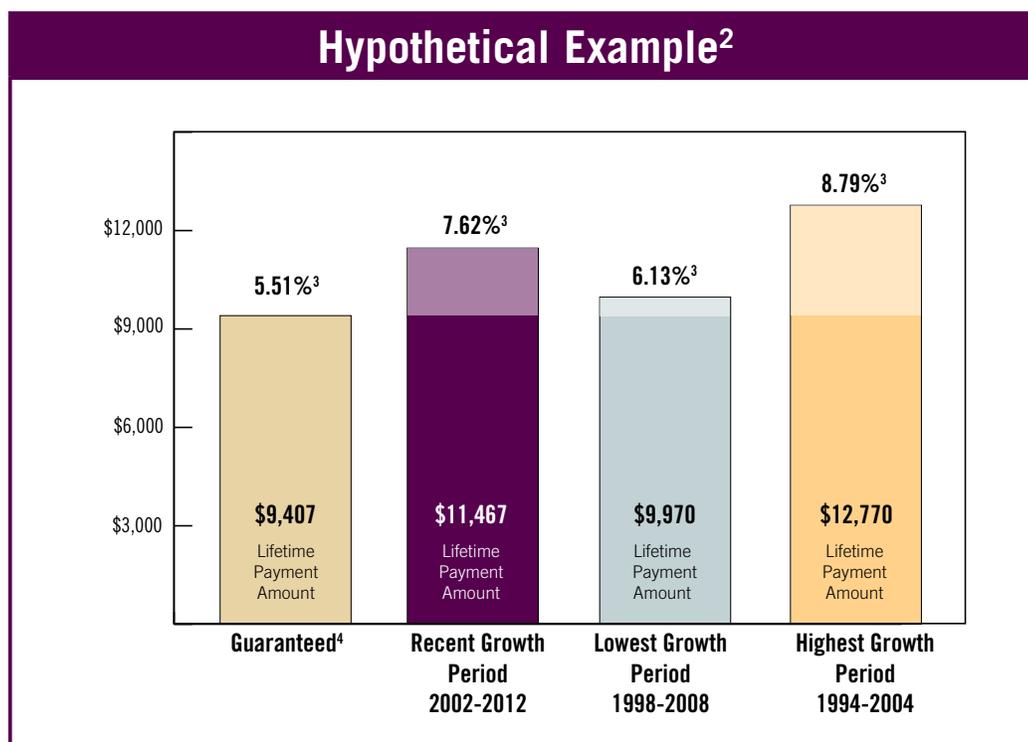
INCOME OPPORTUNITY - STACKING ROLL-UP EXAMPLE

The NAC IncomeChoice 14 offers a powerful opportunity of Stacking Roll-Up benefits to help build your Lifetime Payment Amount (LPA).

Index performance varies over time and the NAC IncomeChoice 14 with its built-in Stacking Roll-Up credit helps the GLWB Value continue to grow. The following bar chart shows examples of the LPA at the end of three different 10-year periods of index returns for the S&P 500[®]; the most recent 10-year period, the lowest 10-year growth period (out of the last 20 years), and the highest 10-year growth period (out of the last 20 years). This chart also shows the guaranteed LPA at the end of 10 years assuming no Interest Credits. The increased potential of the GLWB Stacking Roll-Up Credit is shown as an annual effective rate at the top of each growth period. As you can see, even in the lowest growth period, the LPA has increased in value due to the Stacking Roll-Up. In the example below, the Stacking Roll-Up Credit is expressed as annual effective rate based on the dollar amount of interest credited.

These hypothetical examples are based on the following assumptions:

- Single Annuitant Age: 60 at issue
- Initial Premium: \$100,000
- GLWB Bonus on Initial Premium: 5%
- GLWB Stacking Roll-Up Credit: 5% of GLWB Value plus dollar amount of interest credited to Accumulation Value
- Allocation: 100% S&P 500[®], 3-Year Monthly Average Index Account, 50% Participation Rate
- Lifetime Payment Percentage at age 70 is 5.50%
- Lifetime Payment Amounts shown are annual
- Assuming no withdrawals are taken



2. Current rates are hypothetical and considered reasonable based on current declared rates effective as of February 2013.

3. At the end of 10 years, Stacking Roll-Up Credit expressed as an annual effective rate.

4. Guaranteed assumes 0% Interest Credits

The values shown are not guarantees or even estimates of the amounts you can expect from your annuity; actual results may be higher or lower. This example is intended to help explain how this feature works. It should not be viewed as an indication or prediction of future performance. These examples assume that no withdrawals are taken.

Flexible Income

As you look for ways to achieve greater control and flexibility over your retirement income, wouldn't it be comforting to have options to meet your future income needs? You can begin taking Lifetime Payment Amounts based on the GLWB Value after the first contract year and as early as age 50.

LIFETIME PAYMENT AMOUNTS

You choose how frequently you receive your Lifetime Payment Amounts: monthly, quarterly, semi-annually or annually. When you first elect Lifetime Payment Amounts, your payments will be based on your current GLWB Value multiplied by a percentage based on the annuitant's age (Lifetime Payment Percentage (LPP), see chart to right). Payments can be started and stopped at any time. If a Required Minimum Distribution (RMD) is required, you will be allowed to take the greater of the Lifetime Payment Amount or the RMD.

Thereafter, on each contract anniversary, your Lifetime Payment Amount may increase based on the Lifetime Payment Percentage that applies to the annuitant's current age and current GLWB Value. This may positively impact future Lifetime Payment Amounts. Future payments will not decrease so long as you don't withdraw more than this amount in any contract year.

Your Lifetime Payment Percentage is determined by the attained age of the annuitant. For joint annuitants, Lifetime Payment Percent is based on attained age of youngest annuitant.

ELECTING LIFETIME PAYMENT AMOUNTS

You will need to notify us in writing to begin receiving your Lifetime Payment Amounts. Once Lifetime Payment Amounts begin, GLWB Stacking Roll-Up Credits will no longer be applied. For tax treatment of Lifetime Payment Amounts please see your tax advisor. Under current tax law, income payments from NAC IncomeChoice 14 may be taxed as ordinary income. Additionally, if taken prior to 59½, income payments may be subject to 10% IRS penalty.

Lifetime Payment Percentage (LPP)			
SINGLE ANNUITANT		JOINT ANNUITANT	
Attained Age	Percentage	Attained Age	Percentage
50-59	4.00%	50-59	3.50%
60	4.50%	60	4.00%
61	4.60%	61	4.10%
62	4.70%	62	4.20%
63	4.80%	63	4.30%
64	4.90%	64	4.40%
65	5.00%	65	4.50%
66	5.10%	66	4.60%
67	5.20%	67	4.70%
68	5.30%	68	4.80%
69	5.40%	69	4.90%
70	5.50%	70	5.00%
71	5.60%	71	5.10%
72	5.70%	72	5.20%
73	5.80%	73	5.30%
74	5.90%	74	5.40%
75	6.00%	75	5.50%
76	6.10%	76	5.60%
77	6.20%	77	5.70%
78	6.30%	78	5.80%
79	6.40%	79	5.90%
80+	6.50%	80+	6.00%

Impact of Withdrawals

If you intend on taking withdrawals prior to utilizing the GLWB feature you will not experience the full benefit of this annuity. Your GLWB Value will be reduced for any withdrawals taken either before or after Lifetime Payment Amounts begin. Withdrawals other than Lifetime Payment Amounts will cause your GLWB Value to be reduced by the same percentage withdrawn from your Contract, which may represent a larger dollar amount than withdrawn. Withdrawals taken to satisfy Required Minimum Distributions (RMDs) will reduce the GLWB Value by the dollar amount withdrawn, instead of the percentage withdrawn. Excess withdrawals may be subject to surrender charges and Interest Adjustments (if applicable) and will ultimately impact your future Lifetime Payment Amounts.

Demonstrating Impact of Credits and Withdrawals

The following example demonstrates how the GLWB Bonus, GLWB Stacking Roll-Up Credit, Penalty-Free Withdrawals of the Accumulation Value, Lifetime Payment Amount (LPA) withdrawals, and excess withdrawals impact the Accumulation Value (AV) and GLWB Value. (Note: The following example assumes 100% allocation to the index account options.)

CALCULATING VALUES	ACCUMULATION VALUE	GLWB VALUE
 <p>At Issue: At age 62, Jerry purchases a contract with \$100,000.00 and receives the 5% GLWB Bonus. When the Contract is issued, only the GLWB Value receives the 5% bonus.</p>	<p style="text-align: center;">Initial Premium</p> <p style="text-align: center;">\$100,000.00 (premium)</p>	<p style="text-align: center;">5% GLWB Bonus</p> <p style="text-align: right;">\$100,000.00 (premium)</p> <p style="text-align: right;">+ 5% (GLWB Bonus)</p> <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> <p style="text-align: right;">\$105,000.00 (GLWB Value)</p>
In Year One:		
<p>Assuming there are no additional premiums and the Contract earns a 2% Interest Credit or \$2,000.00 for the year, Jerry's new Accumulation Value is \$102,000.00. Jerry's GLWB Value receives the GLWB Stacking Roll-Up Credit of 5% of the GLWB Value plus the dollar amount of the Interest Credit to the AV for a total of \$7,250.00 and is now \$112,250.00.</p>	<p style="text-align: center;">Interest Credit</p> <p style="text-align: center;">\$100,000.00 (AV)</p> <p style="text-align: center;">+ 2% (Interest Credit)</p> <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> <p style="text-align: center;">\$102,000.00 (AV)</p>	<p style="text-align: center;">GLWB Stacking Roll-Up Credit</p> <p style="text-align: right;">\$105,000.00 (GLWB Value)</p> <p style="text-align: right;">+ 5% (of GLWB Value)</p> <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> <p style="text-align: right;">\$110,250.00 (GLWB Value)</p> <p style="text-align: right;">\$110,250.00</p> <p style="text-align: right;">+ \$2,000.00 (\$ Amount of Interest Credit to AV)</p> <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> <p style="text-align: right;">\$112,250.00 (GLWB Value)</p>
Impact of Penalty-Free Withdrawals	Accumulation Value	GLWB Value
In Year Two:		
<p>Let's assume Jerry elects to take a 5% penalty-free withdrawal of the AV in year two. Because LPA withdrawals have not yet begun, the withdrawal will reduce the GLWB Value by the same percentage (5%) as it reduces the AV. So the AV will reduce by \$5,100.00 and GLWB by \$5,612.50.</p>	<p style="text-align: center;">Withdrawal</p> <p style="text-align: center;">\$102,000.00 (AV)</p> <p style="text-align: center;">- 5% (Withdrawal)</p> <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> <p style="text-align: center;">\$96,900.00 (AV)</p>	<p style="text-align: center;">Withdrawal</p> <p style="text-align: right;">\$112,250.00 (GLWB Value)</p> <p style="text-align: right;">- 5% (Proportional Withdrawal)</p> <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> <p style="text-align: right;">\$106,637.50 (GLWB Value)</p>
<p>Let's assume Jerry earns a 2% Interest Credit in year two. The Interest Credit percentage is applied to the AV, increasing the AV by \$1,938.00. Because a withdrawal was taken, no GLWB Stacking Roll-Up Credit will apply to the GLWB Value.</p>	<p style="text-align: center;">Interest Credit</p> <p style="text-align: center;">\$96,900.00 (AV)</p> <p style="text-align: center;">+ 2% (Interest Credit)</p> <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> <p style="text-align: center;">\$98,838.00 (AV)</p>	
In Year Three:		
<p>Jerry takes no withdrawals and earns no Interest Credits. Because no withdrawals were taken and LPA withdrawals have not yet begun, the GLWB Value is again eligible for the 5% Stacking Roll-Up Credit, plus dollar amount of Interest Credit to the Accumulation Value increasing the GLWB Value by \$5,331.87.</p>		<p style="text-align: center;">GLWB Stacking Roll-Up Credit</p> <p style="text-align: right;">\$106,637.50 (GLWB Value)</p> <p style="text-align: right;">+ 5% (of GLWB Value)</p> <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> <p style="text-align: right;">\$111,969.37 (GLWB Value)</p>

Demonstrating Impact of Credits and Withdrawals Continued

LIFETIME PAYMENT AMOUNT	ACCUMULATION VALUE	GLWB VALUE
IN YEAR FOUR:		
Jerry is now 65 and elects to begin LPA withdrawals. The LPA will be the current GLWB Value multiplied by the Lifetime Payment Percentage (LPP). At age 65, the LPP for a single payout is 5.00%, so Jerry's LPA to \$5,598.47.		Lifetime Payment Amount \$111,969.38 (GLWB Value) x 5.00% (LPP) <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> \$5,598.47 (LPA)
The AV and GLWB Value are reduced dollar-for-dollar by the LPA. Because Jerry selected the Lifetime Payment Election Date and LPA withdrawals have begun, the GLWB Value is no longer eligible for the GLWB Stacking Roll-Up Credit.	Lifetime Payment Amount \$98,838.00 (AV) - \$5,598.47 (LPA) <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> \$93,239.53 (AV)	Lifetime Payment Amount \$111,969.38 (GLWB Value) - \$5,598.47 (LPA) <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> \$106,370.91 (GLWB Value)
Impact of Excess Withdrawals	Accumulation Value	GLWB Value
In Year Five:		
Jerry decides to take a partial surrender of \$10,000.00 of the AV, which is considered an excess withdrawal because the withdrawal amount exceeds the LPA. The excess withdrawal is the difference between the LPA and the withdrawal from the AV.	Excess \$10,000 (Withdrawal) - \$5,598.47 (LPA) <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> \$4,401.53 (Excess)	
Since LPA's have begun, the AV and GLWB Value are first reduced dollar-for-dollar by the LPA.	Lifetime Payment Amount \$93,239.53 (AV) - \$5,598.47 (LPA) <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> \$87,641.06 (AV)	Lifetime Payment Amount \$106,370.91 (GLWB Value) - \$5,598.47 (LPA) <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> \$100,772.44 (GLWB Value)
At this stage, we must determine by what % the excess withdrawal will reduce the remaining AV. This is determined by dividing the excess amount by the current AV.	% of Excess \$4,401.53 (Excess) ÷ \$87,641.06 (AV) <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> 5.02% (% of Excess)	
The AV is reduced by the amount of the excess withdrawal and the GLWB Value is reduced by the same percentage (5.02% or \$5058.78) that the excess withdrawal reduced the AV.	Excess \$87,641.06 (AV) - \$4,401.53 (Excess) <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> \$83,239.53(AV)	Excess \$100,772.44 (GLWB Value) - 5.02% (% of Excess) <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> \$95,713.66 (GLWB Value)
In Year Six:		
At the beginning of year six, Jerry is age 67. Because an excess withdrawal occurred in the previous contract year, the LPA is recalculated at 5.20%, based upon Jerry's current age and current GLWB Value. Jerry's new LPA is \$4,977.11.		Lifetime Payment Amount \$95,713.66 (GLWB Value) x 5.20% (LPP) <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> \$4,977.11 (LPA)

Choose Your Index Options

Fixed index annuities offer the potential to earn interest linked to the growth of various stock market indicators, known as indexes, without experiencing downside risk. They are not an investment in the stock market or in the applicable indexes. The Interest Credits will not mirror the actual performance of the index itself, but rather the index closes (monthly, annually, etc.) are used as a basis for determining what the Interest Credits will be. The interest credited will be subject to an Index Cap Rate, Participation Rate, and/or Declared Performance Rate depending on the index account option chosen.

There are two main aspects that factor in determining the Interest Credits; the Index Account (crediting method) and the specific index.

You have total control over how your initial premium is allocated between our Fixed Account or Index Accounts. North American offers several Index Account options that can be used to calculate Interest Credits including Monthly Point-to-Point, Monthly Average, 3-Year Monthly Average, Annual Point-to-Point, and an Inverse Performance Trigger. These crediting methods allow you to select from several different indexes noted in the index options chart on page 11. Each of these Index Account options performs differently in various market scenarios. It is important to note that the fixed account interest is never applied to premium allocated to the Index Accounts. *Please refer to the “How it Works-Crediting Methods” brochure for more information on the differences.*

The NAC IncomeChoice 14 offers a Variety of Index Options Including:	
S&P 500® INDEX	This index has been widely regarded as the best single gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy.
S&P MIDCAP 400® INDEX	The S&P MidCap 400 provides investors with a benchmark for mid-sized companies. The index seeks to remain an accurate measure of mid-sized companies, reflecting the risk and return characteristics of the broader mid-cap universe on an on-going basis.
DOW JONES INDUSTRIAL AVERAGESM INDEX (DJIA)	Dow Jones Industrial Average SM Index – The oldest continuing stock market index, the DJIA is one of the most well known and widely followed indicators of the U.S. stock market in the world. It is represented by 30 of the largest U.S. stocks, including household names and leaders in their respective industries.
NASDAQ-100® INDEX	The Nasdaq-100 index includes 100 of the largest domestic and international non-financial securities listed on The Nasdaq Stock Market based on market capitalization. The index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology.
GOLD PRICE (AFTERNOON (PM) LONDON GOLD MARKET FIXING PRICE – USD)	For over 80 years the London Gold Fixing has been fixing the price of gold and providing a published benchmark price that is widely used as a pricing medium by producers, consumers, investors and central banks. The London Afternoon (PM) Fixing Price of gold per troy ounce in US Dollars is established by The London Gold Market Fixing Limited.

Index Options for Premium Diversification

Diversify Your Premium Among the Following Index Account Options					
	Monthly Average (Subject to Participation Rate)	3-Year Monthly Average (Subject to Participation Rate)	Monthly Point-to-Point* (Subject to an Index Cap Rate)	Annual Point-To-Point (Subject to an Index Cap Rate)	Inverse Performance Trigger (Subject to a Declared Performance Rate)
Index Availability <i>NOTE: Past Index performance is not intended to predict future performance and the Index does not include dividends.</i>	<ul style="list-style-type: none"> • S&P 500® • (DJIA) Dow Jones Industrial AverageSM • S&P MidCap 400® 	<ul style="list-style-type: none"> • S&P 500® 	<ul style="list-style-type: none"> • S&P 500® • Nasdaq-100® 	<ul style="list-style-type: none"> • S&P 500® • (DJIA) Dow Jones Industrial AverageSM • S&P MidCap 400® • Nasdaq-100® • Afternoon (PM) London Gold Market Fixing Price 	<ul style="list-style-type: none"> • S&P 500®
How is Interest Credit Calculated?	Averaged sum of monthly index values	Averaged sum of 3-year monthly index values	Sum of monthly index values	Annual change in index values	Annual change in index values
When is Interest Credit Calculated/ Credited?	Annually	Every 3 Years	Annually	Annually	Annually
When is Index Cap, Declared Performance Rate or Participation Rate Applied?	Annually	Every 3 Years	Monthly	Annually	Annually
When can the Index Cap, Declared Performance Rate or Participation Rate Change?	Annually	Every 3 Years	Annually	Annually	Annually

*Index(es) and strategies may not be available in all states.

Fixed and Index Account Options

MONTHLY AVERAGE WITH PARTICIPATION RATE	MONTHLY AVERAGE	<p>This method for determining any Interest Credit is calculated by comparing the Index Value on the first day of the contract year to the Monthly Average Index Value. The Monthly Average Index Value equals the sum of the monthly index values over the contract year, excluding the beginning Index Value on the first day of the contract year, divided by 12. The Interest Credit is credited annually. On each contract anniversary this change, multiplied by the Participation Rate, is used to determine the Interest Credit for that year. The annual Interest Credit will never be less than zero.</p>
	PARTICIPATION RATE	<p>Once a gain has been calculated using the Monthly Average Index Account option, a Participation Rate is applied. The Participation Rate is a percentage that is multiplied by the gain at the end of the contract year and is used to determine the Interest Credit to your contract. The Participation Rate is guaranteed for the first contract year, and can change each year thereafter on the contract anniversary. The Participation Rate is declared each year at the Company's discretion. The Participation Rate is set in advance each contract year, however at no time will it fall below the minimum Participation Rate for the Monthly Average Index Account. <i>Ask your Sales Representative for the most current and minimum Participation Rates.</i></p>
3-YEAR MONTHLY AVERAGE WITH PARTICIPATION RATE	3-YEAR (ALSO KNOWN AS TERM) MONTHLY AVERAGE	<p>This method for determining any Interest Credit is calculated using the Index Value at the beginning of a 3-year term of the contract compared to the Monthly Average Index Value over three years. The Monthly Average Index Value equals the sum of the monthly index values over a 3-year term, excluding the beginning Index Value on the first day of the contract year, divided by 36. The Interest Credit is credited every 3-years. On each 3-year contract anniversary this change, multiplied by the Participation Rate, is used to determine the Interest Credit for that term. The Interest Credit will never be less than zero.</p>
	PARTICIPATION RATE	<p>Once a gain has been calculated using the 3-Year Monthly Average Index Account option, a Participation Rate is applied. The Participation Rate is a percentage that is multiplied by the gain at the end of 3-years and is used to determine the Interest Credit to your contract. The Participation Rate is guaranteed for the first contract term, and can change every 3-years thereafter on the contract anniversary. The Participation Rate is declared every 3-years at the Company's discretion. The Participation Rate is set in advance each contract term, however at no time will it fall below the minimum Participation Rate for the 3-Year Monthly Average Index Account. <i>Ask your Sales Representative for the most current and minimum Participation Rates.</i></p>
MONTHLY POINT-TO-POINT WITH INDEX CAP RATE	MONTHLY POINT-TO-POINT	<p>This method for determining any Interest Credit uses the monthly changes in the Index Value, subject to a monthly Index Cap Rate. The Interest Credit is credited annually and is based on the sum of all the monthly percentage changes in the index value—which could be positive or negative. On each contract anniversary, these monthly changes, each not to exceed the monthly Index Cap Rate, are added together to determine the Interest Credit for that year. Negative monthly returns have no downside limit and will reduce the Interest Credit, but the Interest Credit will never be less than zero.</p>
	INDEX CAP RATE	<p>Your annuity applies an Index Cap Rate, or upper limit, to calculate your Interest Credits each year for the Monthly Point-to-Point. This cap, which is applied monthly, may change annually. The Index Cap Rate will be declared on each contract anniversary and is guaranteed for that year. The Index Cap Rate is set at the Company's discretion, however, at no time will this cap ever fall below the minimum guaranteed Index Cap Rate set for the Monthly Point-to-Point index account option. <i>Ask your Sales Representative for the current and minimum guaranteed Index Cap Rates.</i></p>

Fixed and Index Account Options Continued

ANNUAL POINT-TO-POINT WITH INDEX CAP RATE	ANNUAL POINT-TO-POINT	This calculation method measures the change in index value using two points in time; the beginning index value and the ending index value for that year. Index linked gains are calculated based on the difference between these two values. The index growth, if any, is then subject to an Index Cap Rate. The annual Interest Credit will never be less than zero.
	INDEX CAP RATE	Your annuity applies an Index Cap Rate, or upper limit, to calculate your Interest Credits each year applied to the Annual Point-to-Point Index Account option. This cap, which is applied annually and may change annually. It is declared on the contract anniversary and is guaranteed for that year. The Index Cap Rate is set at the Company's discretion. However, at no time will this cap ever fall below the minimum guaranteed Index Cap Rate set for the Annual Point-to-Point index account option. <i>Ask your Sales Representative for the current and minimum guaranteed Index Cap Rates.</i>
INVERSE PERFORMANCE TRIGGER	INVERSE PERFORMANCE TRIGGER (OR ANNUAL DECLARED RATE NEGATIVE PERFORMANCE OPTION)	The Inverse Performance Trigger is based on the S&P 500 [®] . The S&P 500 [®] Index Value from the beginning of your contract year is compared to the Index Value at the end of the contract year. If the ending S&P 500 [®] Index value is equal to or less than the starting value, the money allocated to this option will be credited interest at the Declared Performance Rate. If the ending Index Value is greater than the beginning Index Value, the money allocated to this option will receive a zero percent (0%) Interest Credit.
	DECLARED PERFORMANCE RATE	This method for determining any Interest Credit applies a Declared Performance Rate of interest when the Index Value stays the same or goes down throughout the year. This Declared Performance Rate may change annually, and it will never fall below the minimum guaranteed rate. The Declared Performance Rate is set each year at the Company's discretion.
FIXED ACCOUNT	Premium allocated to the Fixed Account will earn the current interest rate and is credited daily. This rate will be guaranteed for the entire contract year, will renew annually and is set at the Company's discretion on each contract anniversary and will never fall below the minimum guaranteed fixed account interest rate. <i>Ask your sales representative for the current and minimum Fixed Account interest rate.</i>	

ANNUAL RESET

A key advantage to Fixed Index Annuities is the annual reset feature. This feature applies to most of the crediting methods for the NAC IncomeChoice 14. The annual reset feature allows Interest Credits, if any, to be added to your Index Accounts on each contract anniversary. This can benefit you because that amount—when added—becomes “locked-in” and cannot be taken away due to negative index performance. These credits will participate in future growth allowing you to take advantage of compounding interest in subsequent years.

This feature also resets your starting index value each contract anniversary. This can help minimize your risk when the index experiences a severe downturn. Without this feature, you would have to wait for the index value to climb up to its original level before any Interest Credit could be realized.

Please note for the 3-Year Monthly Average Crediting Method the reset occurs every 3 years.

TRANSFER OPTIONS

You may elect to transfer your values between the Fixed Account and Index Account options. You may also elect to transfer between crediting methods within the Index Account options on an annual basis for all Annual Crediting Method options or every three years for the 3-Year Monthly Average Crediting Method. By current Company practice, you will have 30 days following each contract anniversary to reallocate. Transfers are not allowed until your first contract anniversary for money allocated to the annual options and until your third contract anniversary for money allocated to the 3-Year Monthly Average Crediting Method. Based on current tax laws, these transfers between options will not be taxable or subject to surrender penalties. *Please refer to the NAC IncomeChoice 14 Additional Benefits Specifications Page, found in your contract, for minimum transfer amounts.*

SUBSEQUENT PREMIUM

Since the NAC IncomeChoice 14 is a flexible premium product, you may add premium to your Contract. Premium received after your annuity is issued will be placed in the Fixed Account and will earn the current new money interest rate. On each contract anniversary, we will reallocate this premium according to your most recent allocation instructions.



Surrender Charges and Interest Adjustments

If you choose to withdraw money from your contract there are several factors to consider. For additional withdrawals outside of the penalty-free allowance, taken prior to the end of the surrender charge period, surrender charges and Interest Adjustment may apply.

Note: Withdrawals will be taxed as ordinary income, and if taken prior to age 59½, may be subject to a 10% IRS penalty. Withdrawals from your contract will also reduce your Accumulation Value accordingly.

Surrender Charges			
<p>Surrender charges allow the Company to invest your money on a long-term basis and credit higher yields than possible with a similar annuity of shorter term. A surrender charge is assessed on any amount withdrawn, whether as a partial or full surrender, that exceeds the penalty-free allowance applicable. However, surrender charges on any portion of an IRS-Required Minimum Distribution exceeding the 5% penalty-free allowance are waived by current Company practice. The table to the right details the surrender charges over 14 years. Additional premiums deposited into existing contracts will maintain the surrender charge schedule set forth by the initial premium. Interest Adjustments apply during the 14-year surrender charge period.</p> <p>Note: Please keep in mind that a surrender during the surrender charge period could result in a loss of premium. Surrender charge structure may vary by state. Consult your Annuity Disclosure Statement for details specific to your state.</p>	Contract Year	14-Year Surrender Charge	Interest Adjustment
	1	10%	Yes
	2	10%	Yes
	3	10%	Yes
	4	10%	Yes
	5	10%	Yes
	6	9%	Yes
	7	8%	Yes
	8	7%	Yes
	9	6%	Yes
	10	5%	Yes
	11	4%	Yes
	12	3%	Yes
	13	2%	Yes
	14	1%	Yes
15	0%	No	

SURRENDER VALUE

The Surrender Value is the amount that is available at the time of surrender. The Surrender Value is equal to the Accumulation Value, subject to the Interest Adjustment, less applicable surrender charges, and state premium taxes. The Surrender Value will never be less than the minimum requirements set forth by state laws, at the time of issue, in the state where the contract is delivered.

How To Determine Your Surrender Value	
Accumulation Value	
+/-	Plus/Minus... Interest Adjustment ⁵
-	Less... Surrender Charges
=	Surrender Value

5. Interest Adjustment may be positive or negative and is not applicable in all states.

INTEREST ADJUSTMENT

Your Contract also includes an Interest Adjustment (also known as Market Value Adjustment) feature—which may decrease or increase your surrender value depending on the change in interest rates since your annuity purchase. Due to the mechanics of an Interest Adjustment, surrender values generally decrease as interest rates rise. When interest rates decrease over time, the surrender value generally increases. However, the Interest Adjustment is limited to the interest credited to the Accumulation Value.

This adjustment is applied only during the Surrender Charge period to surrenders exceeding the applicable penalty-free allowance. Interest Adjustments on RMDs that exceed the penalty-free allowance are waived by current Company practice. *Please ask your sales representative for the “Understanding the Interest Adjustment” piece for additional information.*

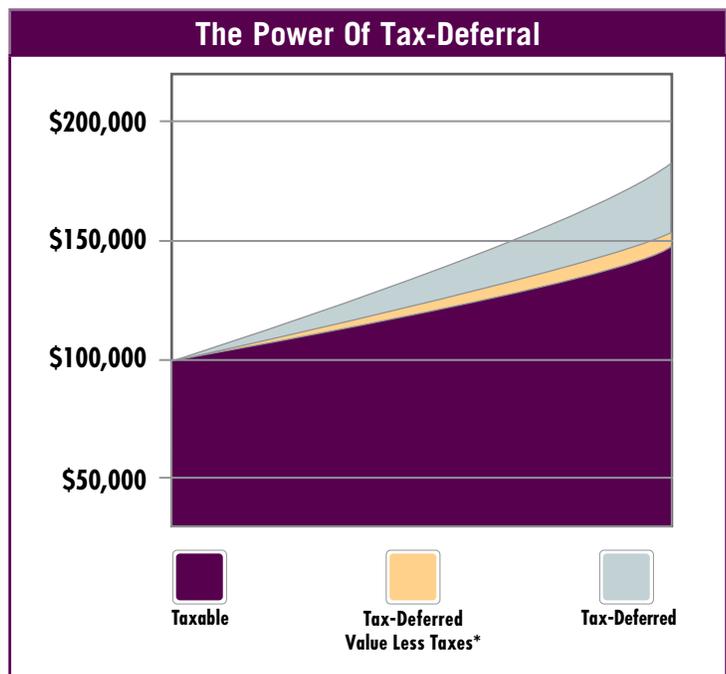
Benefits of Owning a Deferred Annuity

TAX-DEFERRAL

Tax-deferred growth allows your money to grow faster because you earn interest on dollars that would otherwise be paid in taxes. Your premium earns interest, the interest compounds within the Contract and the money you would have paid in taxes earns interest. This chart details the potential of a tax-deferred annuity.

MAY AVOID PROBATE

By naming a beneficiary, you may minimize the delays, expense and publicity often associated with probate. Your designated beneficiary receives death proceeds in either a lump sum or a series of income payments. Please consult with and rely on your own legal or tax advisor.



The chart is a hypothetical example of tax-deferral and assumes an initial premium of \$100,000 earning 4.00% compounded annual rate of return for 15 years. It is not intended to predict or project performance. *The tax deferred value less taxes represents the increase in value, due to tax deferral, less taxes at an assumed rate of 33% with no surrender charge or Interest Adjustment applied.

Under current law, annuities grow tax deferred. An annuity is not required for tax deferral in qualified plans. Annuities may be subject to taxation during the income or withdrawal phase. Please note that neither North American, nor any agents acting on its behalf, should be viewed as providing legal, tax or investment advice. Consult with and rely on your own qualified advisor.

Other NAC IncomeChoice 14 Benefits

ANNUITY PAYOUT OPTIONS (DIFFERENT THAN GLWB FEATURE)

You have another option for creating an income stream by electing an annuity payout option. Should you decide to receive an annuity payout from your annuity after the surrender charge period, you will have several income options from which to choose. Annuity payout options are a benefit of annuities, but are not a requirement with the NAC IncomeChoice 14. If an annuity payout option is elected, all other rights and benefits under the annuity end. *Please refer to the chart for annuity payout options available to you.*

By current Company practice, you may elect an annuity payout option and receive an income based on the Accumulation Value (without surrender charges or Interest Adjustment) after the first contract year if you choose a Life Income option. You can also receive an income based on the Accumulation Value if your annuity has been in force for at least five years and payments will be over at least a ten-year period. With non-qualified plans, a portion of each income payment represents a return of premium that is not taxable, thus reducing your tax liabilities.

The GLWB feature of this annuity will terminate upon electing an annuity payout option.

PENALTY-FREE WITHDRAWALS⁶

NAC IncomeChoice 14 allows you to take a penalty-free withdrawal (also known as Penalty-Free Partial Surrender) of up to 5% of your current Accumulation Value once each contract year after the first contract anniversary, without incurring surrender charges or Interest Adjustments. Amounts withdrawn in excess of 5% will be assessed a surrender charge and an Interest Adjustment during the surrender charge period.

If you take a withdrawal it will result in a reduction of your Accumulation Value and GLWB Value. *Please review the GLWB feature section for details on how penalty-free withdrawals may impact lifetime payment amounts.*

NURSING HOME CONFINEMENT WAIVER⁷

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 amount by 10% of the Accumulation Value each year while the annuitant is confined. This rider is only available for issue ages 75 and younger and is automatically included with your annuity at no additional charge.

DEATH BENEFIT

Upon death of the annuitant or owner, North American will pay out the Accumulation Value as the Death Benefit to your beneficiary. The Death Benefit for the NAC IncomeChoice 14 also includes any Interest Credits for a partial contract year based on the date of death. Therefore, the Death Benefit your beneficiaries receive also reflects the Interest Credits for the partial year up through the date of death. The calculation will vary depending on the Index Account Option in which the premium is allocated at the time of death.

Your beneficiary may choose to receive the payout in either a lump sum or a series of income payments. If joint annuitants are named, the Death Benefit will be paid on the death of the second annuitant. If joint owners are named, the Death Benefit will be paid on the death of the first owner.

The GLWB Bonus is not applicable to the Accumulation Value, so it is not included in the Death Benefit. The GLWB Value is not available as a Death Benefit.

6. On IRS-Required Minimum Distributions (RMDs) exceeding the 5% penalty-free allowance, Surrender Charges, and Interest Adjustments will be waived by current Company practice.

7. Availability will vary by state. If joint annuitants are named on the contract, this waiver will apply to the first annuitant that qualifies for benefits.

Annuity Payout Options

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

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

The following options are available:

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

All options are available after the surrender charge period.

Getting Started

Choose each year:

1. Crediting Methods

- Monthly Average
and/or
- 3-Year Monthly Average
and/or
- Monthly Point-to-Point
and/or
- Annual Point-to-Point
and/or
- Inverse Performance Trigger

2. How to allocate your premium*

- _____ % S&P 500®
- _____ % S&P MidCap 400®
- _____ % DJIASM
- _____ % Nasdaq-100®
- _____ % Gold Price (Afternoon (PM)
London Gold Market Fixing
Price – USD)
- _____ % Fixed Account

*See the Diversify Your Premium Chart on page 11 for index availability under each Index Account Option.



PLEASE NOTE:

This brochure is for solicitation purposes only. Please refer to your Contract for any other specific information. With every contract that North American issues there is a free-look period. This gives you the right to review your entire Contract and if you are not satisfied, return it and have your premium returned. Fixed Index Annuities are not a direct investment in the stock market or indices. They are insurance products that provide an enhanced growth potential without experiencing loss of premium from market loss or fluctuation in the market with guarantees backed by the issuing company and may not be appropriate for all clients.

The NAC IncomeChoice 14 is primarily designed for future income and may not be appropriate for clients who do not plan to utilize the GLWB feature or who intend to take withdrawals prior to utilizing the GLWB feature.

GLWB BONUS

Products that have bonuses may offer lower credited interest rates, lower Index Cap Rates and/or lower Participation Rates than products that don't offer a bonus. Over time and under certain scenarios the amount of the bonus may be offset by the lower interest rates, lower Index Cap Rates and/or lower Participation Rates.

Premium taxes: Accumulation Value will be reduced for premium taxes as required by the state of residence. Refer to your Contract for complete details. The NAC IncomeChoiceSM 14 is issued on form NC/NA1004A (certificate/contract), AE551A, LR431A, LR423A, LR424A-1, AE520A, AE529A, and LR433A (riders/endorsements) or appropriate state variation by North American Life Insurance Company[®], West Des Moines, IA. This product, its features and riders may not be available in all states.

SPECIAL NOTICE REGARDING THE USE OF A LIVING TRUST AS OWNER OR BENEFICIARY OF THIS ANNUITY.

The use of living trusts in connection with an annuity contract can be a valuable planning mechanism. However, a living trust is not appropriate when mass-produced in connection with the sale of an insurance product. We strongly suggest you seek the advice of your qualified legal advisor concerning the use of a trust with an annuity contract.

Neither North American, nor any agents acting on its behalf, should be viewed as providing legal, tax or investment advice. Consult with and rely on a qualified advisor. Under current law, annuities grow tax deferred. Annuities may be subject to taxation during the income or withdrawal phase. The tax-deferred feature is not necessary for a tax-qualified plan. In such instances, you should consider whether other features, such as the Death Benefit, lifetime annuity payments and riders make the Contract appropriate for your needs.

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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], and also can be found at Bloomberg.com under the symbol [GOLDLNP: 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.

All references to The London Gold Market Fixing prices are used with the permission of The London Gold Market Fixing Limited and have been provided for informational purposes only. The London Gold Market Fixing Limited accepts no liability or responsibility for the accuracy of the prices or the underlying product to which the prices may be referenced.

PORTRAIT OF FINANCIAL STABILITY

A.M. Best	A+ (Superior) ^{*, °}	2nd highest out of 15 categories	A.M. Best is a large third-party independent reporting and rating company that rates an insurance company on the basis of the company's financial strength, operating performance, and ability to meet its obligations to contract holders.
Standard & Poor's Corporation	A+ (Strong) ^{°, §}	5th highest out of 22 categories	Standard & Poor's Corporation is an independent third-party rating firm that rates on the basis of financial strength.

* A.M. Best rating affirmed on May 24, 2012. For the latest rating, access www.ambest.com.

° Awarded to North American as part of Sammons Financial Group, which consists of Midland National Life Insurance Company and North American Company for Life and Health Insurance®.

§ Standard and Poor's assigned its rating February 26, 2009 and affirmed on April 23, 2012.

Ratings shown reflect the opinions of the rating agencies and are not implied warranties of the company's ability to meet its financial obligations. Ratings are current as of the date of this brochure.



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