



NAC Guarantee PlusSM

Multi-year guarantee annuity

Annuity disclosure statement

Thank you for your interest in the NAC Guarantee PlusSM, a multi-year guarantee annuity issued by North American Company for Life and Health Insurance[®]. This summary will help you understand the features of the annuity and determine if it will help you meet your financial goals. It is important for you to read and understand this summary before you decide to purchase the annuity. Once you have read this summary, sign the signature pages to confirm that you understand the annuity and submit this document with your annuity application. *Refer to the Contract for complete details.*

This annuity disclosure statement must be signed by both the applicant and the Sales Representative. The signed home office copy needs to be returned with the application to North American, Annuity Division.

8300 Mills Civic Parkway, West Des Moines, IA 50266
Phone: 866-322-7065 • NorthAmericanCompany.com

For the states of:

California
Delaware
Florida

The NAC Guarantee PlusSM is issued on form ICC21-NA1016A/NA1016A (contract), and ICC21-AE639A/AE639A/LR433A04 (riders/endorsements) or appropriate state variation by North American Company for Life and Health Insurance[®], West Des Moines, IA. This product, its features and riders may not be available in all states.

What is the NAC Guarantee Plus annuity?

The NAC Guarantee Plus is a single premium, multi-year guarantee annuity. An annuity is a long-term Contract issued by an insurance company. In exchange for a premium payment, the insurance company agrees to make payments to you in the future. This annuity provides an accumulation value that earns interest through a fixed account with a guaranteed interest rate that is set for a 3- or 5-year period. This annuity also provides several options for accessing funds.

Under current law, annuities grow tax-deferred. This tax-deferred feature is not necessary for a tax-qualified retirement account. If you are purchasing this annuity as a tax-qualified retirement account, you should consider whether other features of the annuity will help meet your needs. Annuities may be taxed during the income or withdrawal phase.

Before purchasing this Contract, you should obtain competent advice from a qualified tax professional regarding the tax treatment of the Contract. Neither North American, nor any Sales Representatives acting on its behalf in the sale of this product, should be viewed as providing legal, tax, or securities advice.

You may cancel this annuity within 30 days of your receipt to receive a refund of your premium, less any withdrawals you have taken.

This disclosure is not intended to be a complete explanation of all terms and conditions of your annuity. Please refer to your Contract for complete details.

What is the value of my annuity?

Accumulation value

The accumulation value when your Contract begins is equal to 100% of the premium you add to the annuity. The accumulation value is used to determine the surrender value and death benefit.

Your accumulation value increases as interest is earned. Your accumulation value will be reduced by the amount of any withdrawals, including applicable surrender charges and market value adjustments (MVAs).

Can I add funds to my annuity?

No, this is a single premium annuity Contract and additional premiums are not allowed after the Contract is issued.

How does my annuity earn interest and how might rates change in the future?

The accumulation value will receive a fixed interest rate. The rate will be guaranteed for the initial guarantee period. The rate for future guarantee periods will be declared at the end of each guarantee period at North American's discretion and will be provided to you on your annual statement. The company may change the rate at the end of the guaranteed period. The rate will not fall below the minimum as outlined below and in your Contract. If you exercise your option to withdraw your accumulation value at the end of a guarantee period, a short-term interest rate will apply for the period from the end of the guarantee period to the date of withdrawal.

Minimum guaranteed interest rate	0.10%
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How can I access funds?

Your Contract provides several ways to access funds. Depending on what option you select, surrender charges and market value adjustments may reduce the amount you have available to withdraw. Penalty-free withdrawals are withdrawals that do not have surrender charges or market value adjustments. Certain withdrawals before age 59 1/2 may be subject to an additional 10% IRS penalty.

Penalty-free withdrawals

In each contract year after the first contract anniversary, you may take a penalty-free withdrawal (referred to in your Contract as a penalty-free partial surrender) equal to the interest earned in the prior contract year.

Required minimum distributions

If you purchase this annuity with "tax-qualified" money, tax law and IRS rules may require you to take "required minimum distributions" (RMDs) from your Contract each year after you reach the current RMD age as determined by the IRS. By current company practice*, RMDs based solely on this Contract may be withdrawn without charge even if they exceed the penalty-free withdrawal amount available in that year.

**Any features offered by current company practice are not contractual guarantees of your annuity Contract and can be removed or changed at any time.*

Annuity payout options (Annuitization)

You may choose to have the value of this annuity paid to you under an available payout option. If your Contract is still active on its maturity date, you are required to elect a payout option or take the full value of the Contract as a lump sum. Once you elect a payout option, it cannot be changed and all other rights and benefits of the annuity, including death benefits, terminate.

In all states except Florida, you may also select an annuity payout option at any time. If selected during the surrender charge period, your payout will be based on the surrender value rather than the accumulation value*. Available payout options include life income, life income with period certain, joint and survivor life income, income for a specified period, and income for a specified amount.

For contracts issued in Florida, you may select an annuity payout option based on the accumulation value at any time after the first contract year. Available payout options include life income, life income with a 10-year or 20-year period certain, joint and survivor life income, and joint and survivor with a 10-year or 20-year period certain.

**By current company practice in most states, the accumulation value will be used for annuitization calculations if a life option is selected. Any features offered by current company practice are not contractual guarantees of your annuity Contract and can be removed or changed at any time.*

Full surrender – surrender value

If you decide to terminate (surrender) your Contract, the surrender value is the amount that is available to you as a lump sum. The surrender value is equal to the accumulation value, subject to a market value adjustment, less applicable surrender charges, and any applicable state premium taxes.

The surrender value will never be less than the minimum requirements set forth by state law, at the time of issue, in the state where the Contract is issued. The minimum surrender value will never be less than 87.5% of all premiums less any surrenders (after MVA or reduction for surrender charges) accumulated at a rate not less than 1%, or otherwise directed by your Contract.

What charges may apply when I access funds?

Surrender Charges

During the surrender charge period, a surrender charge applies to any amount above the available penalty-free withdrawal amount. Surrender charges may result in a loss of premium. Surrender charges allow the company to invest long-term and in turn, generally offer a more favorable interest crediting rate. The surrender charges for each contract year are based on the state where your Contract is issued and are shown as follows:

In Delaware and Florida

Guarantee Period	Year						
	1	2	3	4	5	6	7
3-Year Guarantee Period	9.00%	8.00%	7.00%				
5-Year Guarantee Period	9.00%	8.00%	7.00%	6.00%	5.00%		

In California

Guarantee Period	Year						
	1	2	3	4	5	6	7
3-Year Guarantee Period	8.00%	7.10%	6.15%				
5-Year Guarantee Period	8.00%	7.10%	6.15%	5.25%	4.30%		

Market value adjustment (MVA)

The market value adjustment (MVA) is an adjustment during the guarantee period that helps protect the company from losses that may occur upon early surrenders. This protection allows the company to offer a more favorable interest crediting rate. The MVA only applies to withdrawals above the available penalty-free withdrawal amount. The MVA depends on changes in the MVA external index between the beginning of the current guaranteed period and the date of surrender. The MVA decreases the surrender value when rates rise and increases the surrender value when rates fall. In certain rate scenarios, it may not be possible to receive a positive MVA. An MVA will not reduce the amount surrendered below the minimum surrender value.

The MVA is calculated by multiplying the portion of the withdrawal that exceeds the available penalty-free withdrawal amount before reduction for any surrender charge by the formula described below:

$$\text{Market value adjustment} = (i_0 - i_t) \times (T)$$

i_0 = The value of the MVA External Index at the beginning of the current guarantee period.

i_t = The value of the MVA External Index at the time of the full or partial surrender.

T = Time in years as follows: number of days from the date of the surrender to the end of the current contract year divided by 365, plus whole number of years remaining in the current guarantee period.

The MVA for each surrender in excess of the penalty-free withdrawal amount is limited as follows:

In California:

When the MVA is positive, the MVA will be no greater than the minimum of (A) and (B) below.

When the MVA is negative, the MVA will be no less than -1 multiplied by the minimum of (A) and (B).

In Delaware and Florida:

When the MVA is positive, the MVA will be no greater than (B) below.

When the MVA is negative, the MVA will be no less than -1 multiplied by (B).

Where A is equal to:

0.50% times the accumulation value at the time of the withdrawal.

Where B is equal to:

The total amount of interest credited to the accumulation value since the beginning of the current guarantee period; minus the sum of all MVAs greater than zero applied since the beginning of the current guarantee period; plus the sum of all MVAs less than zero applied since the beginning of the current guarantee period.

*Market value adjustment
continued on next page*

A hypothetical example for an annuity policy at Contract year 2

A \$100,000 single premium Contract grows to an accumulation value of \$104,040 in two years. Upon full surrender at the end of the second contract year, a market value adjustment would be applied. This hypothetical example assumes that the index rate of the MVA external index on the issue date was 2%, penalty-free withdrawal of the prior year interest credit of \$2,000 is available, no withdrawals have been taken since the Contract was issued, and an 8% surrender charge would apply.

Index value of MVA external index on the date of full surrender	1.00%	3.00%
Market value adjustment formula	$(2.00\% - 1.00\%) \times 1 = 1.00\%$	$(2.00\% - 3.00\%) \times 1 = -1.00\%$
Accumulation value	\$104,040	
Penalty-free withdrawal amount (prior year's interest credit)	\$2,000	
Surrender charge (8%)	\$8,163.20	
Interest credited	\$4,040	
Market value adjustment	$(\$104,040 - \$2,000) \times 1.00\% = \$1,020.40^1$ MVA = \$1,020.40	$(\$104,040 - \$2,000) \times -1.00\% = -\$1,020.40^1$ MVA = -\$1,020.40
Surrender value ²	\$96,897.20	\$94,856.40

1. Limited to, positive or negative, surrender charge of \$8,163.20 or interest credited of \$4,040. Limits may differ by state.

2. The amount of the market value adjustment will not exceed the limit as defined in your annuity Contract; your market value adjustment may differ from the values reflected in this hypothetical example. A surrender during the surrender charge period could result in a loss of premium. Surrender charge structure may vary by state. Withdrawals taken prior to age 59 1/2 may be subject to IRS penalties.

What choices do I have at the end of a guarantee period?

At the end of any guarantee period, your Contract provides choices. You will have a 30-day window to elect:

- a new guarantee period that does not exceed the maturity date, which is the date in your Contract when you must elect and begin annuity payments
- a payout option
- to withdraw your accumulation value

If you renew, you can choose to enter a three or five-year guarantee period, provided that it does not extend beyond the Contract's maturity date. If no election is made, the company will automatically renew your annuity for the original guarantee period as described in your Contract. If this guarantee period would extend beyond the maturity date of the Contract, the company will renew your Contract for the longest available guarantee period that would not extend beyond the maturity date of the Contract. If all available guarantee periods would extend beyond the maturity date of the Contract, the company will credit interest at the minimum guaranteed rate until maturity.

In California, Delaware, and Florida, a new surrender charge schedule will not apply for any guarantee period after the initial guarantee period.

What happens if I die?

The death benefit is payable when any individual owner dies or when all annuitants have died, whichever is earlier. If the owner dies and his or her spouse is the sole beneficiary, the spouse may elect to continue the Contract as its owner.

The death benefit equals the accumulation value. The death benefit will never be lower than the Contract's minimum surrender value.

A death benefit is not available if you have already elected an annuity payout option.

What additional benefits does my annuity provide?

Nursing home confinement waiver

After the first Contract anniversary, if the covered person is confined to a qualified nursing care center for at least 90 consecutive days you may withdraw up to 100% of your accumulation value without a surrender charge or MVA. This waiver is automatically included with your annuity at no additional charge.

How is my Sales Representative compensated?

North American will pay a sales commission in connection with the sale of this product. This commission is one of many costs which North American considers and factors into the product's design and policy performance, including setting the guaranteed rates in the Contract and the manner in which non-guaranteed benefits may be offered. The total amount of your premium will be credited to your Contract, and no deductions from your premium payment or from your accumulation value will be made due to the payment of this sales commission.

North American may enter into written sales agreements with other financial institutions ("selling firms") for the sale of the Contract. The selling firms and their Representatives are independent of North American. In this case, the selling firms are responsible for evaluating product proposals, making recommendations independently, and for exercising independent judgment about these proposals. North American pays selling firms all or a portion of the commissions received for their sales of the Contract.

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Please see **pages 8 and 10** for acknowledgement and signatures.

Agent instructions: Page 8 and 10 must both be signed.

Return page 10 to the home office with the Applicant's original signature.

Retain a permanent copy in your file. Leave pages 1-8 with signatures with the Applicant.

Applicant statement and signature

By signing below, I certify that:

Owner(s)
initials
REQUIRED
in box above

- I have read this annuity disclosure in its entirety and have been provided a brochure that explains the annuity's benefits, features, and limitations.
- The features of this annuity product have been explained to me by my Agent/Representative.
- I understand NAC GuaranteePlus is a long-term Contract and a surrender charge up to 9% as well as a market value adjustment will apply during each surrender charge period to any full or partial surrender that exceeds the penalty-free partial withdrawal surrender amount.
- I understand a surrender during the surrender charge period may result in loss of premium.
- I understand that interest does not begin to accrue until the date the annuity becomes effective, not the date premium is submitted or received by the company.
- I understand my Agent/Representative will receive a commission for the sale of this annuity.
- I understand I should consult my tax advisor about possible tax implications related to the purchase of this annuity and its features.
- I understand that any values shown, other than the initial guaranteed interest rate and guaranteed minimums, are not guarantees, promises, or warranties.
- I have reviewed the features and understand the intent of this annuity product and agree that it meets my needs. I have assessed my financial situation, including cash for living and other related expenses, and this Contract is suitable for my financial needs.
- I am aware that an Annuity buyer's guide that further explains annuities and their features is available on the company website.

Product election (select only one) Elect 3-year Guarantee Period Elect 5-year Guarantee Period

Applicant authorization and signature

Owner's name (print)	Joint Owner's name (print)
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Owner's signature ▶
Joint Owner's signature ▶

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Date signed (mm/dd/yyyy)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Date signed (mm/dd/yyyy)

Agent/Representative acknowledgment and signature

By signing below, I certify that the product brochure and company disclosure materials have been presented to the applicant. A copy of this signed disclosure was provided to the applicant after an examination of the interests of the applicant and an assessment of the stated goals of the applicant. I have provided or directed the applicant to the Annuity buyer's guide on the company website. I certify that I believe this product to be appropriate for the applicant based on his or her individual needs. I have discussed this product with the applicant and have not made any statements which contradict the materials provided to the applicant. I have not made any promises or given any assurances about the future value of any non-guaranteed elements.

Agent/Representative's signature ▶

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Date signed (mm/dd/yyyy)



242776

Not FDIC/NCUA Insured	Not A Deposit Of A Bank	Not Bank Guaranteed
May Lose Value	Not Insured By Any Federal Government Agency	

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Product election (select only one) Elect 3-year Guarantee Period Elect 5-year Guarantee Period

Applicant authorization and signature

Owner's name (print)	Joint Owner's name (print)
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Owner's signature ▶
Joint Owner's signature ▶

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Date signed (mm/dd/yyyy)

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Agent/Representative's signature ▶
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Date signed (mm/dd/yyyy)



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May Lose Value	Not Insured By Any Federal Government Agency	