

Strategic Design Annuity X

Annuity Disclosure Statement

Thank you for your interest in the Strategic Design Annuity X from North American Company for Life and Health Insurance®. It is important for you to read and understand this summary before you decide to purchase the annuity. This summary will help you understand the features of the annuity and determine if it will help you meet your financial goals. Once you have read this summary, please sign pages 8 and 10 to confirm that you understand the annuity and submit this document with your application for the annuity. *Refer to the Contract for complete details.*

This Annuity Disclosure Statement must be signed by the applicant and agent, then return the Home Office copy to North American Company for Life and Health Insurance, Annuity Service Center with the application.

4350 Westown Parkway, West Des Moines, IA 50266
Phone: (866) 322-7065 • NorthAmericanCompany.com

The Strategic Design Annuity X is issued on form NA1013A/ICC18-NA1013A.MVA (Contract), AE577A/ICC15-AE577A, AE579A/ICC15-AE579B, AE583A/ICC15-AE583A, AE584A/ICC15-AE584A, AE586A/ICC15-AE586A, AE587A/ICC15-AE587A, AE589A/ICC15-AE589A, AE620A/ICC18-AE620A, AE622A/ICC18-AE622A, AE623A/ICC18-AE623A, and AE624A/ICC18-AE624A, (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.

The Strategic Design Annuity X is a single premium deferred fixed index annuity from North American Company for Life and Health Insurance that offers Lifetime Payment Amounts (LPAs), LPA Multiplier, Additional Partial Surrender option, and an Accumulation Value Step-Up. See the Additional Benefits Provided by Riders section on page 6 for further details. The Strategic Design Annuity X accumulates interest in the following ways: A) based on the change in the Index Account during each Contract Year or Term, without the risk of losing premium due to market volatility, and/or B) a traditional Fixed Account.

Fixed Account

The portion of premium allocated to this account will earn the current Fixed Account interest rate. This rate will be guaranteed for the first Contract Year and the rate for future Contract Years will be declared annually thereafter at the Company's discretion. This rate will never fall below the Minimum Guaranteed Fixed Account Interest Rate of 0.25%. *Ask your sales representative for the current interest rate.*

Index Account

The Index Account is the portion of your premium that you determine will earn interest based on one or more of the following crediting methods:

- Annual Point-to-Point with Index Cap Rate
- Annual Point-to-Point with Participation Rate
- Annual Point-to-Point with Inverse Edge Trigger (also known as Annual Threshold Negative Performance Option)
- Monthly Point-to-Point with Index Cap Rate
- Two-Year Point-to-Point (also known as Term Point-to-Point) with Participation Rate (not available in all states)

Please see the Strategic Design Annuity X product brochure for specific details regarding these crediting methods.

Ask your sales representative for the current Index Cap Rates, Participation Rates, and Declared Performance Rate.

Index Cap Rate

The Index Cap Rate is an upper limit used to determine Interest Credits. The Index Cap Rate applies to the Annual Point-to-Point and Monthly Point-to-Point Index Account options. It will always be declared on the Contract Anniversary at the Company's discretion and is guaranteed for the following Contract Year. These caps may change annually. However, at no time will these caps ever fall below the minimum guarantees which are: 0.50% for the Annual Point-to-Point with Cap Index Account and 0.25% for the Monthly Point-to-Point with Cap Index Account.

Participation Rate

The Participation Rate is the percentage of any index gain that will be credited to the Contract as the Interest Credit. The Participation Rate applies to the Annual-Point-to-Point and Two-Year Point-to-Point crediting methods.

For the Annual Point-to-Point, the rate is guaranteed for the first year and declared annually thereafter at the Company's discretion, never to be less than 5%.

For the Two-Year Point-to-Point, the Participation Rate is declared at the beginning of the term and guaranteed for each two-year term thereafter at the Company's discretion, never to be less than 5%.

Annual Point-to-Point with Inverse Edge Trigger

The Inverse Edge Trigger credits either the Base or the Enhanced Declared Performance Rates of interest when the index stays the same or if the annual index change is negative. If the annual index change is negative and less than or equal to the Negative Index Return Threshold, the Enhanced Declared Performance Rate will be credited. If the index stays the same or if the annual index change is negative and greater than the Negative Index Return Threshold, the Base Declared Performance Rate will be credited. The annual interest credit will never be less than zero.

The Base Declared Performance Rate is declared at issue and guaranteed for 10 Contract Years. It is declared annually thereafter at the Company's discretion and guaranteed never to be less than 0.25%.

The Enhanced Declared Performance Rate is declared at issue and guaranteed for one year. It is declared annually thereafter at the Company's discretion and guaranteed never to be less than the Base Declared Performance Rate.

The Negative Index Return Threshold is declared at issue and guaranteed for one year. It is declared annually thereafter at the Company's discretion, never to be less than -20%.

Payment of Commission

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. One-hundred percent of your premium deposit will be credited to your account, and no deductions from your premium payment or from your account 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 or 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.

Accumulation Value

The Accumulation Value is equal to 100% of premium, plus any fixed and Index Account interest credited, minus partial surrenders. Although your Accumulation Value will be reduced by the amount of any surrenders, (including Rider Charges, if applicable), it will not decrease due to negative index performance. The Accumulation Value is used to determine the Surrender Value and Death Benefit.

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 Market Value Adjustment (if any), less applicable Surrender Charges and state premium taxes where applicable. 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.

The Minimum Surrender Value will never be less than 87.5% of all premiums less any surrenders (after Market Value Adjustment or reduction for Surrender Charges); accumulated at 1.00%, or otherwise directed by

SURRENDER CHARGES AND MARKET VALUE ADJUSTMENT

Please read the following information and sign the last page of this disclosure to acknowledge your understanding that Surrender Charges and Market Value Adjustments will apply when withdrawals are taken from your Contract during the Surrender Charge period.

Surrender Charges

A Surrender Charge is assessed during the Surrender Charge Period on any amount withdrawn, whether as a partial or full surrender, that is in excess of the applicable penalty-free amount. A surrender during the Surrender Charge period may result in a loss of premium.

The Surrender Charges that apply for each Contract Year are based on the state where your Contract is issued and are shown as follows:

For Contracts issued in **all states** other than those specifically listed below:

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
10%	10%	10%	10%	10%	9%	8%	6%	4%	2%

For **AK, CT, HI, IL, MN, MO, NV, NH, NJ, OH, OK, OR, PA, SC, TX, UT, VA,** and **WA** issued Contracts, the Surrender Charges are as follows:

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
9%	9%	8%	7%	6%	5%	4%	3%	2%	1%

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

Surrender Charges and Market Value Adjustments on IRS-Required Minimum Distributions that exceed the applicable penalty-free amount are waived by current company practice*.

**A feature offered "by current company practice" is not a contractual guarantee of this annuity Contract and can be removed or changed at any time.*

See next page for Market Value Adjustment.

Market Value Adjustment

The Strategic Design Annuity X includes a Market Value Adjustment that is applied only during the Surrender Charge period to any partial surrenders and full surrender taken that exceeds the penalty-free partial surrender amount. This adjustment may decrease or increase the Surrender Value depending on the change in the Index Value of the Market Value Adjustment External Index since you purchased this annuity.

Market Value Adjustment (MVA) Formula

The Market Value Adjustment will be calculated by multiplying the portion of the partial or full surrender that exceeds the available penalty-free withdrawal amount before the reduction for any Surrender Charge by the formula* described below.

*The Market Value Adjustment Factor is: $(i_0 - i_t - ADJ) \times (T)$

i_0 = The Index Value of the Market Value Adjustment External Index on the issue date of the annuity Contract.

i_t = The Index Value of the Market Value Adjustment External Index at the time of partial or full surrender.

ADJ = 0.005 (in all states other than those specifically noted otherwise below)

= 0.000 (in the following states: **AK, CT, FL, IL, MN, MO, MS, NH, NJ, NV, OH, OK, OR, PA, SC, TX, UT, VA, WA**)

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 market value adjustment period.

The amount of the Market Value Adjustment will never exceed the lesser of a) the total interest credited to the Accumulation Value since issue, less the sum of the absolute values of all Market Value Adjustments on prior partial surrenders (i.e. all adjustments positive or negative added together), or b) the applicable Surrender Charge.

See the "Understanding the Market Value Adjustment with External Index" brochure for more information.

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 at the end of each two-year term for the two-year 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. Based on current tax laws, transfers between options will not be taxable or subject to surrender penalties. *Please refer to your Strategic Design Annuity X Additional Benefits Specifications Page, found in your Contract, for minimum transfer amounts.*

Death Benefit

The Death Benefit is payable upon the death of the first owner, unless the sole beneficiary is the owner's spouse and he or she elects to continue this contract under its spousal continuance provisions. If there are joint annuitants, and an annuitant who is not also the Contract's owner dies, the Death Benefit will be paid upon the death of the second annuitant.

The Death Benefit equals the Accumulation Value plus potential interest credits for the partial contract year as of the date of death. The calculation of the death benefit will vary depending on the Index Accounts to which the Accumulation Value is allocated at the time of death. The beneficiary may choose to receive the Death Benefit in either a lump sum or a series of income payments.

A Death Benefit is not available if an annuity payout option has been elected.

LIQUIDITY FEATURES

Certain withdrawals before age 59½ may be subject to a 10% IRS penalty.

Penalty-Free Withdrawals

Beginning in the second Contract Year, you may take a penalty-free withdrawal (also known as a Penalty-Free Partial Surrender), without Surrender Charges or Market Value Adjustment, of up to 7% of your Initial Premium.

Nursing Home Confinement Waiver

(Not available in all states)

After the first Contract Anniversary, if the annuitant becomes confined to a qualified nursing home facility for at least 90 consecutive days, we will increase the available penalty-free withdrawal to 100% of the Accumulation Value. If you choose to withdraw 100% of your Accumulation Value your Contract will terminate. This waiver is automatically included with your annuity at no additional charge.

Required Minimum Distributions

By current company practice*, Required Minimum Distributions (RMD) that exceed the penalty-free amount may be withdrawn without a Surrender Charge or Market Value Adjustment.

Annuity Payout Options

In all states except **Florida**, you may select an annuity payout option at any time. If selected during the Surrender Charge period, your payout will be based on the Surrender Value. Available payout options include Life Income, Life Income with Period Certain, Joint and Survivor Life Income and Income for a Specified Period or Amount.

By current company practice* you may receive an income from the Accumulation Value after the first Contract Year (without Surrender Charges or Market Value Adjustment) 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 you elect to receive payments over at least a five-year period.

For 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.

Once a payout option is elected it cannot be changed and all other rights and benefits under the annuity end.

Additional Information

The Strategic Design Annuity X is not a registered security, does not directly participate in stock or equity investments. Applicable index returns do not include dividends. Past index performance is not intended to predict future performance. 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 retirement account. If purchasing this annuity as a qualified retirement account, you should consider whether other features, such as the Death Benefit, lifetime annuity payments and other riders will help meet your needs. Before purchasing this Contract you should obtain competent advice as to tax treatment of the Contract. Neither North American, nor any agents acting on its behalf in the sale of this product, should be viewed as providing legal, tax or securities advice.

**A feature offered "by current company practice" is not a contractual guarantee of this annuity Contract and can be removed or changed at any time.*

Additional Benefits Provided by Riders (Rider may not be available in all states.)

It is important you understand the costs, benefits, features and limitations of the provided Riders. Please read the following information and sign pages 8 and 10 of this disclosure to acknowledge your understanding of these Riders. The cost of the Benefits Rider is 0.95% of the GLWB Value at each Contract Anniversary.

Features of the Accumulation Value Step-up Rider include:

- On each Contract Anniversary during the Accumulation Value Step-Up Period, if Interest Credits are less than the total amount of rider charges incurred, the Accumulation Value will step-up to equal initial Premium received less all Gross Partial Surrenders. Any Accumulation Value Step-Up is determined on the 9th and 10th contract anniversaries.

Features of the Benefits Rider include:

- Once per year after the first Contract Anniversary, you may take an Additional Penalty-Free Withdrawal (also known as a Penalty-Free Partial Surrender), without Surrender Charges or Market Value Adjustment. The Additional Penalty-Free Withdrawal percentage varies based on the year of your first withdrawal as summarized in the table below. The available Additional Penalty-Free Withdrawal Amount is determined by multiplying the initial Premium and the Additional Penalty-Free Withdrawal Percentage. The Additional Penalty-Free Withdrawal Amount will be locked in and will be available each year.

Additional Penalty-Free Withdrawal Percentage										
Year of first withdrawal	1	2	3	4	5	6	7	8	9	10
Percent of initial Premium	N/A	3%	5%	7%	9%	13%	18%	25%	25%	25%

- The Benefits Rider provides a Guaranteed Lifetime Withdrawal Benefit (GLWB). The GLWB guarantees that you may take a partial surrender of an amount up to the Lifetime Payment Amount (LPA) each Contract Year during the life of the Covered Person while this Rider is in effect, provided that total partial surrenders during any Contract Year do not exceed the available LPA or LPA Multiplier Benefit as provided in the terms of the Rider. The LPA continues even if your Contract Accumulation Value and GLWB Value are reduced to zero.

GLWB Value

The GLWB Value is the amount used to determine your Lifetime Payment Amount. The GLWB Value cannot be taken as a surrender or a Death Benefit and is not part of your annuity's Accumulation Value. Your initial GLWB Value is the initial premium. On each Contract Anniversary during the GLWB Roll-Up Period, the current GLWB Value may be increased by 200% of the weighted average percentage change in the fixed and index accounts. The GLWB Roll-Up Period ends on the earlier of the date you elect to begin receiving LPAs or 20 years. Please note that all withdrawals (including LPAs) will reduce both your Accumulation Value and your GLWB Value.

Lifetime Payments Amount (LPA)

You must notify us to begin LPAs. The LPA can be elected after the tenth contract year and after the Covered Person(s) reaches age 60. The GLWB provides two LPA Options: a level option and an increasing option. One option must be elected on the Lifetime Payment Election Date (LPED) and cannot be changed after the LPED. The LPA is determined by multiplying the GLWB Value on the LPED by the applicable Lifetime Payment Percentage (LPP). The LPP depends on the attained age of the Covered Person(s), the LPA option elected, and Joint vs. Single Covered Person(s). If withdrawals in excess of the available LPA or LPA Multiplier Benefit are taken, the LPA will be reduced by the same percentage that the Accumulation Value was reduced by the excess withdrawal. By current company practice*, if you are taking LPAs and the Required Minimum Distribution (RMD) for this Contract exceeds your LPA, we will allow withdrawal of the RMD without reducing your LPA.

LPA Multiplier Feature

With the LPA Multiplier feature, the LPA can be doubled if: you cannot perform 2 of 6 ADLs for a period of more than 90 consecutive days, you remain unable to perform those ADLs when each annual payment is due, and you have met the qualifying conditions each year. The LPA Multiplier can be elected for a maximum of five payments. The LPA Multiplier cannot be elected after the Accumulation Value reaches zero (even if the maximum of five LPA Multiplier payments has not been reached). This benefit does not have to be used for a consecutive five-year period. You must wait until after the tenth Contract Anniversary before requesting the LPA Multiplier. You must be able to perform 6 of 6 ADLs on the Issue Date, to be eligible for this benefit. The 6 ADLs include:

1. Bathing: washing oneself by sponge bath; or in either a tub or shower, including the task of getting into or out of the tub or shower.
2. Continence: the ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for a catheter or colostomy bag).
3. Dressing: putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.
4. Eating: feeding oneself by getting food into the body from a receptacle (such as a plate, cup or table) or by a feeding tube or intravenously.
5. Toileting: getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
6. Transferring: moving into or out of a bed, chair, or wheelchair.

**A feature offered "by current company practice" is not a contractual guarantee of this annuity Contract and can be removed or changed at any time.*

Index Account Calculations

The following hypothetical examples are provided as a general explanation of how the Annual Point-to-Point with Index Cap Rate crediting method is calculated and how interest may be calculated under three scenarios. These examples assume: initial premium of \$50,000, a beginning index value of 1000 for the S&P 500, an Annual Point-to-Point Index Cap Rate of 5%, and no withdrawals.

Annual Point-To-Point with Index Cap Rate (APP Cap) Crediting Method:

This crediting method measures the index growth using two points in time in the contract year; the beginning index value and the ending index value. The percentage change in the index value is calculated based on the difference between these two values. The percentage index value change, if positive, is then subject to an Index Cap Rate. The annual Interest Credit will never be less than zero and will not be more than the Index Cap Rate. The interest credit is calculated as follows:

The percentage change in the index value is determined as follows:

$$\text{Index Value Change} = \frac{\text{Ending Index Value} - \text{Beginning Index Value}}{\text{Beginning Index Value}}$$

$$\text{Interest Credit} = (\text{Index Value Change, not to exceed Index Cap Rate}) \times (\text{current Index Account Value})$$

Any interest credit is then added to the APP-Cap Index Account Value.

$$\text{Index Account Value} = (\text{Current Index Account Value}) + \text{Interest Credit}$$

EXAMPLE: APP-Cap Index Account with S&P 500®	SCENARIO A: Above Average Change	SCENARIO B: Average Change	SCENARIO C: Negative Change
Index Value change =	$\frac{1,200 - 1,000}{1,000} = 20\%^*$	$\frac{1,040 - 1,000}{1,000} = 4\%$	$\frac{900 - 1,000}{1,000} = -10\%^{**}$
Interest Credit =	$5\% \times \$50,000 = \500	$4\% \times \$50,000 = \400	$-10\% \times \$50,000 = \0^{**}
Index Account Value =	$\$50,000 + \$2,500 = \$52,500$	$\$50,000 + \$2,000 = \$52,000$	$\$50,000 + \$0 = \$50,000$

*Index Value change cannot exceed the Index Cap Rate, which is assumed to be 5% in this hypothetical example.

**Interest Credit will never be less than zero.

Minimum Surrender Value

For Contracts issued in **all states** other than those specifically listed below.

Hypothetical example assumes an annuity Contract issued with an initial premium of \$50,000, no partial withdrawals, and Benefit Rider Charge based on Scenario A:

End of

Yr 1: \$43,665.00 **Yr 3:** \$43,329.94 **Yr 5:** \$42,733.47 **Yr 7:** \$41,816.86 **Yr 9:** \$40,508.95
Yr 2: \$43,526.90 **Yr 4:** \$43,067.78 **Yr 6:** \$42,319.31 **Yr 8:** \$41,216.82 **Yr 10:** \$50,000.00

Because the rider costs are based upon the GLWB Value, the interest credited to the Accumulation Value increases the GLWB value and the rider cost, which may result in a lower Minimum Surrender Value than shown above. Under certain scenarios, deductions from the Accumulation Value for additional benefits rider costs could exceed interest credited to the Accumulation Value and result in a loss of premium.

Minimum Surrender Value

For Contracts issued in **AK, CT, HI, IL, MN, MO, NH, NV, NJ, NC, OH, OK, OR, PA, SC, TX, UT, VA, and WA.**

Hypothetical example assumes an annuity Contract issued with an initial premium of \$50,000 no partial withdrawals, and Benefit Rider Charge based on Scenario A:

End of

Yr 1: \$44,187.50 **Yr 3:** \$45,075.66 **Yr 5:** \$45,981.67 **Yr 7:** \$46,905.89 **Yr 9:** \$47,848.68
Yr 2: \$44,629.37 **Yr 4:** \$45,526.41 **Yr 6:** \$46,441.48 **Yr 8:** \$47,374.94 **Yr 10:** \$50,000.00

Strategic Design Annuity X

Applicant Authorization and Acknowledgement Statements:

By initialing and signing below, I certify that:

- I have read this Annuity Disclosure and have been provided a brochure that explains this Contract's benefits, features and limitations.
- The features of this Contract have been explained to me by the Agent.
- I understand that this Contract is not effective and 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 will receive a commission for the sale of this Contract.
- I understand I should consult my tax advisor about possible tax implications related to the purchase of this Contract and its features.

My initials confirm that:

Owner(s) Initials
REQUIRED
in Box Above

- **The Strategic Design Annuity X annuity is a long-term Contract and a Surrender Charge up to 10% as well as a Market Value Adjustment will apply during the 10-year Surrender Charge period to any partial surrender and full surrender taken that exceeds the penalty-free partial surrender amount.**
- **I have reviewed pages 3 and 4 of this Disclosure and affirmatively acknowledge the Surrender Charges, and Market Value Adjustment Formula applicable based on the state of issue.**
- **I understand a surrender during the Surrender Charge period may result in loss of premium.**
- **I understand and acknowledge that I am purchasing this annuity product which is issued with the Benefits Rider which provides a GLWB, Additional Partial Surrender and Accumulation Value Step-Up and that there is an additional charge of 0.95% of the GLWB Value at each Contract Anniversary.**

Please mark an "X" in the box to the left if your agent provided you with a North American illustration for the Strategic Design Annuity X. By checking this box an illustration will also be provided along with the issued annuity Contract.

Applicant: I am aware that an Annuity Buyer's Guide is available on the Company website. I understand that any values shown, other than the guaranteed minimum values, 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.

Annuitant's/Owner's Original Signature

Joint Owner's Original Signature

Date Signed (mm/dd/yyyy)

Agent Acknowledgement: 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's Original Signature

Date Signed (mm/dd/yyyy)



242416

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

2424160

**This page left intentionally blank.
Please see pages 8 and 10 for acknowledgement, election 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.

Strategic Design Annuity X

Applicant Authorization and Acknowledgement Statements:

By initialing and signing below, I certify that:

- I have read this Annuity Disclosure and have been provided a brochure that explains this Contract's benefits, features and limitations.
- The features of this Contract have been explained to me by the Agent.
- I understand that this Contract is not effective and 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 will receive a commission for the sale of this Contract.
- I understand I should consult my tax advisor about possible tax implications related to the purchase of this Contract and its features.

My initials confirm that:

Owner(s) Initials
REQUIRED
in Box Above

- **The Strategic Design Annuity X annuity is a long-term Contract and a Surrender Charge up to 10% as well as a Market Value Adjustment will apply during the 10-year Surrender Charge period to any partial surrender and full surrender taken that exceeds the penalty-free partial surrender amount.**
- **I have reviewed pages 3 and 4 of this Disclosure and affirmatively acknowledge the Surrender Charges, and Market Value Adjustment Formula applicable based on the state of issue.**
- **I understand a surrender during the Surrender Charge period may result in loss of premium.**
- **I understand and acknowledge that I am purchasing this annuity product which is issued with the Benefits Rider which provides a GLWB, Additional Partial Surrender and Accumulation Value Step-Up and that there is an additional charge of 0.95% of the GLWB Value at each Contract Anniversary.**

Please mark an "X" in the box to the left if your agent provided you with a North American illustration for the Strategic Design Annuity X. By checking this box an illustration will also be provided along with the issued annuity Contract.

Applicant: I am aware that an Annuity Buyer's Guide is available on the Company website. I understand that any values shown, other than the guaranteed minimum values, 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.

Annuitant's/Owner's Original Signature

Joint Owner's Original Signature

Date Signed (mm/dd/yyyy)

Agent Acknowledgement: 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's Original Signature

Date Signed (mm/dd/yyyy)



242416

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

2424160

Index Disclosure Supplement: S&P Multi-Asset Risk Control 5% Excess Return Index (S&P MARC 5% ER)

(Please see your Annuity Disclosure for details.)

Thank you for considering a Fixed Index Annuity from North American Company for Life and Health Insurance®. Upon issue, this is an annuity contract between you and North American. It is an insurance contract filed with the state insurance department. Therefore, this contract is governed by state insurance laws and your state insurance department.

A North American Fixed Index Annuity contract offers you flexibility to choose how to allocate your premiums to determine the manner in which your contract will earn interest. You may earn Interest Credits by linking to an external index and by selecting from our various interest crediting methods or by allocating your premium to the Fixed Account. North American annuity products offer you, the customer, flexibility and choice in determining how you wish to have your contract premiums allocated. If you elect to place your premium in the Index Account, your Interest Credit will never be less than zero. If you elect to place your premium in the fixed account, a declared rate of interest will be credited each year.

A North American Fixed Index Annuity contains a minimum guaranteed interest rate, backed by the financial strength of North American. The fixed account minimum guaranteed interest rate is set at issue and guaranteed for the entire term of the contract.

If you elect to link your premiums and credited interest to an external index, your premiums are never invested directly in the external index. The investment performance of the external index that your premiums are linked to does not pass through to you as a security investment does. If it is a stock-based index you do not receive dividends. By linking to an external index you merely select the manner used to measure what your credited interest will be. You ultimately decide how to allocate your premiums and decide how interest credits to your contract will be calculated. It is critical you understand how the components of your Fixed Index Annuity work. There are two main aspects that factor in to determining the Interest Credits, the Index Account (Crediting Method) option and the index itself.

S&P Multi-Asset Risk Control 5% Excess Return Index Option

The S&P MARC 5% ER index is a multi-asset excess index that tends to create more stable returns through diversification, an excess return methodology, and by managing volatility. The index covers major asset classes which represent equities, U.S. Treasuries, gold, and cash. The index applies established rules to allocate amongst those asset classes. The S&P MARC 5% ER index value is available at the following website: <http://us.spindices.com/indices/strategy/sp-marc-5-excess-return-index>.

We reserve the right to add, remove or revise availability of the S&P MARC 5% ER index, or to substitute a different published benchmark should the Company, in its discretion, determine that the use of the S&P MARC 5% ER index no longer is commercially reasonable. The S&P MARC 5% ER index does not constitute a purchase of or direct investment in the index, or in the underlying components of the index. All references to S&P MARC 5% ER index values are used with the permission of S&P Dow Jones Indices and have been provided for informational purposes only. S&P Dow Jones Indices accepts no liability or responsibility for the accuracy of the prices or the underlying components to which the prices may be referenced.

Annual Point-to-Point with Index Margin Index Account

The S&P MARC 5% ER index is available with the Annual Point-to-Point with Index Margin Index Account option. Annual Point-to-Point measures index growth using two points in time, the beginning index value and the ending index value for each contract year. Index-linked gains are calculated based on the difference between these two values on an annual basis. The index growth, if any, is then subject to an Index Margin that is subtracted to determine your interest credit. No Cap Rate is applied. The annual interest credit will never be less than zero.

Additional Options

We feel it's important to offer you several options to which you can allocate your premium. We also offer annual transfer options that give you the opportunity to re-allocate your Accumulation Value to the various Fixed and Index Account options on an annual basis. Please contact your agent or North American for additional information.