



BRIDGING THE RETIREMENT GAP

Is there a gap in your plans?

You have much to consider in your retirement planning. Rising inflation, extended life expectancy, increasing health care costs, and the uncertainty of Social Security income. To help reduce any uncertainty in your plans, it's a good idea to explore the difference in your projected retirement income and your retirement expenses. This difference represents the gap you may have in your retirement plans. Fortunately, North American can provide solutions to help you bridge that gap.



What Challenges Will You Face in Retirement?

Lack of Guarantees

What once was a tried and true source of income during retirement is now subject to uncertainty. Recent market downturns and market volatility have been a wake up call for many investors. Even with regular contributions and sensible allocations, market downturns can cause problems for many retirement portfolios. And, once upon a time, workers could count on receiving a pension after you worked with a company long enough. But now pension plans are cutting back or failing. State and local governments are cutting budgets and are raising retirement ages. Coupled with the uncertainty of Social Security income these inevitabilities need to be considered.

Do I want my retirement income guaranteed?

Longevity

Increasing life spans may create the risk that you'll outlive your savings. According to the 2010 US Department of Health and Human Services, United States report, at birth, a male born in 1950 was expected to live to age 66 and a female to age 71. At age 65, that male born in 1950, is expected to live to age 78 and the female to age 80.

When I retire, how long do I want my retirement income to last?

Rising Costs

The cost of basic expenses; food, utilities, etc., tend to increase. In planning, it's wise not to underestimate the impact these costs can have on your standard of living. Inflation and health-care costs can erode your retirement nest egg. For instance, in the last 10 years, inflation has risen an average of 2.40% per year¹. And, health care costs are projected to increase an average of 6.69% per year over the next 10 years.²

How much will my retirement cost?

Lack of Savings

While Americans' may have a lack of confidence in their ability to secure a comfortable retirement, people often overlook the need to take steps to compensate for the shortcomings by improving their preparation. Let's explore some statistics from the 2011 Retirement Confidence Survey (RCS) report.



- More than half of workers report they and/or their spouse have less than \$25,000 in total savings and investments (excluding their home and defined benefit plans), including 29 percent who have less than \$1,000 in total savings.
- Thirty-nine percent of all workers think they need to accumulate at least \$500,000 by the time they retire to live comfortably in retirement. Nineteen percent feel they need between \$250,000 and \$499,999, while 31 percent think they need to save less than \$250,000 for a comfortable retirement.
- Workers who have performed a retirement needs calculation are more than twice as likely to expect they will need to accumulate at least \$1 million before retiring.

Do I have enough saved for retirement?

1. Inflation.comdata.com, Current Annual Inflation Rate report. 2. US Department of Health and Human Services, National Health Expenditure Projections 2009-2019 (September 2010) report.

Let's Look a Little Closer.

Now that we have identified the factors that may impact your retirement planning, let's put pencil to paper. A critical step in building a retirement strategy is an assessment of your anticipated expenses and income. The following exercise will give us an idea of any gaps you may have in your future plans.

Let's explore your needs, your wants and your wishes. Needs are expressed as those things you'll need for basic living expenses. Your wants are those things on top of your normal expenses that you would like to factor in. And finally, your wishes are those things that, in a perfect world, you'd be able to afford to do.

Let's estimate the following on a monthly basis:

Needs: \$ _____
(Example: housing, living expenses)

Wants: \$ _____
(Example: recreation, charitable giving)

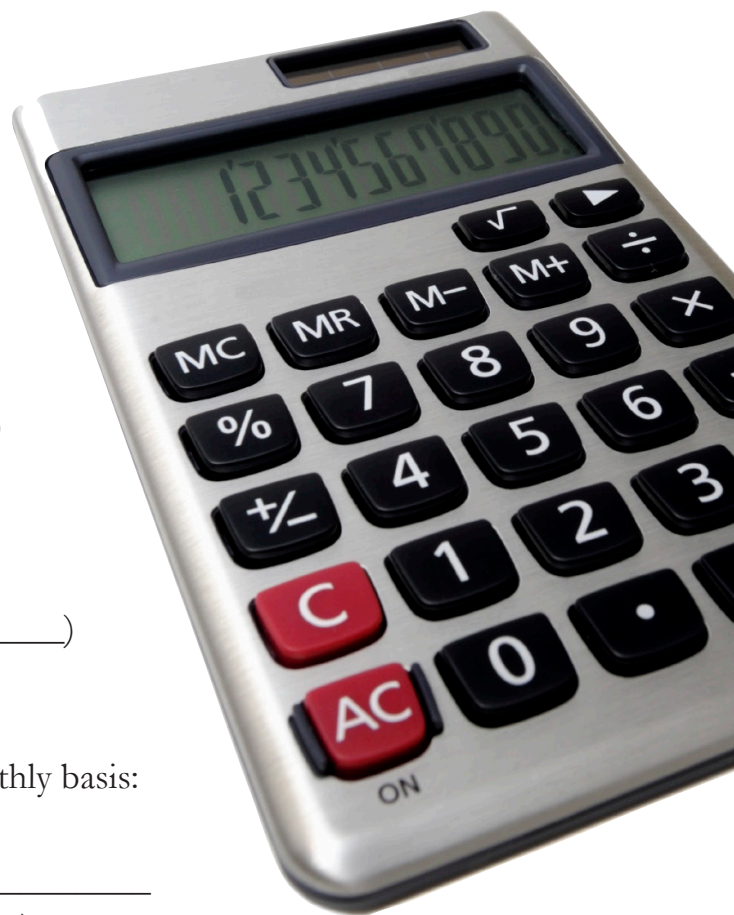
Wishes: \$ _____
(My dream is: _____)

Now, let's examine your projected income on a monthly basis:

Investment Income: \$ _____
(Example: IRAs, real estate)

Other Income: \$ _____
(Example: guaranteed income such as pensions, Social Security)

Working Income: \$ _____
(Example: part time job)



And the answer is....

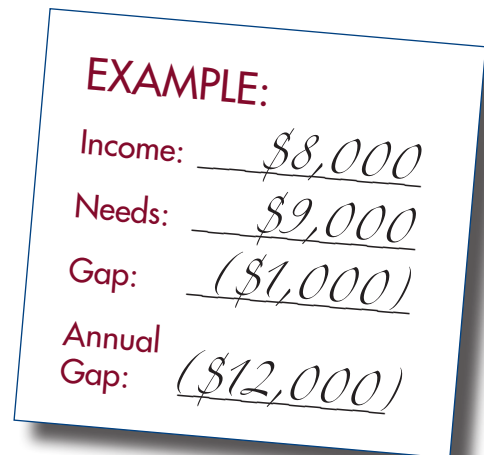
Now that we have identified your expenses and income, let's calculate a simple projection on where you may fall in your retirement spending needs, assuming only your basic needs in the equation.

Total Monthly Income: \$ _____
(Example: investment, other and working income totals)

Total Monthly Needs: \$ _____
(Example: housing, living expenses)


Monthly Income Gap: \$ _____
(Total monthly income minus total monthly needs)

Annual Gap: \$ _____
(Monthly gap multiplied by 12)



EXAMPLE:
Income: \$8,000
Needs: \$9,000
Gap: (\$1,000)
Annual Gap: (\$12,000)

Is there a gap in your plans?

A photograph of a stone arch bridge spanning a small stream in a lush, green forest. The bridge is made of rough-hewn stones and is partially covered in moss and ferns. The water in the stream is dark and still, reflecting the surrounding greenery. The background is filled with dense trees and foliage.

It's not too late to find solutions to bridge the gap.

Would you be interested in a product for your retirement money with no downside risk to your premium, some upside potential and offers you the ability to generate a guaranteed income for the rest of your life? Your Licensed Insurance Agent can help you identify predictable lifetime income options, such as North American's Income Pay[®], along with a Fixed Index Annuity³ that grows tax-deferred⁴ and may provide a death benefit for your beneficiaries.

Ask your agent for more details today!

Building a
bridge to a
better retirement
starts today.

Income Pay[®] GMWB Rider, is an optional guaranteed lifetime withdrawal benefit (GLWB) available for an additional cost issued on form AE513A (rider) and SP513B (spec page) or appropriate state variation by North American Company for Life and Health Insurance, West Des Moines, IA. This feature may not be available in all states.

Please Note: A surrender during the surrender charge period could result in a loss of premium.

3. 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. They may not be appropriate for all clients. 4. 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. 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 optional riders make the contract appropriate for your needs.

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 this product is approved, North American maintains reserves equal to those required by state regulation.

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 26, 2011. 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 awarded its rating on February 26, 2009 and affirmed on April 6, 2011.

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.

www.nacannuity.com

NORTH AMERICAN COMPANY FOR
LIFE AND HEALTH INSURANCE
Annuity Service Center
4350 Westown Parkway,
West Des Moines, IA 50266

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