



NORTH AMERICAN FREEDOM CHOICE[®]
FIXED INDEX ANNUITY



NORTH AMERICAN FREEDOM CHOICE®

The North American Freedom Choice are a flexible premium, fixed index annuity that offer you the ability to apply all or a portion of your premium between three accounts: the Annual Point-to-Point, the Monthly Point-to-Point or a Fixed Account. Your initial premium may be allocated to these three accounts as you wish and can be transferred between accounts once each contract anniversary for the life of your annuity.

Additionally, you have the ability to choose between four distinct surrender charge periods and two penalty-free withdrawal options.

Fixed annuities allow you to benefit from the advantages of tax-deferral, potential to avoid probate, long-term growth, death benefit payout and income for life. These annuities offer diverse Index Account options that can provide enhanced potential growth without experiencing loss of premium from market loss or fluctuations with the market¹. Your Index Account can earn Interest Credits based on the annual performance of the indices you select.

6-YEAR OPTION | ISSUE AGES 0-85²

- A 6-year surrender charge schedule with access to the full Accumulation Value after the sixth contract year.
- The opportunity to elect a life annuity payout option based on the Accumulation Value after the first contract year or you may elect at least a 5-year annuity payout option after the fifth contract year. These payout options are available by current Company practice.
- Ideal for people with long-term objectives who are comfortable with a 6-year surrender charge.
- Minimum guaranteed rates.
- Minimum guarantees based on state laws.

8-YEAR OPTION | ISSUE AGES 0-85²

- A 8-year surrender charge schedule with access to the full Accumulation Value after the eighth contract year.
- The opportunity to elect a life annuity payout option based on the Accumulation Value after the first contract year or you may elect at least a 5-year annuity payout option after the fifth contract year. These payout options are available by current Company practice.
- Ideal for people with long-term objectives who are comfortable with an 8-year surrender charge.
- Minimum guaranteed rates.
- Minimum guarantees based on state laws.

10-YEAR OPTION | ISSUE AGES 0-79²

- A 10-year surrender charge schedule with access to the full Accumulation Value after the tenth contract year.
- The opportunity to elect a life annuity payout option based on the Accumulation Value after the first contract year or you may elect at least a 5-year annuity payout option after the fifth contract year. These payout options are available by current Company practice.
- Ideal for people with long-term objectives who are comfortable with a 10-year surrender charge.
- Minimum guaranteed rates.
- Minimum guarantees based on state laws.

14-YEAR OPTION | ISSUE AGES 0-65²

- A 14-year surrender charge schedule with access to the full Accumulation Value after the fourteenth contract year.
- The opportunity to elect a life annuity payout option based on the Accumulation Value after the first contract year or you may elect at least a 10-year annuity payout option after the fifth contract year. These payout options are available by current Company practice.
- Ideal for people with long-term objectives who are comfortable with a 14-year surrender charge.
- Minimum guaranteed rates.
- Minimum guarantees based on state laws.

1. If surrendered early, surrender charges may apply.

2. For Issue Ages 0-17 a Uniform Gift to Minors Act (UGMA) or Uniform Trust to Minors Act (UTMA) custodial account must be established.

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. The chart to the right details the potential of a tax-deferred annuity.

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

DEATH BENEFIT

North American will pay out, as the Death Benefit, the Accumulation Value to your beneficiary upon the death of the annuitant or an owner. Your beneficiary may choose to receive the payouts 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 out at the death of the first owner.

LIFETIME INCOME

North American can provide you with a guaranteed income stream with the purchase of your tax-deferred annuity. You have the ability to choose from several different annuity payout options, including life or a specified period. See *Annuity Payout Options* on page 4 for complete details.

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.

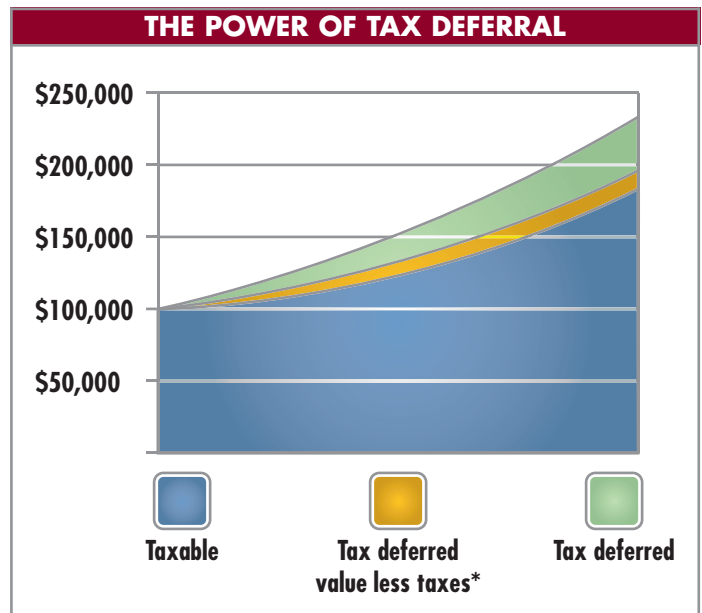


Chart is a hypothetical illustration of tax-deferral and assumes an initial premium of \$100,000 earning 6.00% compounded annual rate of return for 15 years. Not intended to predict or project performance. *Tax deferred value less taxes represents the increase in value, due to tax deferral, less taxes at an assumed rate of 33% with no surrender charge or Interest Adjustment applied.

ACCESSING YOUR MONEY

Emergencies do arise, and access to your money is always an important concern. The Freedom Choice offers a variety of liquidity features.

For additional withdrawals prior to the end of the surrender charge period, surrender charges may apply. Withdrawals will be treated 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.

ANNUITY PAYOUT OPTIONS

Should you decide to receive an income from your annuity after the surrender charge period, you will have several annuity payout options from which to choose. Annuity payout options are a benefit of deferred annuities, but are not a requirement with the Freedom Choice. Please refer to the chart on the right for available annuity payout options.

With non-qualified plans, a portion of each income payment represents a return of premium that is not taxable, thus reducing your tax liabilities.

By current Company practice, you may receive an income from the Accumulation Value after the first contract year (without surrender charges or Interest Adjustment) if you choose a Life Income option.

INCOME 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.

PENALTY-FREE WITHDRAWALS

Should the need arise to have access to your premium sooner, North American offers you a choice of two options for penalty-free withdrawals (also known as Penalty-Free Partial Surrenders). You will have the opportunity to choose which option will fit your individual needs.

SUMMARY OF WITHDRAWAL OPTIONS		
PENALTY-FREE WITHDRAWAL PERCENT	5%	10%
SYSTEMATIC WITHDRAWALS AVAILABLE	NO	YES
RMD FRIENDLY	NO	YES

The first option allows you to take up to 5% of your current Accumulation Value once each contract year after the first contract anniversary, without incurring any surrender charges or Interest Adjustment. Any amount withdrawn in excess of the 5% penalty-free amount will be assessed a surrender charge and possibly an Interest Adjustment. Surrender charges and Interest Adjustments on IRS-Required Minimum Distributions that exceed the 5% penalty-free amount will not be waived.

The second option allows you to take up to 10% of your Accumulation Value once each contract year after the first contract anniversary, without incurring any surrender charges or Interest Adjustment. Surrender charges and Interest Adjustments on IRS-Required Minimum Distributions exceeding the 10% penalty-free withdrawal amount will be waived by current Company practice.

Keep in mind that withdrawals taken out of the various Index Accounts will not get an Interest Credit on your next contract anniversary.

NURSING HOME CONFINEMENT WAIVER³

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 waiver is only available for issue ages 75 and younger and is automatically included with your annuity at no additional charge.

INTEREST ADJUSTMENT

The Freedom Choice also includes an Interest Adjustment. This adjustment 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 feature, the Surrender Value generally decreases as interest rates rise. Likewise, when interest rates have decreased over a period of 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 Interest Adjustment period to surrenders that exceed the applicable penalty-free amount. Interest Adjustments on any portion of IRS-Required Minimum Distributions in excess of the penalty-free amount are waived by current Company practice.

SURRENDER CHARGES

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 amount applicable. However, surrender charges on any portion of an IRS-Required Minimum Distribution exceeding the 10% penalty-free amount are waived by current Company practice. This table details the declining charges by the option chosen. Additional premiums deposited into existing contracts will maintain the surrender charge schedule set forth by the initial premium. Certain payout options may incur a surrender charge.

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

CONTRACT YEAR	14-YEAR SURRENDER CHARGE	10-YEAR SURRENDER CHARGE	8-YEAR SURRENDER CHARGE	6-YEAR SURRENDER CHARGE
1	9%	9%	9%	9%
2	9%	9%	9%	9%
3	9%	8%	8%	8%
4	9%	7%	7%	6%
5	8%	6%	6%	4%
6	8%	5%	5%	2%
7	7%	4%	4%	
8	7%	3%	2%	
9	6%	2%		
10	6%	1%		
11	5%			
12	4%			
13	3%			
14	2%			

3. If joint annuitants are named on the annuity, waiver will apply to the first annuitant who qualifies for the benefit.

PRODUCT FEATURES

ACCUMULATION VALUE

The Accumulation Value is 100% of premium allocated to the Fixed and Index Accounts, plus any Interest Credit or other interest earned. It will be reduced by the amount of any withdrawals, but cannot decrease due to negative index performance.

INDEX ACCOUNT

The Freedom Choice fixed index annuity is not an investment in the stock market or in the applicable indices. Some or all of your premiums may be allocated between several different indices and/or Index Accounts. This annuity offers enhanced ability to earn interest credits associated with the annual changes in several distinct indices without the risk of directly participating in stock, bond or equity investments. These indices are recognized worldwide as prominent benchmarks for stock market and bond performance. This is truly a fixed annuity using an interest crediting strategy of indexing to determine the credited rate. The Interest Credits will not mirror the exact performance of any stock market or bond index. In years when the Index Accounts apply 0% growth, you will receive a 0% Interest Credit. It is important to note that the Fixed Account Interest Rate is never applied to premiums allocated to the Index Accounts.

ANNUAL RESET

Annual Reset allows an Interest Credit, if any, to be added to the index account on each contract anniversary. That amount, when added, becomes “locked-in” because it can not be taken away due to negative index performance. Once added, the “locked-in” Interest Credit will participate in any future credits, giving you the advantage of compounding in subsequent years.

This feature also resets your starting index point each year on your contract anniversary. Annual Reset can be a benefit when the index experiences a severe downturn during the year because you can take advantage of gains from that point forward. Without this feature, you would have to wait for the index to climb up to its original level before any gains could be realized.

INDEX CAP RATE

Your annuity applies an Index Cap Rate, or upper limit, to calculate your Interest Credits each year. It will always be declared on the contract anniversary and is guaranteed for that year. This rate may change annually. However, at no time will this rate ever fall below the minimum guarantees which are:

- 2% Annual Point-to-Point
- 1% Monthly Point-to-Point

The Index Cap Rate does not apply to the Fixed Account.

DIVERSIFY YOUR PREMIUM AMONG THE FOLLOWING INDEX ACCOUNT OPTIONS

	ANNUAL POINT-TO-POINT (Subject to an Index Cap Rate)	MONTHLY POINT-TO-POINT (Subject to an Index Cap Rate)
HOW IS INTEREST CREDIT CALCULATED?	Annual change in index	Sum of monthly performance subject to a monthly Index Cap Rate
WHEN IS INTEREST CREDIT CALCULATED/CREDITED?	Annually	Annually
WHEN IS THE INDEX CAP RATE APPLIED?	Annually	Monthly
WHEN CAN THE INDEX CAP RATE CHANGE?	Annually	Annually
INDEX AVAILABILITY NOTE: Past Index performance is not intended to predict future performance and the Index does not include dividends.	<ul style="list-style-type: none"> S&P 500® EURO STOXX 50® (DJIA) Dow Jones Industrial AverageSM S&P MidCap 400® Russell 2000 Index® Nasdaq-100® 	<ul style="list-style-type: none"> S&P 500® Nasdaq-100®

ANNUAL POINT-TO-POINT

Annual Point-to-Point measures index growth using two points in time, the beginning index value and the ending index value. Index linked gains are calculated based on the difference between these two values. The Index Growth, if any, is subject to an Index Cap Rate.

MONTHLY POINT-TO-POINT

This calculation method for determining any Interest Credit uses the monthly changes in the index, 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—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.

FIXED ACCOUNT

Premium allocated to this account will earn the current Fixed Account interest rate. This rate will be guaranteed for the entire contract year and the rate will renew annually thereafter, but will never fall below the minimum guaranteed fixed account interest rate of 1%. Ask your sales representative for the current interest rate.

FIXED ACCOUNT	
INTEREST CREDITED	Daily
INTEREST RATE CAN CHANGE	Annually on Contract Anniversary

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.

SUBSEQUENT PREMIUMS

All subsequent premiums are deposited into the Fixed Account and will earn a Fixed Account interest rate, declared at the time the subsequent premium is received, until the end of the contract year. On each contract anniversary, North American will allocate any premiums received since the prior contract anniversary among the Fixed Account and Index Accounts according to your most recent instructions.

TRANSFER OPTIONS

Each year, you may elect to transfer your values between the Fixed Account and Index Accounts. 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, these transfers between options will not be taxable or subject to surrender penalties. Please refer to your Freedom Choice Additional Benefits Specifications Page for minimum transfer amounts.

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.

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.

Premium taxes: Accumulation Value will be reduced for premium taxes as required by the state of residence. The North American Freedom Choice® is issued in California on form LST160A04 (individual contract), LR424A04, LR426A, LR427A, LR428A, LR431A04 and LR433A04 (endorsements/riders) by North American Life Insurance Company, West Des Moines, IA.

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 optional riders make the contract appropriate for your needs.

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GETTING STARTED

SUMMARY OF CHOICES FOR YOU TO MAKE.

CHOOSE ONE TIME:

1 Surrender charge period

- 6 year
- OR
- 8 year
- OR
- 10 year
- OR
- 14 year

2 Penalty-Free Withdrawal

- 5% Penalty-Free Withdrawal
- OR
- 10% Penalty-Free Withdrawal

CHOOSE EACH YEAR:

3 Index Account Options

- Annual Point-to-Point
- AND/OR
- Monthly Point-to-Point

4 How to allocate your premium

- _____ % S&P 500®
- _____ % S&P MidCap 400®
- _____ % DJIASM
- _____ % Nasdaq-100®
- _____ % Russell 2000®
- _____ % EURO STOXX 50®
- _____ % Fixed Account

See the Diversify Your Premium Chart on page 7 for index availability under each Index Account option.

Note: This page is for your reference only. It does not need to be returned to North American.

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 June 18, 2010. 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 March 31, 2010.

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
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INSURANCE MARKETPLACE
STANDARDS ASSOCIATION

**NOT FDIC INSURED.
NO BANK GUARANTEE.**