



NORTH AMERICAN
PRIZM PLUSSM
FIXED INDEX ANNUITY



NORTH AMERICAN PRIZM PLUSSM

The **North American Prizm PlusSM** is a flexible premium, fixed index annuity that offers you the ability to apply all or a portion of your premium between four accounts: the Annual Point-to-Point with Participation Rate Index Account, the Monthly Averaging with Participation Rate Index Account, the Monthly Point-to-Point with Index Cap Index Account or a Fixed Account. Your premium may be allocated to these four 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 three distinct surrender charge periods.

The **North American Prizm PlusSM** fixed index annuity is not an investment in the stock market or in the applicable index. However, this annuity offers Index Accounts that provides enhanced growth potential without experiencing loss of premium from market loss or fluctuations with the market*. In addition, you can benefit from the advantages that a fixed annuity offers such as tax-deferred growth, the potential to avoid probate, safety of premium and income for life. Your Index Account returns can earn Interest Credits based on the annual performance of the indices you select.

*If surrendered early, surrender charges may apply.

The **North American Prizm PlusSM** is a long-term annuity product that allows you the flexibility to choose the option that is best for your situation. Listed below are three surrender charge options from which you can choose.

ELECT THE OPTION THAT BEST FITS YOUR NEEDS

THE 7-YEAR OPTION OFFERS:

- A 7-year surrender charge schedule with access to the full Accumulation Value after the seventh contract year.
- The opportunity to elect a life annuity pay-out option based on the Accumulation Value after the first contract year or you may elect at least a 5-year annuity pay-out option after the fifth contract year. These annuity pay-out options are available by current Company practice.

THE 10-YEAR OPTION OFFERS:

- A 10-year surrender charge schedule with access to the full Accumulation Value after the tenth contract year.
- A 5% premium bonus on all premiums received in the first seven contract years.
- The opportunity to elect a life annuity pay-out option based on the Accumulation Value after the first contract year or you may elect at least a 5-year annuity pay-out option after the fifth contract year. These annuity pay-out options are available by current Company practice.

THE 14-YEAR OPTION OFFERS:

- A 14-year surrender charge schedule with access to the full Accumulation Value after the fourteenth contract year.
- A 10% premium bonus on all premiums received in the first seven contract years.
- The opportunity to create a life annuity pay-out option based on the Accumulation Value after the first contract year or you may elect at least a 10-year annuity pay-out option after the fifth contract year. These annuity pay-out options are available by current Company practice.
- Longer Term—Ideal for people with long-term objectives looking for highest premium bonus who are comfortable with 14-year surrender charge.

ALL OPTIONS OFFER:

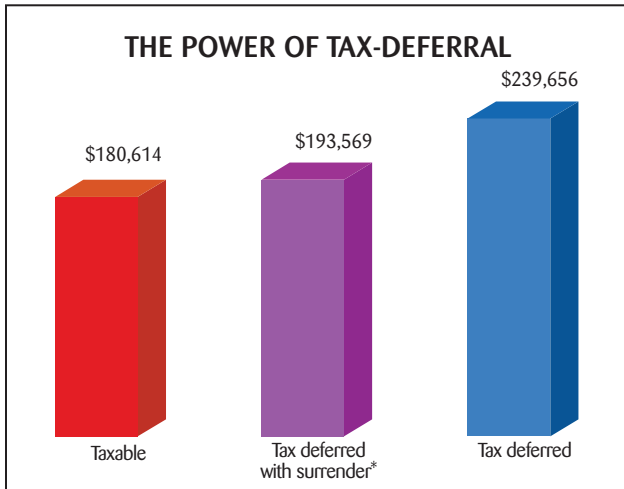
- Full Accumulation Value at death
- Safety of premium from market risk
- Lifetime income options

7-YEAR OPTION

10-YEAR OPTION

14-YEAR OPTION

BENEFITS OF OWNING A DEFERRED ANNUITY



*Tax deferred with surrender represents the surrender value less taxes at an assumed rate of 33%.

GUARANTEES

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.

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 pay-outs 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 pay-out options, including life or a specified period.

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.

TAX-DEFERRED GROWTH

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 left details the potential of a tax-deferred annuity. The 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. This illustration is not intended to predict or project performance.





JUMP START TO YOUR SAVINGS

PREMIUM BONUS

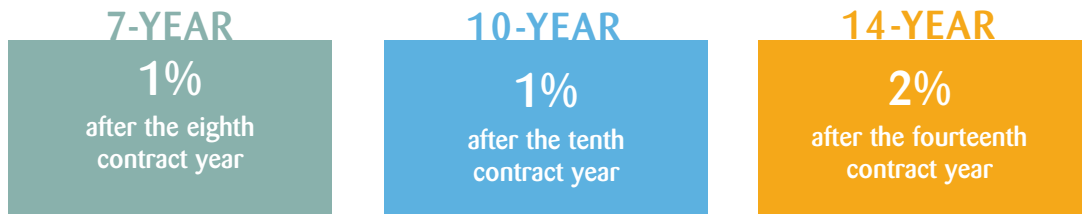
To get a head start on your retirement savings, North American awards you a premium bonus based on the surrender charge schedule chosen.

YOU CHOOSE FROM THE FOLLOWING BONUS/SURRENDER CHARGE OPTIONS:



ANNUITIZATION BONUS

By current Company practice, if you elect an annuity pay-out option of at least five years any time after an appropriate time period has elapsed, the following bonus will be added to your Accumulation Value.



ACCESS YOUR MONEY IN SEVERAL DIFFERENT WAYS

Emergencies do arise, and access to your money is always an important concern. The **North American Prizm PlusSM** offers a variety of liquidity features.

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

ANNUITY PAY-OUT OPTIONS

Should you decide to receive an income from your annuity after the surrender charge period, you will have several annuity pay-out options from which to choose. Annuity pay-out options are a benefit of deferred annuities, but annuitization is not a requirement with the **North American Prizm PlusSM**.

With the exception of the Life Income options, annuity pay-out options are for a minimum of five years and a maximum of 20 years. The following options are available:

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. Please see your Annuity Disclosure Statement for more details regarding the annuity pay-out options available to you.

PENALTY-FREE PARTIAL SURRENDER¹

The North American Prizm PlusSM allows you to take a Penalty-Free Partial Surrender of up to 10% 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 10% will be assessed a surrender charge and possibly an Interest Adjustment. Surrender charges and Interest Adjustments on IRS-Required Minimum Distributions exceeding the 10% Penalty-Free Partial Surrender amount will be waived by current Company practice.

NURSING HOME CONFINEMENT WAIVER²

As an added benefit, up to 100% of the contract's Accumulation Value can be withdrawn penalty-free while the annuitant is confined to a qualified nursing home facility. This benefit begins after the first contract anniversary and the annuitant must be confined for a period of at least 90 consecutive days. This enhanced feature is automatically included with your annuity at no additional cost and is available for issue ages 75 and younger.

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. These tables detail 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.

ELECT THE OPTION THAT BEST FITS YOUR NEEDS

7-YEAR

Year	Surrender Charge
1	9%
2	9%
3	8%
4	7%
5	6%
6	4%
7	2%

10-YEAR

Year	Surrender Charge
1	14%
2	13%
3	12%
4	11%
5	10%
6	9%
7	8%
8	6%
9	4%
10	3%

14-YEAR

Year	Surrender Charge
1	18%
2	18%
3	17%
4	15%
5	15%
6	15%
7	15%
8	14%
9	12%
10	10%
11	8%
12	6%
13	4%
14	2%

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.

INTEREST ADJUSTMENT³

The North American Prizm PlusSM also includes an Interest Adjustment, which generally allows the Company to credit interest rates higher than on those products without an Interest Adjustment. This adjustment may increase or decrease 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 increases as interest rates fall. Likewise, when interest rates have increased over a period of time, the surrender value generally declines. 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.

PRODUCT FEATURES

ACCUMULATION VALUE

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

INDEX ACCOUNT

The **North American Prizm PlusSM** fixed index annuity is not an investment in the stock market or in the applicable index. Some or all of your premiums may be allocated between the Index Accounts. This annuity offers enhanced stock market- and bond-linked growth potential 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.

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 never be taken away due to negative index performance. Once added, the “locked-in” Interest Credit will participate in future growth, 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 minimizes your risk when the index experiences a severe downturn during the year. You then 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.



MONTHLY AVERAGE WITH PARTICIPATION RATE

This calculation method for determining the Interest Credit uses the average of twelve previous monthly index values, subject to a Participation Rate. The Interest Credit is credited annually and is done by comparing the percentage difference between the index on the first day of the contract year and the Index Monthly Average during the year, multiplied by a Participation Rate. The annual Interest Credit cannot be less than zero.

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 at issue is guaranteed for the first contract year. The Participation Rate is declared on each contract anniversary, based upon current economic conditions, and is guaranteed for the next contract year. At no time will this rate ever fall below the guaranteed minimum 10% Participation Rate. Ask your sales representative for current Participation Rates.

THE NORTH AMERICAN PRIZM PLUSSM PROVIDES YOU THE CHOICE OF THREE DISTINCT INDEX ACCOUNTS:

	MONTHLY AVERAGE WITH PARTICIPATION RATE	ANNUAL POINT-TO-POINT WITH PARTICIPATION RATE	MONTHLY POINT-TO-POINT WITH INDEX CAP RATE
How is Interest Credit Calculated?	Averaged sum of monthly closes in index	Annual change in index	Sum of monthly performance subject to a monthly Index Cap Rate
When is Interest Credit Calculated/Credited?	Annually	Annually	Annually
When is the Index Cap Rate/Participation Rate Applied?	Participation Rate applied annually	Participation Rate applied annually	Index Cap Rate applied monthly
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[®] • (DJIA) Dow Jones Industrial AverageSM • S&P MidCap 400[®] • Russell 2000 Index[®] 	<ul style="list-style-type: none"> • S&P 500[®] • Dow Jones Euro STOXX 50[®] • (DJIA) Dow Jones Industrial AverageSM • S&P MidCap 400[®] • Russell 2000 Index[®] • NASDAQ-100[®] • Lehman Brothers U.S. Aggregate Index (not available in all states) 	<ul style="list-style-type: none"> • S&P 500[®]

ANNUAL POINT-TO-POINT WITH PARTICIPATION RATE

This calculation method for determining any Interest Credit uses two “points” in the index during your reset period (see Annual Reset). The Interest Credit for each year is determined by the change in the index values on the contract anniversary at the beginning and end of the contract year, subject to a Participation Rate.

The Participation Rate is a percentage that is multiplied by the gain at the end of the contract year to determine the Interest Credit to your contract. The Participation Rate at issue is guaranteed for the first contract year. The Participation Rate is declared on each contract anniversary, based upon current economic conditions, and is guaranteed for the next contract year. At no time will this rate ever fall below the guaranteed minimum 10% Participation Rate. Ask your sales representative for current Participation Rates.

MONTHLY POINT-TO-POINT WITH INDEX CAP RATE

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.

Each month an Index Cap Rate, or upper limit, is applied. This rate is declared on each contract anniversary, based upon current economic conditions, and is guaranteed for the next contract year. At no time will this rate ever fall below the guaranteed 1% monthly Index Cap Rate.

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 fixed guaranteed interest rate. Ask your sales representative for both the initial and minimum interest rates.

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 Account options. You may also elect to transfer between crediting methods within the Index Account on an annual basis. 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 **North American Prizm PlusSM** Additional Benefits Specifications Page for minimum transfer amounts.)



GETTING STARTED

SUMMARY OF CHOICES FOR YOU TO MAKE.

Choose one time:

1 SURRENDER CHARGE PERIOD

7 year

OR

10 year

OR

14 year

CHOOSE EACH YEAR:

2 INDEX ACCOUNT OPTIONS

Annual Point-to-Point with Participation Rate (APP)

AND/OR

Monthly Averaging with Participation Rate (MAP)

AND/OR

Monthly Point-to-Point with Index Cap Rate (MPP)

3 HOW TO ALLOCATE YOUR PREMIUM

_____ % S&P 500[®] (only index available with MPP)

_____ % S&P MidCap 400[®]

_____ % DJIASM

_____ % NASDAQ-100[®] (only available with APP)

_____ % Russell 2000[®]

_____ % Dow Jones Euro STOXX 50[®] (only available with APP)

_____ % Lehman Brothers U.S. Aggregate Index (only available with APP)

_____ % Fixed Account

Note: This page is for your reference only. it does not need to be returned to north american.



PLEASE NOTE:

Neither North American, nor any agents acting on its behalf, should be viewed as providing legal, tax or investment advice. Consult a qualified advisor. 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. Premium taxes: Accumulation Value will be reduced for premium taxes as required by the state of residence. The **North American Prizm PlusSM** annuity is issued on form LC160A (group certificate), LS160A (individual contract), LR432A, LR423A, LR424A, LR426A, LR427A, LR428A and LR430A (endorsements/riders) or appropriate state variation by North American Life Insurance Company, Chicago, Illinois. This product, its features and riders may not be available in all states.

1. Withdrawals taken prior to age 59 1/2 may be subject to IRS penalties. Under current law, annuities grow tax deferred. An annuity is not required for tax deferral in qualified plans.
2. In states where rider is approved. Please contact your sales representative for state availability. If joint annuitants are named on the annuity, rider will apply to the first annuitant who qualifies for the benefit.
3. Interest Adjustment is not available in all states.

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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 always 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.



THE PRIZM PLUSSM IS BACKED BY THE STRENGTH OF NORTH AMERICAN COMPANY FOR LIFE AND HEALTH INSURANCE...

Since 1886, Chicago-based North American Company for Life and Health Insurance has established a tradition of producing quality insurance products. North American Company's product lines are marketed in 49 states and the District of Columbia.

PORTRAIT OF FINANCIAL STABILITY

Independent rating agencies are an important source of information on an insurance company's ability to meet its obligations. Based on its financial strength and operating performance, North American Company continues to receive high ratings from the most well-respected ratings services, including:

A+ (SUPERIOR) FROM A.M. BEST

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 owners (A+ is the second highest rating out of 15 rating categories) and was assigned to North American Company for Life and Health Insurance, as part of the Sammons Financial Group, on August 31, 2006. For the latest rating, access www.ambest.com.

AA- (VERY STRONG) FROM STANDARD & POOR'S CORPORATION (S&P)

Standard & Poor's awarded its AA- rating for insurer financial strength on December 5, 2006 to North American Company as part of Sammons Financial Group.

The AA- rating, which is the fourth highest out of twenty-two, reflects Sammons Financial Group's (which is comprised of Midland National Life Insurance Company and North American Company for Life and Health Insurance) financial strength.

AA- (VERY STRONG) FROM FITCH RATINGS

Fitch is a leading global rating agency committed to providing the world's credit markets with independent, timely and prospective credit opinions. Fitch's insurer financial strength ratings range from AAA to D. The AA- rating is the 4th highest rating out of 24 rating categories.



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NO BANK GUARANTEE.