



**NORTH AMERICAN  
PARAMOUNT CHOICE TEN  
FIXED INDEX ANNUITY**

# PARAMOUNT CHOICE TEN

Are you looking for ways to manage your future retirement income today so that you can enjoy financial freedom later? Paramount Choice Ten is a flexible premium, fixed index annuity (FIA) designed to work with your long-term retirement planning. Your premium is not only guaranteed but you can enhance your growth potential based on interest credited from the performance of distinct index options.

With enhanced growth potential and protection from loss of premium, you have a great combination for your long-term retirement planning. Because we specialize in annuities, you can count on our expertise in supporting your efforts toward building a comfortable retirement. You also can rest assured that the financial strength of North American can provide the lifestyle freedom you desire. At North American, we offer *“The Annuity Advantage.”*

## ACHIEVE A SECURE FINANCIAL FUTURE

### Protection and Guaranteed Growth

Paramount Choice Ten assures preservation of premium through minimum guarantees. In other words, you have a built-in safety net.

### Enhanced Growth Potential

Designed to enhance growth potential, Paramount Choice Ten offers you stock market-linked growth without the risk of directly participating in the stock market\*. Diverse options referred to as Index Accounts allow you the ability to earn interest credits based on the performance of various indices.

### Jump Start Bonus

To get a jump start on your retirement savings, we also offer you a 10% premium bonus on all premium received during the first six contract years. During the first 10 contract years, you may lose some or all of this bonus if certain events occur. Please refer to the Premium Bonus Recapture section for further details.

### Flexibility and Control

You have total control over how your initial premium is allocated between our Index Accounts—Monthly Point-to-Point, Annual Point-to-Point and Monthly Averaging. Transfers between Index Accounts are also available once each anniversary for the life your contract.

### Lifetime Income

We can provide you with a guaranteed income stream with the purchase of your tax-deferred annuity. You can convert your annuity into payments based on your needs—whether that be payments for life or a specified period.

## HIGHLIGHTS

- Available to issue ages 0-79 (Qualified and Non-qualified)
- 10-year surrender charge schedule
- 10% premium bonus on premium received in the first 6 contract years
- Tax deferral, income for life and full Accumulation Value at death
- Opportunity to elect a lifetime income after the first contract year (by current Company practice)
- Nursing Home Confinement Waiver available at no additional cost

\* Index performance does not constitute an actual investment in the stock market.



## PROVIDING FOR YOUR BENEFICIARIES

Should the owner or annuitant die, we will pay the full Accumulation Value to the beneficiary. Your beneficiary can then receive the full Accumulation Value either in a lump sum or elect from a variety of payment options—whether that be payments for life or a specified period. If joint annuitants are named, the Death Benefit will be paid out at 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.

In addition, passing along your Accumulation Value to your named beneficiary can avoid the delays and costs of probate—making for a simplified way to transfer assets during a difficult time.

These benefits make an annuity an attractive way to set aside retirement income—for yourself and your loved ones. We encourage you to consult with and rely on your legal or tax advisor to fully understand the effect passing along your estate can have on your beneficiaries.

### ACCUMULATION VALUE

This is the value used to determine benefits under this contract. The Accumulation Value earns interest based on the initial premium, plus any interest credit earned and premium bonus, if applicable. This value will be reduced by the amount of any withdrawals, but cannot decrease due to negative index performance.

# TAX DEFERRED GROWTH

Under current law, annuity values accumulate tax deferred. With Paramount Choice Ten your money grows faster, earning interest on dollars that would otherwise be paid in taxes. Your premium earns interest, your interest earns interest (compounding), and the money you save in taxes earns interest. With this tax-deferred status, you can accumulate more money over a shorter period of time and can consequently earn a greater return.

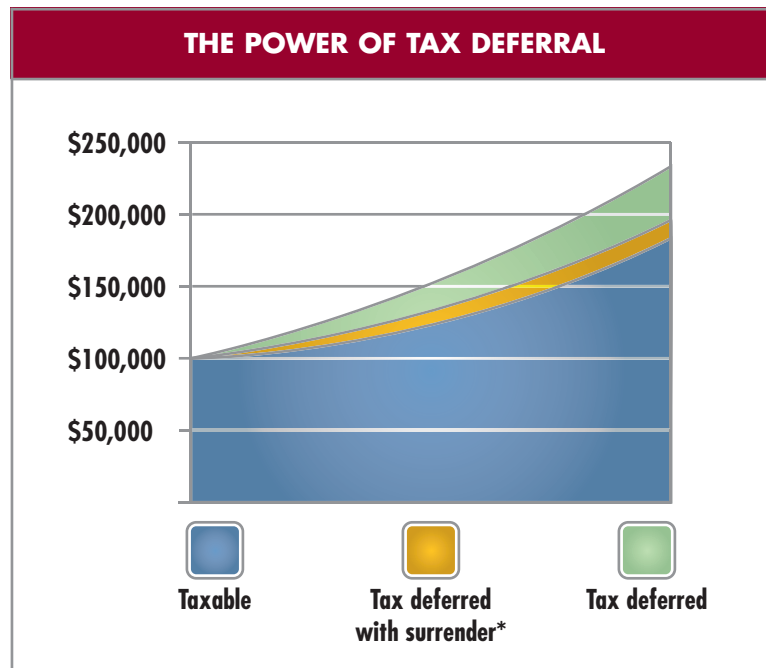


Chart is a hypothetical illustration of tax-deferral and assumes an initial premium of \$100,000 earning 6.00% compounded annual rate of return for 15 years. Not intended to predict or project performance. \*Tax deferred with surrender represents the surrender value less taxes at an assumed rate of 33%.

\*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. 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.

# ACCESSING YOUR MONEY

Having access to your money is always an important factor, the Paramount Choice Ten offers several features that allow you to take early withdrawals without incurring penalties.

For additional withdrawals prior to the end of the surrender charge period, surrender charges may apply. Please note as you take out withdrawals in excess of your penalty-free amount, a portion of your premium bonus may be forfeited. Refer to page 6 for complete details.

Withdrawals will be taxed as ordinary income and if taken prior to age 59 ½ may be subject to a 10% IRS penalty. Withdrawals from your contract will also reduce your Accumulation Value accordingly.

## GUARANTEED INCOME OPTIONS

Should you decide to receive an income from your annuity after the surrender charge period, you will have several income options (also known as Annuity Payout Options) from which to choose.

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 and Interest Adjustment) if you choose a Life Income option or if your annuity has been in force for at least five years and payments have been received over at least a five-year period.

INCOME OPTIONS
With the exception of Life Income options, income options are available for:
<ul style="list-style-type: none"><li>• A minimum of five years, or</li><li>• A maximum of 20 years.</li></ul>
The following options are available:
<ul style="list-style-type: none"><li>• Income for a Specified Period</li><li>• Income for a Specified Amount</li><li>• Life Income with a Period Certain</li><li>• Life Income</li><li>• Joint and Survivor Life Income</li></ul>

## PENALTY-FREE WITHDRAWALS

Paramount Choice Ten allows you to take a Penalty-Free Withdrawal (also known as 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 surrender charges or Interest Adjustments. Amounts withdrawn in excess of 10% will be assessed a surrender charge during the surrender charge period.

## REQUIRED MINIMUM DISTRIBUTIONS (RMDs)

Charges on IRS-Required Minimum Distributions (RMDs) exceeding the 10% penalty-free amount will be waived by current Company practice.

## NURSING HOME CONFINEMENT WAIVER

An additional 10% can be withdrawn penalty-free each year the annuitant is confined to a qualified nursing home facility. Withdrawal amounts will be based upon the current contract's Accumulation Value and can be taken beginning in the second contract year. Eligibility for this benefit begins after the annuitant has been confined to a qualified nursing home facility for at least 90 consecutive days. This feature is automatically included for issue ages 75 and younger.

Availability will vary by state. If joint annuitants are named on the contract, this waiver will apply to the first annuitant that qualifies for benefits.

# PRODUCT HIGHLIGHTS

## SURRENDER CHARGE PERIOD

Surrender charges allow us to invest your money on a long-term basis and credit higher yields than possible with an annuity of shorter term. A surrender charge is assessed on any amount withdrawn, whether as a partial or full withdrawal (also known as a surrender), that exceeds the penalty-free amount applicable. However, surrender charges on any portion of an RMD that exceeds the 10% penalty-free amount will be waived by current Company practice.

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%
Please keep in mind that a surrender during this period could result in a loss of premium. Surrender charges can vary by state, please consult your Annuity Disclosure Statement for details specific to your state.									

## INTEREST ADJUSTMENT

Your contract also includes an Interest Adjustment feature—which may increase or decrease your surrender value depending on the change in interest rates since your annuity purchase. Due to the mechanics of Interest Adjustment, surrender values generally increase as interest rates fall. When interest rates increase over time, the surrender value generally declines.

This adjustment is applied only during the Interest Adjustment period to surrenders exceeding the applicable penalty-free amount. However, the Interest Adjustment is limited to the interest credited to the Accumulation Value.

Availability will vary by state. Interest Adjustments on RMDs that exceed the penalty-free amount are waived by current Company practice.

## PREMIUM BONUS AND RECAPTURE PROVISION

A 10% premium bonus will be credited to your Accumulation Value during the first six contract years. During the surrender charge period, withdrawals in excess of the penalty-free amount or a full surrender will incur a premium bonus recapture as outlined below. This is in addition to any applicable surrender charges and/or Interest Adjustments. This schedule is set based on the initial premium.

## PREMIUM BONUS RECAPTURE SCHEDULE

YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
PERCENTAGE RECAPTURED	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%
The premium bonus is not recaptured in the event of death of the Annuitant. No premium bonus recapture will occur on any penalty-free withdrawal amount, Required Minimum Distributions (by current Company practice) or under the Nursing Home Confinement Waiver.										

# TAILORED TO FIT YOUR NEEDS

Paramount Choice Ten offers combination of growth and flexibility to help meet your specific retirement objectives. Here's how it works.

## INTEREST CREDITING STRATEGY: FIXED ACCOUNT

Premium allocated to this strategy 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. Ask your sales representative for both the initial and minimum interest rates.

## INTEREST CREDITING STRATEGY: INDEX ACCOUNT

With Paramount Choice Ten, you benefit from the enhanced stock market- and bond-linked growth potential without risking direct participation in the stock market. FIA premiums are not invested directly in the stock market or in individual stocks.

You will have the ability to choose from a variety of Index Account Strategies that credit interest based on the performance of selected external market indices—S&P 500® and NASDAQ-100®. The Interest Credits you earn, are linked in part to the value of these indices. However, regardless of the index performance, your Interest Credits will never be less than zero.

As an added bonus, our annual reset feature allow Interest Credits, if any, to be added to your Index Accounts each contract anniversary. That amount—when added—becomes “locked-in” and can never be taken away due to negative index performance. Once added, these credits will participate in future growth allowing you to take advantage of compounding in subsequent years.

This feature also resets your starting index point each contract anniversary. This minimizes your risk when the index experiences a severe downturn. Without this feature, you would have to wait for the index to climb up to its original level before any Interest Credit could be realized.

## 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, transfers between options will not be taxable or subject to surrender penalties. (Please refer to your Paramount Choice Ten Additional Benefits Specifications Page found in your contract for minimum transfer amounts.)

## SUBSEQUENT PREMIUM

Premium received after your annuity is issued will be placed in the Fixed Account. This premium will earn the current rate at the time of receipt. Each contract anniversary, we will reallocate this premium according to your most recent allocation instructions. Please note a premium bonus recapture provision may apply to premiums added during the first six contract years should certain events occur. Refer to the recapture schedule on page 6 for details.

# DIVERSIFY YOUR PREMIUM

You have your choice of three strategies where interest credited to your contract is related to the increase, if any, in a variety of index options. The following provides a brief overview regarding how these strategies credit interest.

INDEX ACCOUNT STRATEGY	MONTHLY AVERAGING	ANNUAL POINT-TO-POINT	MONTHLY POINT-TO-POINT
HOW IS INDEX CREDIT CALCULATED?	Average sum of monthly closes in index, subject to an annual Index Cap Rate	Annual change in index, subject to an annual Index Cap Rate	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 APPLIED?	Index Cap Rate applied annually	Index Cap Rate applied annually	Index Cap Rate applied monthly
<p>INDEX AVAILABILITY</p> <p>NOTE: Past Index performance is not intended to predict future performance and the Index does not include dividends.</p>	<ul style="list-style-type: none"> <li>• S&amp;P 500<sup>®</sup></li> <li>• (DJIA) Dow Jones Industrial Average<sup>SM</sup></li> <li>• S&amp;P MidCap 400<sup>®</sup></li> <li>• Russell 2000<sup>®</sup> Index</li> </ul>	<ul style="list-style-type: none"> <li>• S&amp;P 500<sup>®</sup></li> <li>• Dow Jones EUROSTOXX 50<sup>®</sup></li> <li>• (DJIA) Dow Jones Industrial Average<sup>SM</sup></li> <li>• S&amp;P MidCap 400<sup>®</sup></li> <li>• Russell 2000<sup>®</sup> Index</li> <li>• NASDAQ-100<sup>®</sup></li> <li>• Lehman Brothers U.S. Aggregate Index</li> </ul>	<ul style="list-style-type: none"> <li>• S&amp;P 500<sup>®</sup></li> <li>• NASDAQ-100<sup>®</sup></li> </ul>

## MONTHLY AVERAGING

This calculation method for determining any Interest Credit uses the average monthly changes in the index values, subject to an Index Cap Rate, to determine the Interest Credit for each contract anniversary. The Interest Credit is credited annually and is based on the average of the twelve previous monthly index values. The annual Interest Credit will never be less than zero.

## 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.

## ANNUAL POINT-TO-POINT

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 an Index Cap Rate.

## INDEX CAP RATE

An Index Cap Rate is applied to each of the Index Accounts. This rate, which is based upon current economic conditions, is declared each contract anniversary. Upon issue, the minimum Index Cap Rate will be guaranteed for the entire term of your contract. The following outlines the guaranteed minimum Index Cap Rate by Index Account. At no time will the rate fall below these minimum values. An Index Cap Rate does not apply to the Fixed Account.

- 3%—Monthly Averaging and Annual Point-to-Point
- 1%—Monthly Point-to-Point

## GUARANTEED GROWTH

Paramount Choice Ten contains guarantees that protect and maximize your retirement dollars. You are guaranteed the greater of the following values.

### INDEX ACCOUNT VALUE PLUS FIXED ACCOUNT VALUE

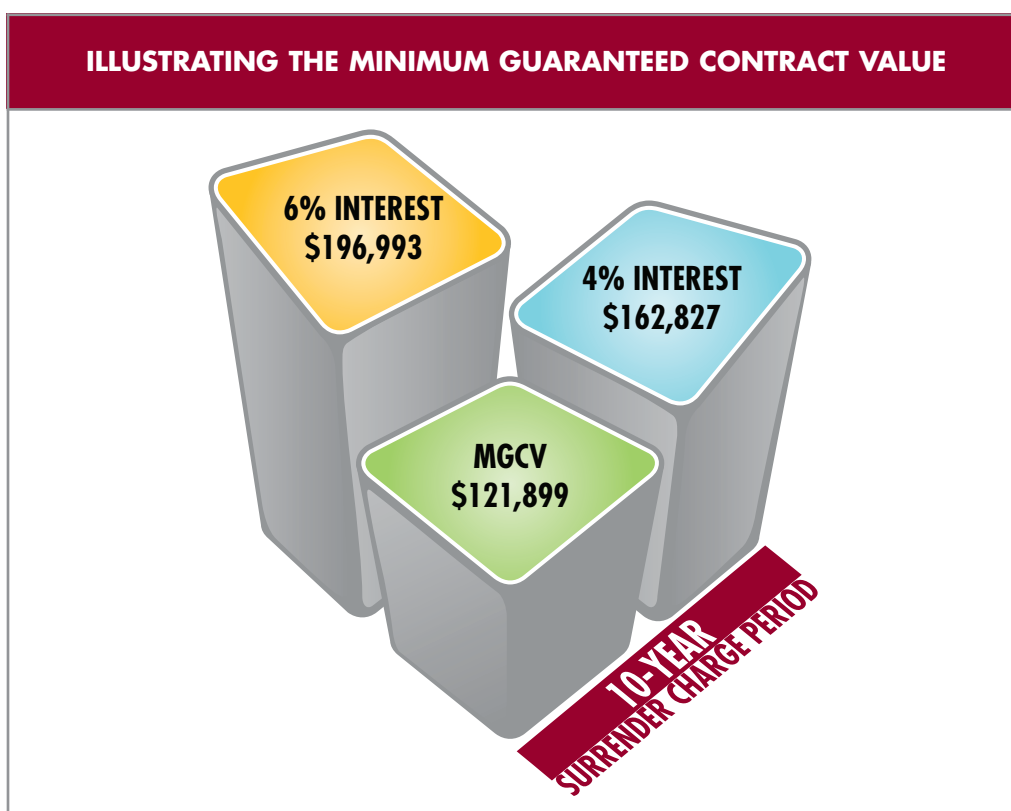
The Index Account Value equals 100% of premium allocated to the Index Account(s), adjusted for any transfer in or out of the account(s), less withdrawals and applicable surrender charges and Interest Adjustment, plus Interest Credits.

The Fixed Account Value equals 100% of your premiums allocated to the Fixed Account, adjusted for any transfers in or out of the account, less withdrawals and applicable surrender charges and Interest Adjustment, plus interest earned at the current rate.

### MINIMUM GUARANTEED CONTRACT VALUE (MGCV)

The MGCV equals 100% of premium (excluding any premium bonus), less any withdrawals—before any surrender charges or Interest Adjustment—accumulated at 2%, less surrender charges. The MGCV Interest Rate is set at issue and is guaranteed for the entire contract term.

Even assuming that you allocated 100% of your premium to the Index Account(s) and there were no Interest Credits, North American guarantees that once your contract is outside the surrender charge period the MGCV will continue to accumulate at 2% each contract year.



In this hypothetical illustration using an initial premium of \$100,000 and 10 years of 0% index growth—thanks to the MGCV and an assumed MGCV interest rate of 2%, you will have \$121,899 at the end of the surrender charge period, even if there were no Interest Credits to the contract.



## COMMON FEATURES

### ACCUMULATION VALUE

This is the value used to determine benefits under this contract. The Accumulation Value earns interest based on the initial premium, plus any interest credit earned and premium bonus, if applicable. This value will be reduced by the amount of any withdrawals, but cannot decrease due to negative index performance.

### INDEX VALUE

The Index Value on any trading day is the closing value on the previous trading day of the applicable index. The Index Value on any non-trading day is the Index Value associated with the previous trading day.

### ISSUE AGES

The issue age is the age of the annuitant on the last birthday prior to issuance of the contract. Available to issue ages 79 and younger. (Issue ages may vary by state.)

### CASH SURRENDER VALUE

The surrender value is paid upon the contract surrender during the surrender charge period. The surrender value is equal to the Accumulation Value less surrender charges and premium taxes, if applicable. At no time will the Surrender Value under this Contract be less than the minimum required, at the time of issue, by the laws of the state in which this Contract is delivered.



North American Paramount Choice Ten is issued on form LC/LS160A (contract/certificate), AE509A, AE510A, AE511A, LR428A, LR424A, LR427A, LR431A, LR433A, LR441A and LR442A (riders/endorsements) or 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. 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. Premium taxes, if required in your state, will reduce income payments.

**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.

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## PORTRAIT OF FINANCIAL STABILITY

A.M. Best	A+ (Superior) <sup>* °</sup>	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	AA- (Very Strong) <sup>° §</sup>	4th highest out of 22 categories	Standard & Poor's Corporation is an independent third-party rating firm that rates on the basis of financial strength.
Fitch Ratings	AA- (Very Strong)	4th highest out of 24 categories	Fitch is a leading global rating agency committed to providing the world's credit markets with independent, timely and prospective credit opinions.

\* A.M. Best rating assigned on January 4, 2008. For the latest rating, access [www.ambest.com](http://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 rating assigned December 21, 2007.

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.

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NORTH AMERICAN COMPANY FOR  
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