

From: North American Annuity Service Center
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Subject: Income Pay Changes Effective 8/24/11

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NORTH AMERICAN COMPANY FOR LIFE AND HEALTH INSURANCE

Income Pay[®] Changes Effective August 24, 2011

As you know, the continuing low interest rate environment has caused us to make changes and re-evaluate our annuity products and riders in an effort to maintain our solid financial strength for the long term. To that end we are making the following changes to the Income Pay effective August 24, 2011:

NEW OPTIONAL INCOME PAY GLWB RIDER COST (BONUS CREDIT OPTION TWO ONLY - 8% For 10 Years)

	Current:	New:
Rider Cost	0.75%	0.95%

IMPORTANT NOTICE: The Income Pay will no longer be available on the following Fixed Index Annuities:

North American Ten[®]

North American Paramount Choice Ten[®]

NEW OPTIONAL INCOME PAY GLWB RIDER LIFETIME PAYMENT PERCENTAGES

Attained Age	50-54	55-59	60-64	65-69	70-74	75-79	80+
Single Covered Person	3.50%	3.50%	4.00%	4.50%	5.00%	5.50%	6.00%
Joint Covered Person	2.50%	2.50%	3.00%	3.50%	4.00%	4.50%	5.00%

NOTE: The Lifetime Payment Percentages listed above are the same for both Bonus Credit Options; Option One (6% for Life) or Option Two (8% for 10 Years).

NEW PRODUCT MATERIALS: New product materials will be available through our regular supply order process on August 24, 2011 or through the links below. New materials will be required for all applications received on or after August 24, 2011.

[Income Pay Optional Guaranteed Lifetime Withdrawal Benefit Rider Brochure \(14192Z\)](#)

[Income Pay Election and Disclosure Form \(15215Z\)](#)

New Business Guidelines: The new rider cost and lifetime payment percentages will apply to applications received in the Home Office on or after August 24, 2011. Simply put, if the application is received before August 24, 2011, the lower rider cost and higher

lifetime payment percentages will apply; if applications are received on or after August 24, 2011, the higher rider cost and lower lifetime payment percentages will apply.

NOTE: An Interest Rate Change will go into effect on August 24, 2011 as well. The new interest rates will be communicated soon.

As a reminder, our interest rate hold guidelines are as follows: Applications must be received prior to this date to hold previous rates. Rates on 1035 Exchanges/Transfers are held 45 calendar days from the date the application was received in the Home Office. You may fax in 1035 Exchange/Transfers to hold the current rates, however, the original documentation must be received in the Home Office by the next business day in order to process the Exchange/Transfer. Funds received after 45 days will receive the applicable rates that are in effect at the time of receipt. No exceptions will be allowed for rate holds. Interest rates are subject to change without notice.

Please contact Marketing Support at 866-322-7066 for questions or assistance in ordering new product materials. We appreciate your support and as always, we thank you for your business.

Sincerely,



Lori Bochner
Vice President Marketing & Sales Support
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These products, their features and riders, are issued by North American Company for Life and Health Insurance, West Des Moines, IA and may not be available in all states.

The North American Ten[®], North American Paramount Choice Ten[®], and North American Freedom Choice[®] annuities are issued on form LC/LS160A (certificate/contract) or appropriate state variation.

The Income Pay[®] GMWB Rider, is an optional guaranteed lifetime withdrawal benefit (GLWB) available for an additional cost issued on form AE513Z (rider) and SP513B (spec page) or state variation. This rider may not be appropriate for all clients. Rider is not available on the North American Ten[®], the North American Paramount Choice Ten[®], the North American Freedom Choice[®] annuity with the 5% penalty-free withdrawal option. Please see product brochure for further product details.