

COMMISSION SCHEDULE ADDENDUM - North American Company for Life and Health Insurance®
IMPORTANT INFORMATION REGARDING COMMISSION PAYMENT. PLEASE READ CAREFULLY.

Unless otherwise identified, commissions will only be applied to collected premiums. Commissions on subsequent premiums will be paid on net premiums (premiums less withdrawals) and will only be paid upon receipt of additional premium. Commissions will be paid when a minimum of \$50.00 for EFT is accumulated. Agents must be actively contracted with North American Annuity Service Center in order to receive re-entry commission.

Trail commissions are paid out based on the full Accumulation Value annually starting on the first contract anniversary. Trail commissions will continue to be paid for the life of the Contract. Product availability varies by state and issue ages may vary by product and state, contact Sales Support at 866-322-7066 for complete details.

CHARGEBACKS - INITIAL TERM

For deaths, full surrenders, partial withdrawals and/or Required Minimum Distributions (RMDs) occurring within the first contract anniversary year, the following chargeback percentages apply: 1) All products except the North American Income® product: 100% chargeback from the date of issue through the end of the 6th month after the Contract issue date and 50% chargeback from the start of the 7th month after the Contract issue date through the first contract anniversary date.

For cancellations by North American, there is a 100% commission chargeback throughout the entire surrender charge period of the Contract. In addition and not limited by the forgoing, North American reserves the right to chargeback commissions at any time, in its sole discretion, pursuant to the agent Contract, which are expressly incorporated herein.

CHARGEBACKS - RENEWALS

For full surrenders or partial withdrawals after renewal of a Multi-Year Guaranteed Annuity (only those plans with a guarantee period of 5 years or longer) re-entry commissions will chargeback at 100% from the date of re-entry through the end of the first 6 months, and chargeback at 50% from the start of the seventh month after the re-entry date through the first contract anniversary date after re-entry. There is no re-entry commission chargeback in the event of death or RMD.

CHARGEBACKS – GENERAL

North American may charge a rate of 1.5% compounded monthly on any outstanding negative balances.

COMMISSION HOLDS

For contracts with premiums of \$500,000 or more, commissions will be held for a thirty day free-look period (beginning on the date the delivery receipt is received in the home office) in all states.

COMMISSION REDUCTIONS

NOTE: If a client exceeds the maximum issue age while the policy is pending a commission reduction may be applied at issue.

INTERNAL REPLACEMENTS

No commission will be paid on full or partial internal replacements within the surrender charge period.

SPOUSAL CONTINUANCE

Commissions are not paid on new premium added to a spousal continuance case.

PRIOR COMMISSION SCHEDULES

This Commission Schedule replaces all other commission schedules between the Agent and the Company, except that all commissions on business written under any prior commission schedule will be paid in accordance with the provisions of that schedule. All prior commission schedules are otherwise terminated.

COMMISSION SCHEDULE PART OF THE BASIC CONTRACT

This commission schedule shall be deemed to be a part of any existing contract with North American Company for Life and Health Insurance to which it is applicable and all of the provisions of this Commission Schedule shall be subject to all of the terms and conditions of such contract.

COMMISSIONS AFTER TERMINATION

Upon termination of your Contract with North American for any reason, rights to any applicable Bonus, Incentive Payments will be forfeit.

SINGLE PREMIUM IMMEDIATE ANNUITIES

- No Commission reductions

FIXED ANNUITY

- Commissions for issue ages 76-79 reduced by 25%
- Commissions for issue ages 80-85 reduced by 50%

FIXED INDEX ANNUITIES

- Commissions for issue ages 76-79 reduced by 25%
- Commissions for issue ages 80-85 reduced by 50%

MULTI-YEAR GUARANTEED ANNUITY

- Commissions and re-entry commissions for issue ages 81-85 reduced by 25%
- Commissions and re-entry commissions for issue ages 86-90 reduced by 50%
- Upon re-entry, if no surrender charge applies, no re-entry commission will be paid.

NOTE: Reduction does not apply to trail commissions.

* Issue ages may vary by product and state.

GA regular schedule IMC/regional manager 110 schedule



Effective Jan. 1, 2019

Contact sales support at 866-322-7066 for state availability and issue ages of annuity products.

Option A

Product	First year	Years 2-3	Years 4-5	Years 6+	Trail
NAC FoundationChoice 7 - Discontinued Jan. 15, 2019	5.00%	-	-	-	-
NAC IncomeChoice 7 - Discontinued Jan. 15, 2019 Performance Choice (8 year)	5.50%	2.75%	1.38%	-	-
NAC FoundationChoice 10 - Discontinued Jan. 15, 2019	6.00%	-	-	-	-
Strategic Design Annuity X (10 year) NAC BenefitSolutions (10 and 14 year) NAC VersaChoice (10 year)	7.25%	-	-	-	-
NAC IncomeChoice (10 year) Performance Choice (12 year) North American Charter Plus (10 and 14 year) NAC RetireChoice (10 and 14 year) - 14 year discontinued Jan. 15, 2019	7.25%	3.63%	1.81%	-	-
Product	First year	Years 2-5	Years 6-10	Years 11-15	Trail
North American Income (period certain 5-9 years)	1.20%	-	-	-	-
North American Income (all other options)	3.20%	-	-	-	-
North American Guarantee Choice (3-year option)	1.70%	Re-entry 0.56%			-
North American Guarantee Choice (5-year option)	2.20%				-
North American Guarantee Choice (7-year option)	2.70%				-
North American Guarantee Choice (10-year option)	3.20%				-

Option B

Product	First year	Years 2-3	Years 4-5	Years 6+	Trail
NAC FoundationChoice 7 - Discontinued Jan. 15, 2019	3.50%	-	-	-	0.25%
NAC IncomeChoice 7 - Discontinued Jan. 15, 2019 Performance Choice (8 year)	4.00%	2.00%	1.00%	-	0.25%
NAC FoundationChoice 10 - Discontinued Jan. 15, 2019	4.50%	-	-	-	0.25%
Strategic Design Annuity X (10 year) NAC BenefitSolutions (10 and 14 year) NAC VersaChoice (10 year)	5.75%	-	-	-	0.25%
NAC IncomeChoice (10 year) Performance Choice (12 year) North American Charter Plus (10 and 14 year) NAC RetireChoice (10 and 14 year) - 14 year discontinued Jan. 15, 2019	5.75%	2.88%	1.44%	-	0.25%

See cover page CS Addendum for details on chargebacks, commission holds, and product commission reductions.

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Contact sales support at 866-322-7066 for state availability and issue ages of annuity products.

Option C

Product	First year	Years 2-3	Years 4-5	Years 6+	Trail
NAC IncomeChoice 7 - Discontinued Jan. 15, 2019 Performance Choice (8 year)	2.50%	1.25%	0.63%	-	0.50%
Strategic Design Annuity X (10 year) NAC BenefitSolutions (10 and 14 year) NAC VersaChoice (10 year)	4.25%	-	-	-	0.50%
NAC IncomeChoice (10 year) Performance Choice (12 year) North American Charter Plus (10 and 14 year) NAC RetireChoice (10 and 14 year) - 14 year discontinued Jan. 15, 2019	4.25%	2.13%	1.06%	-	0.50%

Option D

Product	First year	Years 2-3	Years 4-5	Years 6+	Trail
NAC FoundationChoice 7 - Discontinued Jan. 15, 2019	1.05%	-	-	-	0.55%
NAC IncomeChoice 7 - Discontinued Jan. 15, 2019 Performance Choice (8 year)	1.25%	-	-	-	0.75%
NAC FoundationChoice 10 - Discontinued Jan. 15, 2019	1.05%	-	-	-	0.55%
NAC IncomeChoice (10 year) Strategic Design Annuity X (10 year) NAC BenefitSolutions (10 and 14 year) Performance Choice (12 year) North American Charter Plus (10 and 14 year) NAC RetireChoice (10 and 14 year) - 14 year discontinued Jan. 15, 2019 NAC VersaChoice (10 year)	1.25%	-	-	-	1.00%
North American Guarantee Choice (all options)	0.65%	No re-entry			0.45%

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