

CUSTOM

GrowthCVSM

MARKETING
GUIDE

Universal life insurance designed to provide long term cash value accumulations, making it ideal for:

- Retirement funding
- Key person insurance
- Buy sell agreements

Your clients receive high cash value accumulation potential

- Guaranteed interest rate of 3%
- Conditionally guaranteed Interest Bonus of 1% in years 11-20 and 1.15% in years 21+
- Conditionally guaranteed Premium Bonus

Great benefits

- Chronic Illness Accelerated Benefit Rider
- Waiver of Surrender Charge Option

Competitive compensation for you

- Attractive target premiums
- Two year rolling target premium



North American Company
for Life and Health Insurance
Since 1886

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MARKETING CUSTOM GROWTHCV

Helping your clients grow and protect their assets will enable them to prepare for their future financial plans. To make it all work, your clients need a life insurance product that not only provides comprehensive death benefit protection, but also delivers good long-term cash value accumulation. Welcome to Custom GrowthCV.

Custom GrowthCV is a universal life insurance product designed to help your clients build cash value. It also makes it easy to access the cash value with its unique liquidity features, like net zero cost loans available on the full loan value. It balances the protection your clients seek along with the performance to meet their financial goals. Custom GrowthCV accomplishes this by offering several key benefits including:

- Waiver of Surrender Charge Option with table shaving benefit
- Conditionally guaranteed Premium Bonus
- Conditionally guaranteed Interest Bonus
- Guaranteed 3% interest rate
- Age Last Birthday

Custom GrowthCV is great for individuals and businesses for a variety of uses:

- Individuals
 - Retirement supplement
 - 1035 Exchanges
 - Juveniles
 - Annuity maximization
- Businesses
 - Buy sell agreements
 - Key person insurance
 - Executive bonus plans

Additional benefits include:

- Net zero cost loans: Available on the **full loan value** in years 6+
- No premium payments after age 100
- Automatic Distribution Option: Policyowners can request monthly, quarterly, semi-annual or annual distribution of account value
- Underwriting requirements that help you place cases

Competitive Compensation

Custom GrowthCV offers you a two-year rolling target. North American will pay full first year commission on premium paid during the first 24 policy months. There is no minimum premium requirement to qualify for the rolling target.

GREAT CASH VALUE GROWTH POTENTIAL!

Custom GrowthCV can provide your clients with significant cash value growth through its Premium Bonus and Interest Bonus features.

Premium Bonus

A conditionally guaranteed Premium Bonus will be added to the account value for policies that persist beyond 10 years. Money will be paid in the form of interest credited to the account value. The bonus is added as an interest credit at the beginning of policy years 11–15.

To calculate the Premium Bonus, we first determine the average net premium. The average net premium is equal to the sum of the (total premiums paid less withdrawals taken in the first 10 years less the debt at the end of the 10th policy year) divided by 10.

The Premium Bonus is the lesser of the average net premium and 120% of the commissionable target premium. The Premium Bonus is spread out over five years (20% paid annually in years 11-15). The Premium Bonus feature is only available if:

- a. the policy is in effect; and
- b. we declare a current interest rate that exceeds the guaranteed interest rate; and
- c. we declare cost of insurance rates that are less than the guaranteed maximum cost of insurance rates in the schedule of policy benefits.



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Let's take a look at two examples to see how the premium bonus feature works.

Example 1

Target premium: \$1,000
Paid premium: \$800 each year
No withdrawals or loans are taken.

Premium Years 1-10	\$800
Average Paid Premium <i>(800 x 10/10)</i>	\$800
Premium Bonus Cap <i>120% x \$1,000</i>	\$1,200
Premium Bonus <i>\$800 is less than the premium bonus cap</i>	\$800
Credited to account value in years 11-15 <i>20% x 800</i>	\$160

In Example 1, the policy would be credited \$160 at the beginning of policy years 11-15, resulting in a total of \$800.

Example 2

Target premium: \$1,000
Paid premium: \$800 each year
Pour-in premium: \$5,000 (one time)
No withdrawals or loans are taken.

Premium Years 1-10	\$800 (annually) + \$5,000 (one time pour-in)
Average Paid Premium <i>(800 x 10 + 5,000)/10</i>	\$1,300
Premium Bonus Cap <i>120% x \$1,000</i>	\$1,200
Premium Bonus <i>\$1,300 is greater than the premium bonus cap</i>	\$1,200
Credited to account value in years 11-15 <i>20% x 1,200</i>	\$240

In Example 2, the policy would be credited \$240 at the beginning of policy years 11-15, resulting in a total of \$1,200.

The information presented above is hypothetical and not intended to project or predict investment results.

Interest Bonus

Custom GrowthCV offers a conditionally guaranteed interest bonus to further help your clients build long-term cash value accumulation. Interest bonus may be earned when we declare a current interest rate that exceeds the guaranteed interest rate. The current interest bonus rates are 1.0% in years 11-20 and 1.15% in years 21 and thereafter. The current interest bonus rates are not guaranteed and are subject to change; however once a policy is issued, the percentage will not change. (Not available in Texas.)

Interest bonus is not applied to loaned funds. North American's illustration software allows you to illustrate a case with or without interest bonus.

Waiver of Surrender Charge Option

Sometimes, surrendering a policy is a necessary step. You can help your clients avoid costly surrender charges by adding the Waiver of Surrender Charge Option to their Custom GrowthCV policy. This option gives your clients peace of mind and is a great feature that may help them should a need to surrender the policy arise.

The Waiver of Surrender Charge Option will waive the surrender charges unless the policy is surrendered as a 1035 Exchange and sent to another company. This option must be selected at the time of application. It is available for an additional charge of \$.04-.06 per \$1,000 per month, depending on issue age.

In addition, table shaving is available for policies that include the Waiver of Surrender Charge Option. When a person applies for life insurance coverage, his or her health is evaluated and a corresponding underwriting rating is applied. This product's table shaving feature allows certain substandard underwriting rates (known as "table ratings") to be improved to a "standard" rating. A standard rating generally indicates average health and involves a lower life insurance premium than do substandard ratings. Qualifying rated cases through Table 4 will be classified as Standard. Qualifying cases include policies up to \$5 million for ages 0-75. This does not apply beyond Table 4 and cannot be used to move a proposed insured into one of the Preferred classes. This is a great feature for business situations when placement of multiple cases is needed.

FAVORABLE UNDERWRITING!



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The Waiver of Surrender Charge Option reduces the target premium to 62% of the base plan target. The lower target premium is used to calculate the maximum premium bonus.

When the Waiver of Surrender Charge Option is selected, it creates greater cash value accumulation in the beginning policy years and less cash value in future policy years as compared to when the option is not selected. An example of this situation is shown below.

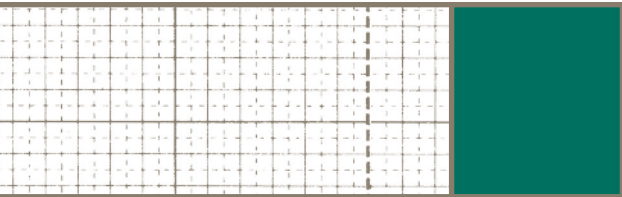
**Impact on cash value with
Waiver of Surrender Charge Option**

Male, Age 55, Super Preferred NT,

\$250,000 death benefit, assumes 6% interest and current assumptions
\$20,000 pour-in and \$5,000 premium in years 1-15

Target Premium	\$5,285	\$3,277
	Cash Value Without Option(\$)	Cash Value With Option (\$)
Year 1	14,244	23,809
Year 5	36,882	44,405
Year 10	72,798	76,130
Year 20	189,958	178,443
Year 30	370,740	346,409
Age 100	1,012,482	945,892

This information is hypothetical and not intended to project or predict investment results.



CUSTOM GROWTHCV PRODUCT SPECIFICATIONS

The following product details are highlights of Custom GrowthCV. For complete details, please visit our distributor Website, Producer's InfoNet, at www.producersinfonet.com.

Also, be sure to consult our illustration software—you'll find helpful tools that are designed to provide answers quickly and easily!

Minimum Face Amount

- \$25,000

Issue Ages

- 15 days-75 years (age last birthday)

Minimum Premium

- Coverage is guaranteed for twenty years or to age 70 (whichever is less, but never less than five years) provided the no-lapse guarantee minimum premium is paid.
- On a current basis, the policyholder is allowed to "catch-up" on the no-lapse guarantee minimum premium. On a guaranteed basis, "catch-up" is not allowed.

Please consult our illustration software for premium rates.



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Target Premium

- Target Premiums are based upon age, gender, specified amount, underwriting class, riders and ratings.
- If the Waiver of Surrender Charge Option is selected, chargebacks are applicable upon policy lapse or if the Waiver of Surrender Charge Option is exercised and surrender charges are waived. There are no chargebacks if the Waiver of Surrender Charge Option is not selected.
- The Waiver of Surrender Charge Option reduces the target premium to 62% of the base plan target. The lower target premiums are used in calculating the maximum premium bonus.

Please consult our illustration software for Target Premium rates.

Interest Rate

- 3% guaranteed in all years is credited to the account value.
- Current interest bonus rate is 1.0% in years 11-20 and 1.15% in years 21+ when North American declares a current interest rate that exceeds the guaranteed interest rate (interest bonus not applied to loaned funds). The current interest bonus rates are not guaranteed and are subject to change. (Not available in Texas.)
- Current rate set by company—only non-loaned policy values gain current rate.
- Current interest rate is guaranteed for the first policy year.

Withdrawals

- Partial withdrawals are available starting in the first policy year.
- Only one withdrawal may be made in the first policy year.
- The maximum cumulative withdrawal in policy year one is equal to 50% of the net cash surrender value. In policy year two and beyond, the maximum cumulative withdrawal is equal to 90% of the net cash surrender value.
- Minimum withdrawal is \$500.
- Surrender charges decrease on an annual basis for policy years 1 through 15.
- Surrender charges vary by age, sex, underwriting class, policy year and amount of coverage.
- Consult illustration software for surrender charges for all ages and durations.
- Surrender charges do not apply when the Waiver of Surrender Charge Option is selected unless the policy is surrendered as a 1035 Exchange and sent to another company.



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Loans

There are two loan options available on Custom GrowthCV.

- **Regular Loans**

Regular loans are available beginning in the first policy year. Please refer to the illustration software for the current loan interest rate. The policy loan interest rate is guaranteed not to exceed 6%.

- **Net Zero Cost Loans**

Beginning in the 6th policy year, loans have no net cost because the loan interest rate and the credited interest rate are both set at 3% resulting in a 0% net loan interest rate.

Automatic Distribution Option

The policyowner can request monthly, quarterly, semi-annual or annual distributions of the account value. This is ideal when the policy is being used for retirement supplement. The policyowner needs to complete the Automatic Distribution Option form O-2788 to begin receiving the distribution.

Overloan Protection Benefit

The policy is to remain in effect when extensive loans are taken provided the policy is not terminated due to surrender and the policyowner does not take policy loans or withdrawals during the Overloan Protection period. Subject to premium payment requirements. Additional qualifications apply. This is an automatic benefit included with Custom GrowthCV.

Death Benefits

There are two Death Benefit options with Custom GrowthCV:

- Level Death Benefit, where the death benefit is at least the Specified Amount
- Increasing Death Benefit, where the death benefit is at least the Specified Amount plus the Account Value in the policy

In some situations, loans and withdrawals may be subject to federal taxes. North American Company and its agents do not give tax or legal advice. Clients should be instructed to consult with and rely on their own tax advisor or attorney for advice on their specific situation.

Life Insurance Tests

- **Guideline Premium Test**

A policy that uses the GPT will have limitations on the amount of premium that can be paid. The limitations, called Guideline Single Premium and Guideline Level Premium, are required by the Internal Revenue Code for the policy to qualify as a life insurance contract.

- **Cash Value Accumulation Test**

A policy that uses CVAT does not have limitations on the amount of premium that can be paid. The death benefit for a policy that uses CVAT might be increased in order to qualify the policy as a life insurance contract.

Maturity Date

- To age 120, age last birthday

Specified Amount Changes

Increases

- Available during the first policy year with satisfactory evidence of insurability
- Minimum increase amount is \$25,000

Decreases

- Available after the second policy year
- The specified amount may not be decreased below \$25,000



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EXTRA VALUE!

Chronic Illness Accelerated Benefit Rider¹

This accelerated benefit rider advances a portion of the death benefit if the insured is chronically ill, which is defined as permanently unable to perform at least two of the six Activities of Daily Living or has a severe cognitive impairment. The rider is not available to insureds over issue age 75, or on insureds rated higher than Table 4 or on policies that contain medical flat extras. An administrative fee is required at the time of election. There is no additional premium for this benefit. Additional exclusions and limitations apply. May not be exercised at the same time as the Accelerated Benefit Endorsement. Refer to the Chronic Illness Accelerated Benefit Rider guide (PR-1080) for complete details. (In Minnesota, this rider is known as the Accelerated Benefit Rider for Continuous Confinement.)

Additional Riders

Additional riders available for Custom GrowthCV are:

- Accelerated Benefit Endorsement
- Accidental Death Benefit Rider
- Children's Term Rider
- Guaranteed Insurability Rider
- Waiver of Monthly Deductions Rider

North American's illustration software can illustrate cases that include these riders.

¹ Chronically ill is defined as permanently unable to perform at least two of the six Activities of Daily Living (bathing, continence, dressing, eating, toileting and transferring) without substantial assistance from another person. Severe cognitive impairment means the insured requires substantial supervision by another person to protect him or herself from threats to health and safety due to a severe cognitive impairment. (In MN, Continuous Confinement in an Eligible Institution and expected to remain there for the rest of his or her life).

Policy Costs

- Monthly administrative fee is \$7.00.
- Guaranteed premium load assessed is a maximum of 5% in all years.
- Current premium load is 5% in policy years one through 15.
- Guaranteed cost of insurance charges based on 2001 CSO Ultimate, Composite, gender distinct, age last birthday mortality tables (Montana uses gender non-distinct tables).



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Underwriting

Issue Ages (Age Last)	Specified Amount: \$25,000 to Maximum
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15 days-17 years*	Standard NT
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18-75	Super Preferred NT Preferred NT Standard NT
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18-75 16 years -75 years	Preferred TB Standard TB
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*Juveniles (issue ages 15 Days to 17 Years) are issued Standard Non-Tobacco

Substandard

Table ratings are available for medical reasons and vary by issue age. Table ratings are applied under the following guidelines:

- Table ratings are 25% per table for COI rates and minimum premiums
- Table ratings are 25% per table for target premiums
- Table ratings are applied to the Standard Non-Tobacco or Standard Tobacco rates
- Table ratings are capped at a maximum table rating of 400%
- Table shaving is available for policies that include the Waiver of Surrender Charge Option²

Flat extras are available for both medical and non-medical reasons and vary by issue age. Flat extras are applied under the following guidelines:

- Non-medical flat extras are applied to all rate classes except Super Preferred NT
- Medical flat extras are applied to the Standard Non-Tobacco and Standard Tobacco rates
- Temporary flat extras are non-commissionable

² When a person applies for life insurance coverage, his or her health is evaluated and a corresponding underwriting rating is applied. This product's table shaving feature allows certain substandard underwriting rates (known as "table ratings") to be improved to a "standard" rating. A standard rating generally indicates average health and involves a lower life insurance premium than do substandard ratings.

Unisex Requirements for Super Preferred Non-Tobacco and Preferred Non-Tobacco/Preferred Tobacco Underwriting Classifications

	Super Preferred Non-Tobacco	Preferred Non-Tobacco
Aviation	Private pilots (ages 27-65) may qualify with 300+ hours, IFR, 50-150 flight hours per year, and all flights within the USA	Flat extra allowed for aviation
Blood Pressure	<p>Up to age 50: Has blood pressure that is 140/85 or better, without treatment from all sources</p> <p>Ages 51-60: Has blood pressure that is 145/85 or better, without treatment from all sources</p> <p>Age 61 and above: Has blood pressure that is 150/85 or better, without treatment from all sources</p>	<p>Up to age 50: Has blood pressure that is 140/90 or better, with or without treatment from all sources</p> <p>Ages 51-60: Has blood pressure that is 145/90 or better, with or without treatment from all sources</p> <p>Age 61 and above: Has blood pressure that is 150/90 or better, with or without treatment from all sources</p>
Cholesterol	Has a cholesterol count, without treatment, of 220 or less, with a total cholesterol/HDL ratio of 5.0 or less, without treatment	Has a cholesterol count, with or without treatment, of 240 or less, with a total cholesterol/HDL ratio of 6.0 or less, with or without treatment
Citizenship	Is a US Citizen or has had a permanent resident status for at least 2 years	Is a US Citizen or has had a permanent resident status for at least 2 years
Driving	Has not had more than 1 moving violation in the past 3 years, or a DWI, DUI, reckless driving conviction, multiple accidents, or non-administrative license suspension in the past 5 years	Has not had more than 3 moving violations in the past 3 years, or a DWI, DUI, reckless driving conviction, or non-administrative license suspension in the past 5 years
Drug / Alcohol	No history of drug or alcohol abuse or treatment within the past 10 years	No history of drug or alcohol abuse or treatment within the past 10 years
Family History	Has not had a natural parent or sibling diagnosed with or die from coronary artery disease or cancer prior to age 60	Has not had a natural parent or sibling die from coronary artery disease or cancer prior to age 60
Foreign Travel*	Travel to countries or areas considered hazardous by North American may be excluded	Travel to countries or areas considered hazardous by North American may be excluded
Military	Not an active duty military risk	Not an active duty military risk
Personal History	No history of cancer (excluding non-melanoma skin cancers), diabetes, cardiovascular disease, coronary artery disease, or other significant health problems	No history of cancer (excluding non-melanoma skin cancers), diabetes, cardiovascular disease, coronary artery disease, or other significant health problems
Physical Measurements	Weight within the range shown in Super Preferred Non-Tobacco height/weight chart	Weight within the range shown in the Preferred Non-Tobacco height/weight chart
Recreation	No participation in hazardous sports within past 24 months with no future plans to participate in hazardous sports. Non-technical (wreck, cave, etc.) scuba diving with max. depth of 50 ft. is acceptable	Non-ratable hazardous sports (e.g. racing, scuba diving, skydiving) are acceptable
Tobacco	Has not used tobacco or nicotine, in any form (including nicotine patches and gum), in the past 36 months	Has not used tobacco or nicotine, in any form (including nicotine patches and gum), in the past 36 months
Ratings	Must not be substandard for any reason	Must not be substandard for any reason other than flat extra for aviation or avocation

* This may vary by state



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**Build Requirements for Super Preferred Non-Tobacco
and Preferred Non-Tobacco Underwriting Classifications**

Super Preferred Non-Tobacco Height & Weight Limits - Female					
4' 10"	127	5' 6"	165	6' 2"	207
4' 11"	131	5' 7"	169	6' 3"	212
5' 0"	136	5' 8"	174	6' 4"	218
5' 1"	140	5' 9"	179	6' 5"	224
5' 2"	145	5' 10"	184	6' 6"	230
5' 3"	149	5' 11"	190	6' 7"	236
5' 4"	155	6' 0"	195		
5' 5"	159	6' 1"	201		

Super Preferred Non-Tobacco Height & Weight Limits - Male					
4' 10"	135	5' 6"	176	6' 2"	220
4' 11"	140	5' 7"	180	6' 3"	226
5' 0"	145	5' 8"	186	6' 4"	232
5' 1"	150	5' 9"	192	6' 5"	238
5' 2"	155	5' 10"	197	6' 6"	244
5' 3"	160	5' 11"	203	6' 7"	251
5' 4"	165	6' 0"	208		
5' 5"	170	6' 1"	214		

Preferred Non-Tobacco/Preferred Tobacco Height & Weight Limits - Female					
4' 10"	135	5' 6"	174	6' 2"	219
4' 11"	140	5' 7"	180	6' 3"	225
5' 0"	144	5' 8"	185	6' 4"	231
5' 1"	149	5' 9"	190	6' 5"	237
5' 2"	154	5' 10"	196	6' 6"	243
5' 3"	160	5' 11"	202	6' 7"	250
5' 4"	164	6' 0"	207		
5' 5"	169	6' 1"	213		

Preferred Non-Tobacco/Preferred Tobacco Height & Weight Limits - Male					
4' 10"	146	5' 6"	188	6' 2"	238
4' 11"	151	5' 7"	194	6' 3"	243
5' 0"	156	5' 8"	200	6' 4"	250
5' 1"	161	5' 9"	206	6' 5"	257
5' 2"	167	5' 10"	212	6' 6"	264
5' 3"	172	5' 11"	218	6' 7"	270
5' 4"	177	6' 0"	224		
5' 5"	183	6' 1"	231		

Requirements for Tobacco Underwriting Classifications

Preferred Tobacco

- All requirements needed for the Preferred Non-Tobacco class for the appropriate issue age
- Tobacco Usage

Has used tobacco or nicotine in some form during the last 36 months

Standard Tobacco

- All requirements needed for the Standard Non-Tobacco class for the appropriate issue age
- Tobacco Usage

Has used tobacco or nicotine in some form during the last 12 months



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Custom GrowthCV is issued on policy form series LS166. Accelerated Benefit Endorsement is issued on form series LR352A, Accidental Death Benefit Rider is issued on form series LR370A, Children's Term Rider is issued on form series LR372A, Chronic Illness Accelerated Benefit Rider (In Minnesota, Accelerated Benefit Rider for Continuous Confinement) is issued on form series LR450A, Guaranteed Insurability Rider is issued on form series LR373A, Waiver of Monthly Deductions Rider is issued on form series LR416A; or state variation by North American Company for Life and Health Insurance.

Not all products, features, riders, endorsements or issue ages are available in all jurisdictions. Limitations and restrictions may apply.

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