

**COMMISSION SCHEDULE ADDENDUM - Effective 08-09-12- 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. Renewal commissions 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. Commissions are not paid on new premium added to a spousal continuance case. Product availability varies by state and issue ages may vary by product and state, contact Marketing 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®, North American Pillar®, NA Flex I®, II® and III® products: 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; and 2) NA Flex I®, II® and III®, and North American Pillar product: 100% chargeback during the first contract year and 50% chargeback during the second contract year.

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 paragraphs 7 and 9 of 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.

#### 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

Applicable state reductions will be applied before issue age 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.

### TRADITIONAL FIXED ANNUITIES

#### NORTH AMERICAN DIRECTOR<sup>SM</sup>

- Commission reduced by 25% for issue ages 81-85.
- MO, TX and VA commission percentage reduced by 1.00.

#### NA FLEX SERIES (NA FLEX I®, NA FLEX II® & NA FLEX III®)

- Flex I: Commission for issue ages 76-80 reduced by 25% and 50% for issue ages 81-85.
- Flex II: Commission for issue ages 76-79 reduced by 25%.
- WA (Flex I) commission percentage reduced by 1.00.
- VA (Flex Series) commission percentage reduced by 1.00.
- MO commission percentage reduced by 1.00 on all options.

#### THE BOOMER ANNUITY®

- Commission for issue ages 76 and above reduced by 25%.

\* Issue ages may vary by state.

### FIXED INDEX ANNUITIES

#### NAC RETIRECHOICE<sup>SM</sup>

- Commissions for issue ages 76-79 reduced by 25%.
- 14-year option has issue ages of 0-75\*.
- VA commissions percentage reduced by 1.00 for both options.

#### NORTH AMERICAN CHARTER<sup>SM</sup> & NORTH AMERICAN PRECISION<sup>SM</sup>

- 7 year option: Commission for issue ages 76-80 reduced by 25% and 50% for issue ages 81-85.
- 10 year option: Commission for issue ages 76-79 reduced by 25%.
- 14 year option has issue ages of 0-75\*.
- MN and VA commission percentage reduced by 1.00 on all options.

#### NORTH AMERICAN TEN®

- Commission for issue ages 76-79 reduced by 25%.
- MO and VA commission percentage reduced by 1.00.

#### NORTH AMERICAN PARAMOUNT CHOICE TEN®

- Commission for issue ages 76-79 reduced by 25%.
- MO and VA commission percentage reduced by 1.00.

#### NORTH AMERICAN FREEDOM CHOICE®

- 6- and 8-year: Commission for issue ages 76-80 reduced by 25% and 50% for issue ages 81-85.
- 10 year: Commission for issue ages 76-79 reduced by 25%.
- 14 year option has issue ages of 0-75\*.
- MO commission percentage reduced by 1.00 on all options.

#### FORMULA CHOICE®

- Commission for issue ages 76-80 reduced by 25% and 50% for issue ages 81-85.
- MN, UT and VA commission percentage reduced by 1.00.

#### NORTH AMERICAN PRIZM PLUS®

- 7-year: Commission for issue ages 76-80 reduced by 25% and 50% for issue ages 81-85.
- 10 year: Commission for issue ages 76-79 reduced by 25%.
- 14 year option has issue ages of 0-75\*.
- MO and VA commission percentage reduced by 1.00.

#### NORTH AMERICAN PILLAR®

- Commission for issue ages 76-79 reduced by 25%.

#### PERFORMANCE CHOICE®

- 8-year: Commission for issue ages 76-79 reduced by 25% and 50% for issue ages 80-85.
- TX Commission percentage reduced by 1.00 for 8-Year and 8-Year Plus.
- SC Commission percentage reduced by 1.00 for 8-Year only.

### MULTI-YEAR GUARANTEED ANNUITIES

#### NORTH AMERICAN GUARANTEE CHOICE<sup>SM</sup>

- Commission reduced by 25% for issue ages 81-85 and 50% for issue ages 86-90.
- IN and OK commission for issue ages 76-80 reduced by 25% and 50% for issue ages 81-85.
- CT, FL, IL and TX first-year commission percentage reduced by 0.25; re-entry percentage commission reduced by 0.125.

### SINGLE PREMIUM IMMEDIATE ANNUITIES

#### NORTH AMERICAN INCOME®

- No commission reductions.

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**Option A**

		Renewal Commissions			
Product	First Year	Years 2-3	Years 4-7	Years 8+	
Formula Choice®	5.00%	0.50%	-	-	
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus® (7-year)	Temporarily unavailable for sale				
North American Freedom Choice® (8-year)	5.50%	3.00%	0.50%	-	
North American Freedom Choice® (6-year)	5.50%	0.50%	-	-	
NA Flex I®	4.50%	2.50%	0.50%	-	
Performance Choice® (8-year)	5.00%	0.50%	-	-	
Product	First Year	Years 2-3	Years 4-9	Years 10+	
NAC RetireChoice <sup>SM</sup> (10-year)	6.50%	2.00%	0.50%	-	
North American Paramount Choice Ten®	6.50%	2.00%	0.50%	-	
North American Ten®	5.50%	1.00%	-	-	
NA Flex II®	4.50%	2.50%	0.50%	-	
North American Pillar®	4.50%	-	-	-	
Performance Choice® (12-year)	6.00%	0.50%	-	-	
Product	First Year	Years 2-3	Years 4-10	Years 11+	
North American Freedom Choice® (10-year)	5.50%	3.00%	0.50%	-	
North American Charter <sup>SM</sup> , Precision <sup>SM</sup> and Prizm Plus® (10-year)	6.50%	1.00%	-	-	

		Renewal Commissions				
Product	First Year	Years 2-5	Years 6-10	Years 11-15	Trail	
NAC RetireChoice <sup>SM</sup> (14-year)	7.50%	3.00%	1.30%	-	-	
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus®(14-year)	7.00%	2.50%	0.50%	-	-	
North American Freedom Choice® (14-year)	5.50%	3.50%	1.50%	0.50%	-	
North American Director <sup>SM</sup>	5.50%	0.50%	-	-	-	
North American Income® (Period Certain 5-9 years)	2.00%	-	-	-	-	
North American Income® (All other options)	2.00%	-	-	-	-	
North American Guarantee Choice <sup>SM</sup>	2.50%	Re-entry 0.75%			-	
Cash Management Annuity	-	-	-	-	0.10%	
NA Flex III®	4.50%	2.50%	0.50%	0.50%	-	

		Renewal Commissions					Annuitization Commission	
Product	First Year	Years 2-5	Years 6-7	Years 8-10	Years 11+	Years 8-10	Years 11+	
The Boomer Annuity®	7.00%	3.00%	2.00%	-	-	1.00%	1.50%	

TEXAS ONLY	Product	Commissions	Year(s)	Trail (Year 2 Only)*	Renewal Commissions	Year(s)	Renewal Commissions	Year(s)	Renewal Commissions	Year(s)	
	North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> (7-year option)	Temporarily unavailable for sale									
	North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> (10-year option)	3.65%	1	2.00%	-	-	-	-	-	-	
	North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> (14-year option)	4.15%	1	2.00%	-	-	-	-	-	-	

\*Trail commission for North American Precision and North American Charter in TX is paid one time at the beginning of Year 2. This is not an ongoing trail commission.

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### 403(b) Salary Reduction\*

Product	Commissions	Year(s)	Commissions	Year(s)	Commissions	Year(s)	Commissions	Year(s)
NAC RetireChoice <sup>SM</sup> (10-year)	6.50%	1	3.00%	2-10	0.50%	11+	-	-
NAC RetireChoice <sup>SM</sup> (14-year)	7.50%	1	4.00%	2-14	1.00%	15+	-	-
Formula Choice <sup>®</sup>	5.00%	1	1.00%	2-5	-	-	-	-
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus <sup>®</sup> (7-year)	Temporarily unavailable for sale							
North American Freedom Choice <sup>®</sup> (8-year)	5.50%	1	2.00%	2-8	-	-	-	-
North American Freedom Choice <sup>®</sup> (6-year)	5.50%	1	2.00%	2-6	-	-	-	-
NA Flex I <sup>®</sup>	4.50%	1	2.50%	2-7	-	-	0.50%	8+
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus <sup>®</sup> (10-year)	6.50%	1	3.00%	2-10	-	-	-	-
North American Paramount Choice Ten <sup>®</sup>	6.50%	1	3.00%	2-10	-	-	0.50%	11+
North American Ten <sup>®</sup>	5.50%	1	2.00%	2-10	-	-	-	-
North American Freedom Choice <sup>®</sup> (10-year)	5.50%	1	2.00%	2-10	-	-	-	-
NA Flex II <sup>®</sup>	4.50%	1	2.50%	2-10	-	-	0.50%	11+
North American Pillar <sup>®</sup>	4.50%	1	1.50%	2-10	-	-	-	-
Performance Choice <sup>®</sup> (8-year)	5.00%	1	1.00%	2-8	-	-	-	-
Performance Choice <sup>®</sup> (12-year)	6.00%	1	6.00%	2-4	1.00%	5-12	-	-
NAC RetireChoice <sup>SM</sup> (14-year)	7.50%	1	4.00%	2-5	1.00%	6-10	-	-
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus <sup>®</sup> (14-year)	7.00%	1	7.00%	2-5	3.50%	6-14	0.50%	15+
North American Freedom Choice <sup>®</sup> (14-year)	5.50%	1	5.50%	2-5	2.00%	6-14	-	-
NA Flex III <sup>®</sup>	4.50%	1	4.50%	2-5	2.50%	6-14	0.50%	15+
North American Director <sup>SM</sup>	5.50%	1	5.00%	2-3	-	-	2.00%	4+

Product	Renewal Commissions				Annuitization Commission	
	First Year	Years 2-3	Years 4-10	Yrs 11+	Yrs 8-10	Years 11+
The Boomer Annuity <sup>®</sup>	7.00%	3.50%	3.50%	2.00%	1.00%	1.50%

\*Rollovers and direct transfers will not use the 403(b) salary reduction schedule. Agent must be set up under Option A in order to receive the levelized commissions listed above.

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### Option B

		Renewal Commissions				
Product	First Year	Years 2-3	Years 4-7	Years 8+	Trail	
Formula Choice®	3.50%	-	-	-	0.25%	
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus® (7-year)	Temporarily unavailable for sale					
North American Freedom Choice® (8-year)	4.00%	1.00%	-	-	0.25%	
North American Freedom Choice® (6-year)	4.00%	1.00%	-	-	0.25%	
NA Flex I®	3.00%	1.00%	-	-	0.25%	
Product	First Year	Years 2-3	Years 4-9	Years 10+	Trail	
NAC RetireChoice <sup>SM</sup> (10-year)	3.50%	0.50%	-	-	0.50%	
North American Paramount Choice Ten®	3.75%	0.75%	-	-	0.50%	
North American Ten®	2.75%	-	-	-	0.50%	
NA Flex II®	3.00%	1.00%	-	-	0.50%	
North American Pillar®	2.00%	-	-	-	0.50%	
Performance Choice® (8-year)	2.00%	-	-	-	0.50%	
Performance Choice® (12-year)	3.00%	0.50%	-	-	0.50%	
Product	First Year	Years 2-3	Years 4-10	Years 11+	Trail	
North American Freedom Choice® (10-year)	3.75%	1.00%	1.00%	-	0.20%	
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus® (10-year)	3.50%	0.50%	-	-	0.50%	

		Renewal Commissions				
Product	First Year	Years 2-5	Years 6-10	Years 11+	Trail	
NAC RetireChoice <sup>SM</sup> (14-year)	4.50%	1.50%	-	-	0.50%	
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus® (14-year)	4.00%	1.00%	-	-	0.50%	
North American Freedom Choice® (14-year)	3.75%	2.00%	1.00%	-	0.25%	
North American Director <sup>SM</sup>	4.50%	-	-	-	0.05%	
North American Income® (Period Certain 5-9 years)	2.00%	-	-	-	-	
North American Income® (All other options)	2.00%	-	-	-	-	
North American Guarantee Choice <sup>SM</sup>	2.50%	Re-entry 0.75%			-	
Cash Management Annuity	-	-	-	-	0.10%	
NA Flex III®	3.00%	1.00%	-	-	0.25%	

		Renewal Commissions				Annuitization Commission		
Product	First Year	Years 2-5	Years 6-7	Years 8-10	Years 11+	Years 8-10	Years 11+	Trail
The Boomer Annuity®	4.00%	1.50%	-	-	-	1.00%	1.50%	0.50%

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### Option C

		Renewal Commissions			
Product	First Year	Years 2-3	Years 4-7	Years 8+	Trail
Formula Choice®	2.00%	-	-	-	0.50%
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus® (7-year)	Temporarily unavailable for sale				
North American Freedom Choice® (8-year)	2.50%	0.50%	-	-	0.50%
North American Freedom Choice® (6-year)	2.50%	0.50%	-	-	0.50%
NA Flex I®	1.50%	0.50%	-	-	0.50%
Product	First Year	Years 2-3	Years 4-9	Years 10+	Trail
NAC RetireChoice <sup>SM</sup> (10-year)	0.75%	-	-	-	1.00%
North American Paramount Choice Ten®	1.00%	-	-	-	1.00%
North American Ten®	-	-	-	-	1.00%
NA Flex II®	1.50%	0.50%	-	-	0.50%
North American Pillar®	2.00%	-	-	-	1.00%
Performance Choice® (8-year)	-	-	-	-	1.00%
Performance Choice® (12-year)	0.25%	-	-	-	1.00%
Product	First Year	Years 2-3	Years 4-10	Years 11+	Trail
North American Freedom Choice® (10-year)	2.00%	0.50%	-	-	0.50%
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus® (10-year)	0.75%	-	-	-	1.00%

		Renewal Commissions			
Product	First Year	Years 2-5	Years 6-10	Years 11+	Trail
NAC RetireChoice <sup>SM</sup> (14-year)	1.75%	0.25%	-	-	1.00%
North American Charter <sup>SM</sup> , North American Precision <sup>SM</sup> and North American Prizm Plus® (14-year)	1.25%	-	-	-	1.00%
North American Freedom Choice® (14-year)	2.00%	0.50%	-	-	0.50%
North American Director <sup>SM</sup>	2.50%	-	-	-	0.35%
North American Income® (Period Certain 5-9 years)	2.00%	-	-	-	-
North American Income® (All other options)	2.00%	-	-	-	-
North American Guarantee Choice <sup>SM</sup>	2.50%	Re-entry 0.50%			-
Cash Management Annuity	-	-	-	-	0.10%
NA Flex III®	1.50%	0.50%	-	-	0.50%

		Renewal Commissions				Annuitization Commission		
Product	First Year	Years 2-5	Years 6-7	Years 8-10	Years 11+	Years 8-10	Years 11+	Trail
The Boomer Annuity®	1.25%	0.50%	-	-	-	1.00%	1.50%	1.00%