

Get interest credits in a downturn



How one index crediting strategy¹ could turn negative market performance into a positive

Give yourself the potential for positive growth in times of negative index performance. It might be hard to believe, but that's exactly what the **all-new Inverse Edge Trigger crediting strategy was designed to do — provide you credited interest in a market downturn.**

You might also see the Inverse Edge Trigger referred to as an *annual threshold negative performance* option.

How it works

If the index tied to this strategy sees zero growth or declines, you'll get a declared rate of interest (also known as declared performance rate).

Unique to this strategy, a larger index loss could result in a larger declared performance rate and therefore a larger credit. On the flipside, if the index grows, those periods will result in 0% credited to the account. And, as always in a fixed index annuity, the accumulation value can never lose value due to market changes.

Similar to how a fixed account option works, the declared performance rates are set by the company, and they will never be less than the guaranteed minimum.

In this hypothetical example, you see how the change in the index can impact the interest credit.

Positive

0% credited

Index change:

10%

Interest credit:

0%

Zero or slightly negative

Base declared performance rate credited since index change is between zero and -9.99%

0% down to -9.99%

2%

-10% or more negative

Enhanced declared performance rate credited since index change is less than Negative Index Return Threshold

-10% or more

8%

As you can see, a Base Declared Performance Rate of 2% is credited when the index change is zero or negative but greater than the Negative Index Return Threshold of 10%. When the index change is less than or equal to the Negative Index Return Threshold of 10%, the Enhanced Declared Performance Rate of 8% is credited.

The interest credit rates shown reflect hypothetical declared performance and threshold rates and are provided as an example. These rates are subject to change. This example is not intended to predict or project performance, may not be available in all states, or appropriate for all individuals. This should not be viewed as a recommendation of this crediting method option. See specific product brochures for further details on how this method works.

To learn more and get further product details, contact your financial professional.

This crediting option is available on the Strategic Design Annuity X or appropriate state variations. This is not a complete description of all features of the Strategic Design AnnuitySM X fixed index annuity and only describes one feature. Additional crediting methods are available. For more information please see the product brochure for further details on the features, limitations and complete product disclosures. The Strategic Design AnnuitySM X is issued on form NA1013A/ICC18-1013A.MVA (contract) or appropriate state variation by North American Company for Life and Health Insurance[®], West Des Moines, IA. Product and features/options may not be available in all states or appropriate for all clients. Please ask your Sales Representative for product availability. Fixed Index Annuities are not a direct investment in the stock market. They are long term insurance products with guarantees backed by the issuing company. They provide the potential for interest to be credited based in part on the performance of specific indexes, without the risk of loss of premium due to market downturns or fluctuation. Although Fixed Index Annuities guarantee no loss of premium due to market downturns, deductions from your Accumulation Value for additional optional benefit riders could under certain scenarios exceed interest credited to the Accumulation Value, which would result in loss of premium. The term financial professional is not intended to imply engagement in an advisory business in which compensation is not related to sales. Financial professionals that are insurance licensed will be paid a commission on the sale of an insurance product.