



# Guarantee Ultimate® 10

## Annuity Disclosure Statement

Thank you for your interest in the Guarantee Ultimate® 10 Annuity from Midland National® Life Insurance Company. It is important for you to read and understand this summary before you decide to purchase the annuity. This summary will help you understand the features of the annuity and determine if it will help you meet your financial goals. Once you have read this summary, please sign pages 6 and 8 to confirm that you understand the annuity and submit this document with your application for the annuity. *Refer to the Contract for complete details.*

**This Annuity Disclosure Statement must be signed by the applicant and agent, then return the Home Office copy to Midland National Life Insurance Company, Annuity Division with the application.**

4350 Westown Parkway, West Des Moines, IA 50266  
Phone: (877) 586-0240 • MidlandNational.com

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The Guarantee Ultimate® 10 is issued by Midland National® Life Insurance Company, West Des Moines, IA on form ICC17-AS150A/AS150A (contract), ICC17-AR348A/AR348A, ICC15-AR307A/AR307A, ICC17-AR317A/AR317A (riders/endorsements) or appropriate state variation. This product, its features and riders may not be available in all states.

The Guarantee Ultimate 10 is a single premium, multi-year guarantee annuity that accumulates interest through a guaranteed interest rate that is set for a 10-year period.

### **Accumulation Value**

The Accumulation Value is used to determine the Death Benefit as well as penalty-free withdrawals. The Accumulation Value equals your premium, minus withdrawals and applicable Surrender Charges, earning the current guaranteed interest rate. This rate will never fall below the minimum guaranteed interest rate of 0.25%. This rate is guaranteed for your chosen guarantee period. *Ask your sales representative for the current interest rate.*

### **Surrender Value**

The surrender value is the amount that is available at the time of surrender. The surrender value is equal to the accumulation value, subject to the interest adjustment, less applicable surrender charges and state premium taxes (where applicable). The minimum surrender value will not be less than 87.5% of all premiums; less any partial surrenders (after interest adjustment or reductions for surrender charges); accumulated at 1.00%, or otherwise directed by your Contract.

### **Initial Premium**

For Initial Premium amounts of \$100,000 or more, you will receive a higher interest rate. Please ask your sales representative for current interest rates.

### **Renewal Feature**

At the end of the 10-year Guarantee Period, you may choose to renew your annuity for another 10-year guaranteed interest period. Depending on your circumstances and financial goals, you will have a 30 day window to:

- Select a new 10-year Guarantee Period;
- Elect a Payout Option; or
- Withdraw your Accumulation Value.

If no election is made, the Company will automatically renew your annuity for a 10-year Guarantee Period as described in your Contract.

Within this 30 day window, no Surrender Charges or Interest Adjustment will apply. After the 30 day window, a new Guarantee Period Interest Rate, Surrender Charge Period and Interest Adjustment will be applied.

### **LIQUIDITY FEATURES**

Certain withdrawals prior to age 59½ may be subject to a 10% IRS penalty.

### **Penalty-Free Withdrawals**

Once per year after the first contract anniversary, you may take a penalty-free withdrawal (also known as a Penalty-Free Partial Surrender), without Surrender Charges or Interest Adjustment, equal to the interest earned each year. By current company practice\*, this interest withdrawal can begin as early as 30 days after your annuity is issued if received on a systematic withdrawal program. You can elect to receive payments monthly, quarterly, semi-annually or annually as long as each payment is at least \$50.

### **Annuity Payout Options**

In all states except Florida, you may select an annuity payout at any time. If selected during the Surrender Charge period, your payout will be based on the Surrender Value. Available Payout Options include Life Income, Life Income with Period Certain, Joint and Survivor Income and Income for a Specified Period or Amount.

By current company practice\*, proceeds may be converted to an annuity Payment Option after year one. Income payments will be based on the Accumulation Value if a Life, Life and Certain or Joint Life option is selected, or if the annuity has been in force for at least five years and you elect to receive payments over at least a five-year period.

Once a payout option is elected, it cannot be changed and all other rights and benefits under the annuity end.

### **Nursing Home Confinement Waiver**

(not available in all states)

After the first Contract Anniversary, if the annuitant becomes confined to a qualified nursing home facility for at least 90 consecutive days, we will increase the penalty-free withdrawal amount by 10% of the Accumulation Value each year while the annuitant is confined. This waiver is only available for issue ages 75 and younger and is automatically included with your annuity at no additional charge.

### **Required Minimum Distributions**

By current company practice\*, Required Minimum Distributions (RMD) that exceed the penalty-free amount may be withdrawn without a Surrender Charge or Interest Adjustment.

*\*A feature offered "by current company practice" is not a contractual guarantee of this annuity contract and can be removed or changed at any time.*

### Payment of Commission

Midland National will pay a sales commission in connection with the sale of this product. This commission is one of many costs which Midland National considers and factors into the product's design and policy performance, including setting the guaranteed rates in the Contract and the manner in which non-guaranteed benefits may be offered. One hundred percent of your premium deposit will be credited to your account, and no deductions from your premium payment or from your account value will be made due to the payment of this sales commission.

Midland National may enter into written sales agreements with other financial institutions ("selling firms") for the sale of the Contract. The selling firms and their representatives are independent of Midland National. In this case, the selling firms are responsible for evaluating product proposals or recommendations independently and for exercising independent judgment about these proposals. Midland National pays selling firms all or a portion of the commissions received for their sales of the Contract.

### Death Benefit

The Death Benefit is payable upon the death of the first owner, unless the sole beneficiary is the owner's spouse and he or she elects to continue this contract under its spousal continuance provisions. If there are joint annuitants, and an annuitant who is not also the contract's owner dies, the death benefit will be paid upon the death of the second annuitant.

The Death Benefit equals the Accumulation Value or the Minimum Surrender Value as defined in the contract, whichever is greater. The beneficiary may choose to receive the Death Benefit in either a lump sum or a series of income payments.

A death benefit is not available if an annuity payout option has been elected.

## SURRENDER CHARGES AND INTEREST ADJUSTMENT

Please read the following information and sign the last page of this disclosure to acknowledge your understanding that Surrender Charges and Interest Adjustments will apply when withdrawals are taken from your Contract during the Surrender Charge Period.

### Surrender Charges

A Surrender Charge is assessed on any amount withdrawn, whether as a partial withdrawal or full surrender, that is in excess of the penalty-free amount. A surrender during the Surrender Charge period may result in a loss of premium.

**The Surrender Charges that apply for each Contract Year are based on the state where your Contract is issued and are shown as follows:**

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
9.3%	8.4%	7.5%	6.6%	5.7%	4.75%	3.8%	2.85%	1.9%	.95%

For AL, DC, MT, ND, SD: On the contract anniversary following the Annuitant's 105th birthday the Surrender Charge percentage will be reduced to zero percent.

Surrender Charges allow the Company to invest long-term, and in turn, generally credit higher yields.

Surrender Charges and Interest Adjustments on IRS-Required Minimum Distributions that exceed the available penalty-free amount are waived by current company practice\*. The Surrender Charges apply to each Guarantee Period.

*\*A feature offered "by current company practice" is not a contractual guarantee of this annuity contract and can be removed or changed at any time.*

*See next page for Interest Adjustment*

### Interest Adjustment (also known as Market Value Adjustment)

The Guarantee Ultimate 10 includes an Interest Adjustment that is applied during each Guarantee Period to full surrenders and to any partial surrender in excess of the penalty-free amount. This adjustment may decrease or increase the Surrender Value depending on the change in interest rates during the period since you purchased your Guarantee Ultimate 10 annuity. Lower interest rates at time of issue may result in less opportunity for a positive Interest Adjustment in future contract years. In certain rate scenarios at the time of issue, it may not be possible to experience a positive Interest Adjustment.

#### Example of Interest Adjustment (Market Value Adjustment-MVA) Formula

The Interest Adjustment will be calculated by multiplying the portion of any full or partial surrender that exceeds any available penalty-free withdrawal amount before the reduction for any Surrender Charge by the formula\* described below.

**\*The Interest Adjustment Factor is:  $(i_0 - i_t - \text{ADJ}) \times (T)$**

$i_0$  = The guarantee period interest rate, excluding any additional interest, that applies to the guarantee period.

$i_t$  = The guarantee period interest rate, excluding any additional interest, that is in effect on the date of full or partial surrender for new contracts that have the same guarantee period.

ADJ = 0.0025

T = Time in years as follows: number of days from the date of the partial or full surrender to the end of the current contract year divided by 365; plus whole number of years remaining in the current guarantee period.

The amount of the Interest Adjustment will never exceed the lesser of a) the total interest credited to the Accumulation Value since the beginning of the current Guarantee Period, less the sum of the absolute values of all Interest Adjustments on prior partial surrenders in current Guarantee Period (i.e. all adjustments positive or negative added together), or b) the applicable Surrender Charge.

**Lower interest rates at time of issue may result in less opportunity for a positive Interest Adjustment in future contract years. In certain rate scenarios at the time of issue, it may not be possible to experience a positive Interest Adjustment.**

*See the "Understanding the Market Value Adjustment" brochure for more information.*

### Additional Information

Under current law, annuities grow tax-deferred. Annuities may be subject to taxation during the income or withdrawal phase. The tax-deferred feature is not necessary for a tax qualified retirement account. For purchase as a qualified retirement account, you should obtain competent tax advice and consider whether other features, such as the Death Benefit, lifetime annuity payments and riders will help your needs. Neither Midland National, nor any agents acting on its behalf, should be viewed as providing legal, tax or securities advice.

**This page left intentionally blank.**  
**Please see pages 6 and 8 for acknowledgement, election and signatures.**

**Agent Instructions: Page 6 and 8 must both be signed.**

Return page 8 to the Home Office with the Applicant's original signature.  
Retain a permanent copy in your file. Leave pages 1-6 with signatures with the Applicant.

**Guarantee Ultimate 10 Applicant Authorization and  
Acknowledgement Statements:**

By initialing and signing below, I certify that:

- I have read this Annuity Disclosure and have been provided a brochure that explains the Annuity Product's benefits, features and limitations.
- The features of this Annuity Product have been explained to me by the Agent.
- I understand that this contract is not effective and interest does not begin to accrue until the date the annuity becomes effective, not the date premium is submitted or received by the company.
- I understand my agent will receive a commission for the sale of this contract.
- I understand I should consult my tax advisor about possible tax implications related to the purchase of this contract and its features.

Owner(s) Initials  
REQUIRED  
in Box Above

**My initials confirm that:**

- **The Guarantee Ultimate 10 annuity is a long-term contract and a Surrender Charge up to 9.3% as well as an Interest Adjustment will apply during the Surrender Charge Periods to any full surrender or any partial surrender taken that exceeds the penalty-free partial surrender amount.**
- **I have reviewed pages 3 and 4 of this Disclosure and affirmatively acknowledge the Surrender Charges and Interest Adjustment Formula applicable based on the state of issue.**
- **I understand a surrender during the Surrender Charge Period may result in loss of premium.**

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Please mark an "X" in the box to the left if your agent provided you with a Midland National illustration for the Guarantee Ultimate 10. By checking this box an illustration will also be provided along with the issued annuity contract.

**Applicant:** I am aware that an Annuity Buyer's Guide is available on the Company website. I understand that any values shown, other than the guaranteed minimum values, are not guarantees, promises, or warranties. I have reviewed the features and understand the intent of this Annuity Product and agree that it meets my needs. I have assessed my financial situation, including cash for living and other related expenses, and this Contract is suitable for my financial needs.

\_\_\_\_\_  
Annuitant's/Owner's Original Signature

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Joint Owner's Original Signature

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Date Signed (mm/dd/yyyy)

**Agent Acknowledgement:** By signing below, I certify that the product brochure and Company disclosure materials have been presented to the applicant. A copy of this signed disclosure was provided to the applicant after an examination of the interests of the applicant and an assessment of the stated goals of the applicant. I have provided or directed the applicant to the Annuity Buyer's Guide on the Company website. I certify that I believe this product to be appropriate for the applicant based on his or her individual needs. I have discussed this product with the applicant and have not made any statements which contradict the materials provided to the applicant. I have not made any promises or given any assurances about the future value of any non-guaranteed elements.

\_\_\_\_\_  
Agent's Original Signature

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Date Signed (mm/dd/yyyy)



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Not FDIC/NCUA Insured	Not A Deposit Of A Bank	Not Bank Guaranteed
May Lose Value	Not Insured By Any Federal Government Agency	

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Annuitant's/Owner's Original Signature

\_\_\_\_\_  
Joint Owner's Original Signature

Date Signed (mm/dd/yyyy)

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\_\_\_\_\_  
Agent's Original Signature

Date Signed (mm/dd/yyyy)



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