



## Over 110 Years of Strength & Stability You Can Have Confidence in Midland National

### We focus on what matters most

With over 110 years of business under our belt, Midland National's continued and consistent financial strength is a result of our conservative and disciplined investment strategy, our private ownership structure, and doing what's right for our distribution partners and policyowners.

### Speaking of policyowners, did you know...

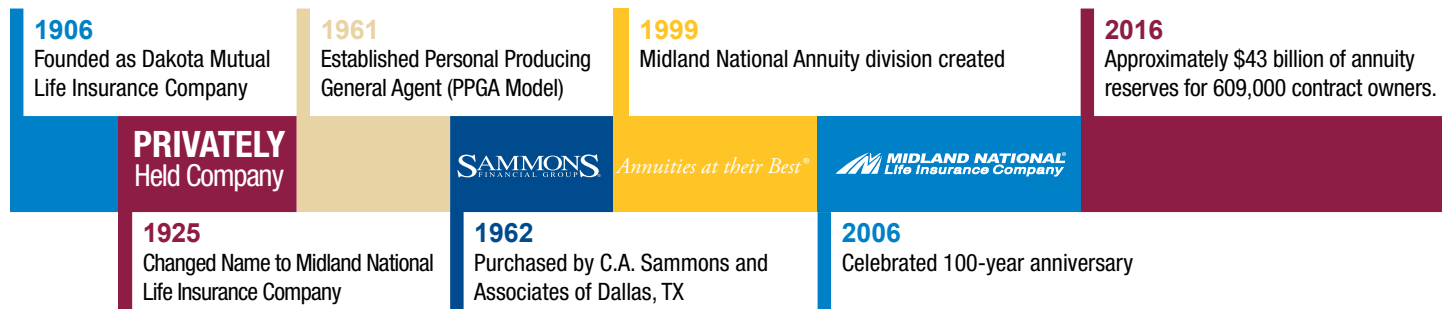
Midland National holds over **1 million life insurance** and **annuity policies**, with assets of over **\$51 billion** in 2016.<sup>1</sup>

### History of Strength

As an affiliate of the privately held Sammons® Financial Group, Inc.<sup>2</sup> (SFG), we are not subject to the short-term earning pressures that publicly held companies often face. As we reflect on over a century of life insurance business, we are proud of our history of making decisions for the long-term and of our continued tradition of financial strength and stability. The high ratings we've maintained from the major rating agencies are testaments to that strength:

- "A+" (Superior) A.M. Best
- "A+" (Strong) S&P Global Ratings
- "A+" (Stable) Fitch Ratings

**With a track record like this, you can have confidence in Midland National.**



The above ratings apply to Midland National's financial strength and claims paying ability. These ratings do not apply to the safety or performance of the variable accounts, which will fluctuate in value.

# Measures of Strength - 2016 Fact Sheet

While we celebrated our 110<sup>th</sup> year of business in 2016 and are eagerly looking ahead to the future, here is a glance at the success we enjoyed in asset quality for the year 2016.

## BALANCE SHEET<sup>1</sup>:

### Midland National Life & Annuity Business

#### Assets

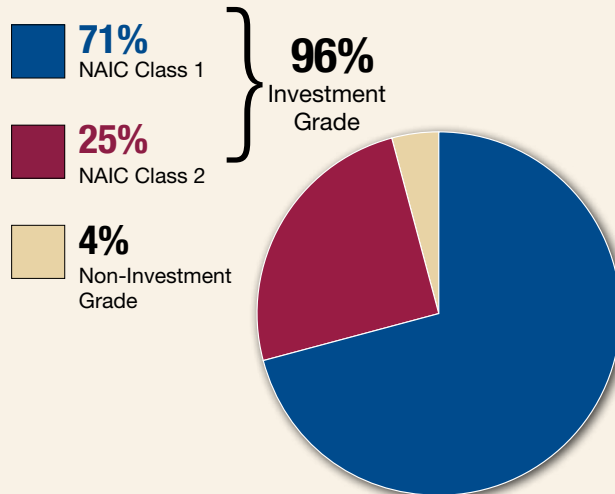
Bonds.....	\$38,027,722
Stocks.....	\$782,236
Cash & Short-Term Investments .....	\$423,075
Mortgage Loans .....	\$4,543,596
Loans to Policyholders.....	\$355,017
Other Invested Assets .....	\$1,923,797
Accrued Investment Income .....	\$339,022
Separate Account Assets .....	\$4,161,021
All Other Assets .....	\$542,820
<b>Total Assets .....</b>	<b>\$51,098,306</b>

#### Liabilities & Capital

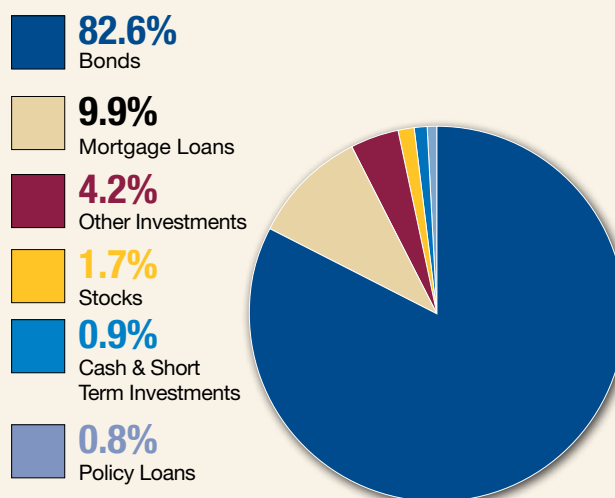
Life and Annuity Reserves .....	\$32,765,947
Interest Maintenance Reserve (IMR) .....	\$365,920
Asset Valuation Reserve (AVR) .....	\$389,643
Funds Withheld under Coinsurance.....	\$4,565,763
Accounts Payable and Other Liabilities .....	\$5,836,595
Separate Account Liabilities.....	\$4,075,313
<b>Total Liabilities. ....</b>	<b>\$47,999,181</b>
<b>Capital and Surplus.....</b>	<b>\$3,099,125</b>
<b>Total Liabilities, Capital and Surplus.....</b>	<b>\$51,098,306</b>

## STRENGTH

### Bonds by NAIC Quality Rating



### Investments by Type<sup>1</sup>



Numbers are stated as a percent of total invested assets.

Visit [www.MidlandNational.com](http://www.MidlandNational.com) to learn more.

1. Midland National Balance Sheet as of 12/31/16 (in thousands). Information presented is on a Statutory Accounting basis.

2. Sammons<sup>®</sup> Financial Group, Inc. is comprised of Midland National<sup>®</sup> Life Insurance Company, Sammons Annuity Group<sup>SM</sup> (a division of Midland National), Sammons<sup>®</sup> Corporate Markets Group (a division of Midland National), North American Company for Life and Health Insurance<sup>®</sup>, Sammons Retirement Solutions<sup>®</sup> Inc., and Sammons Financial Network<sup>®</sup> LLC, member FINRA.

A.M. Best is a large third-party independent reporting and rating company that rates an insurance company on the basis of the company's financial strength, operating performance and ability to meet its obligations to policyholders. "A+" is the second highest rating out of 15 categories and was affirmed for Midland National Life Insurance Company as part of Sammons Financial Group on July 14, 2016. For the latest rating, access [www.ambest.com](http://www.ambest.com). S&P Global Ratings awarded its "A+" (Strong) rating for insurer financial strength on February 26, 2009 and affirmed on October 19, 2016 to Midland National Life Insurance Company are affiliated companies. Fitch Ratings, a global leader in financial information services and credit ratings, on May 2, 2017, assigned an Insurer Financial Strength rating of A+ Stable for Midland National. This rating is the fifth highest of 19 possible rating categories. The rating reflects the organization's strong business profile, low financial leverage, very strong statutory capitalization and strong operating profitability supported by strong investment performance.