



Balanced accumulation

Finding the right mix
of growth potential
and protection

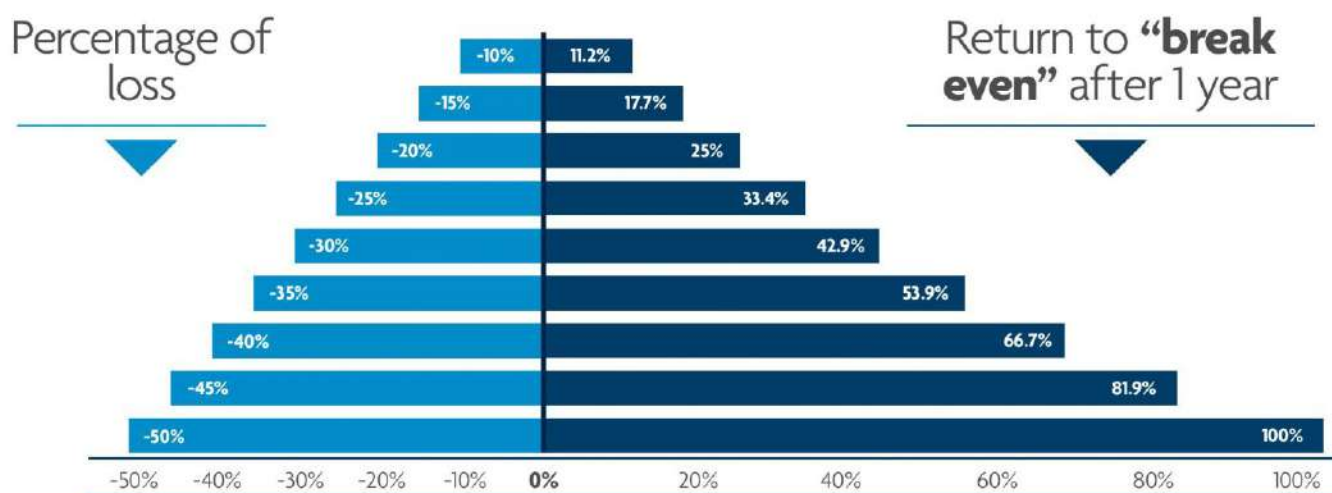


Preparing for retirement can be a challenging balancing act. Many consumers are now faced with self-funding their retirement due to the uncertainty around social security and pension plans. The goal to accumulate retirement savings is undertaken with a strategy of balancing between asset growth potential and protection. Consumers want to ensure their savings can grow but also want some level of protection in case of economic volatility.

Volatility

Are you overexposed?

Market volatility continues to rise on both the gains and losses front. Those with all their retirement assets exposed to market volatility have seen both historic gains but also historic downturns. While the overall long-term value of the market is a net positive, many consumers have concerns about volatility impacting their assets as they approach retirement. Consider for example, what kind of gain is needed to recover from a market loss.



Protection

Will your gains be overwhelmed by inflation or taxes?

In an uncertain economic environment, many consumers are seeking fixed rate products like certificates of deposit (CDs) for security. While benefits such as short term durations and a guaranteed interest rate can be appealing, two factors are often overlooked that can negatively impact a conservative fixed rate: taxes and inflation.

The hypothetical chart shows what a “real rate” of return can be when adjusted for any applicable taxes and potential inflation rates. The CD return rates below are calculated using the six-month annualized average monthly CD rate as reported by the Federal Reserve. The tax rate used in the example is the highest marginal federal income-tax rate based on \$100,000 of taxable income for a married couple filing jointly. The tax rate assumed will not apply to every consumer, and a lower tax rate may have a more favorable impact on the real return. The use of alternate assumptions will produce different results.

Year	Annualized average six-month CD rate ¹	Taxes ²	Inflation consumer price index (CPI) ³	Real return after taxes and inflation
2000	6.58%	28.00%	3.4%	1.34%
2001	3.64%	27.50%	1.6%	1.04%
2002	1.81%	27.00%	2.4%	-1.08%
2003	1.17%	25.00%	1.9%	-1.02%
2004	1.74%	25.00%	3.3%	-2.00%
2005	3.72%	25.00%	3.4%	-0.61%
2006	5.23%	25.00%	2.5%	1.42%
2007	5.23%	25.00%	4.1%	-0.18%
2008	3.14%	25.00%	0.1%	2.25%
2009	0.87%	25.00%	2.7%	-2.05%
2010	0.53%	25.00%	1.5%	-1.10%
2011	0.33%	25.00%	3.0%	-2.75%
2012	0.23%	25.00%	1.7%	-1.53%
2013	0.20%	25.00%	1.5%	-1.35%
2014	0.13%	25.00%	0.8%	-0.70%
2015	0.13%	25.00%	0.7%	-0.60%
2016	0.14%	25.00%	2.1%	-2.00%
2017	0.16%	25.00%	2.1%	-1.98%
2018	0.27%	22.00%	1.9%	-1.69%
2019	0.43%	22.00%	2.3%	1.96%

1. Annualized average six-month CD rate: www.fdic.gov/regulations/resources/rates/previous.html (1962–2019); <https://www.fdic.gov/regulations/resources/rates/previous.html>.

2. Highest marginal federal income-tax rates based on \$100,000 income for a married couple filing jointly: <https://taxfoundation.org/2019-tax-brackets/>.

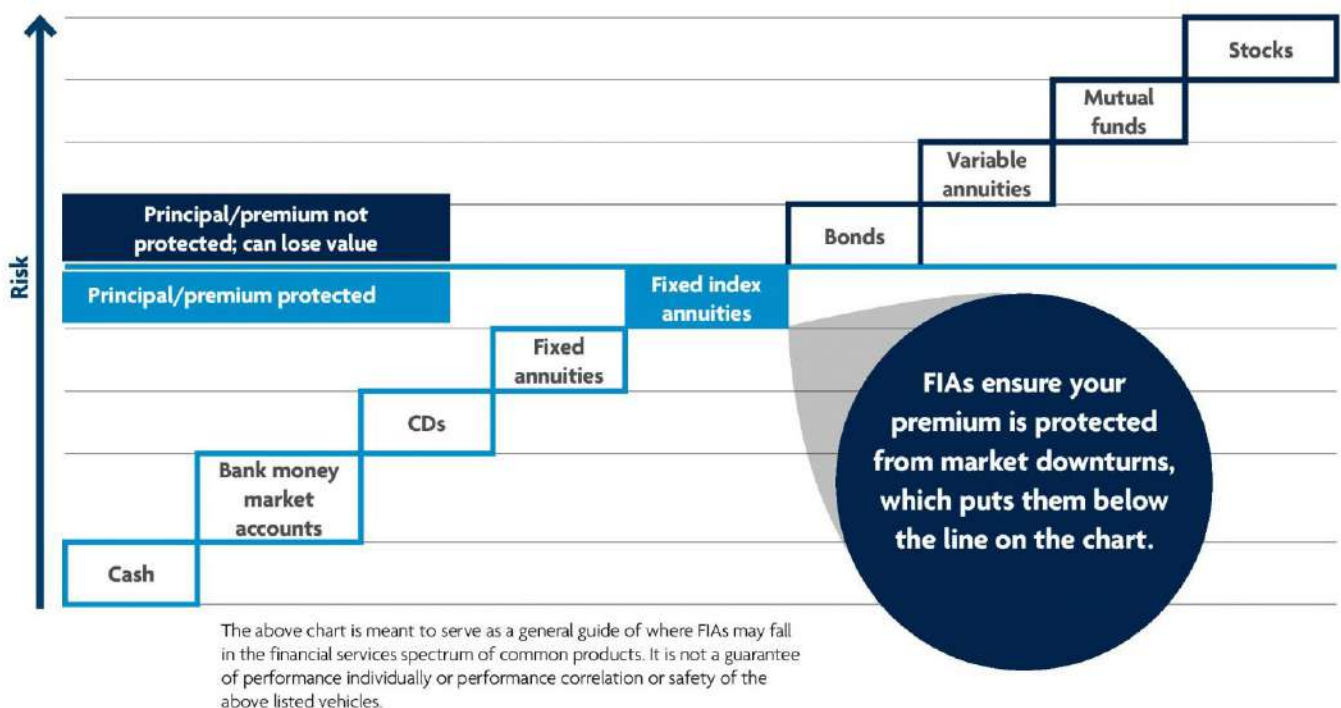
3. Inflation rates are based on the consumer price index (CPI), a measure of change in consumer prices as measured by the U.S. Department of Labor's Bureau of Labor Statistics: <https://www.bls.gov/cpi/>.

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

Fixed index annuities

Where do they fit?

Fixed index annuities (FIAs) can play an important role in a consumer's retirement accumulation strategy. Offering the balance of protection against downside market risk and growth potential has made FIAs an attractive addition to many accumulation plans. When you're creating a financial plan, there is no one "best" product. But there are products that can be a better fit in order to help meet your retirement goals.



Fixed index annuities

How they perform in up and down markets

Fixed index annuities (FIAs) generally credit a portion of total index gains based on the crediting method chosen, but don't lose value due to market downturns.

Fixed index annuity (100% allocation to annual point to point with participation rate crediting method based on the S&P MARC 5% ER index) Accumulation value of a hypothetical fixed index annuity. Assumes no withdrawals. Interest credits to the accumulation value are subject to a hypothetical 75% participation rate. Does not reflect actual historical performance and is not a guarantee of future results.

S&P Multi-Asset Risk Control 5% Excess Return index (S&P MARC 5% ER) Based on a quarterly review of \$100,000 directly invested in the S&P MARC 5% ER without dividends taken into account. Index has been in existence since 3/27/2017. Ending values in years prior to inception are determined by S&P Dow Jones Indices LLC or its affiliates ("SPDJI") using the same methodology as used currently.

S&P 500 Based on a quarterly review of \$100,000 directly invested in the S&P 500[®] without dividends taken into account.

Market-linked interest

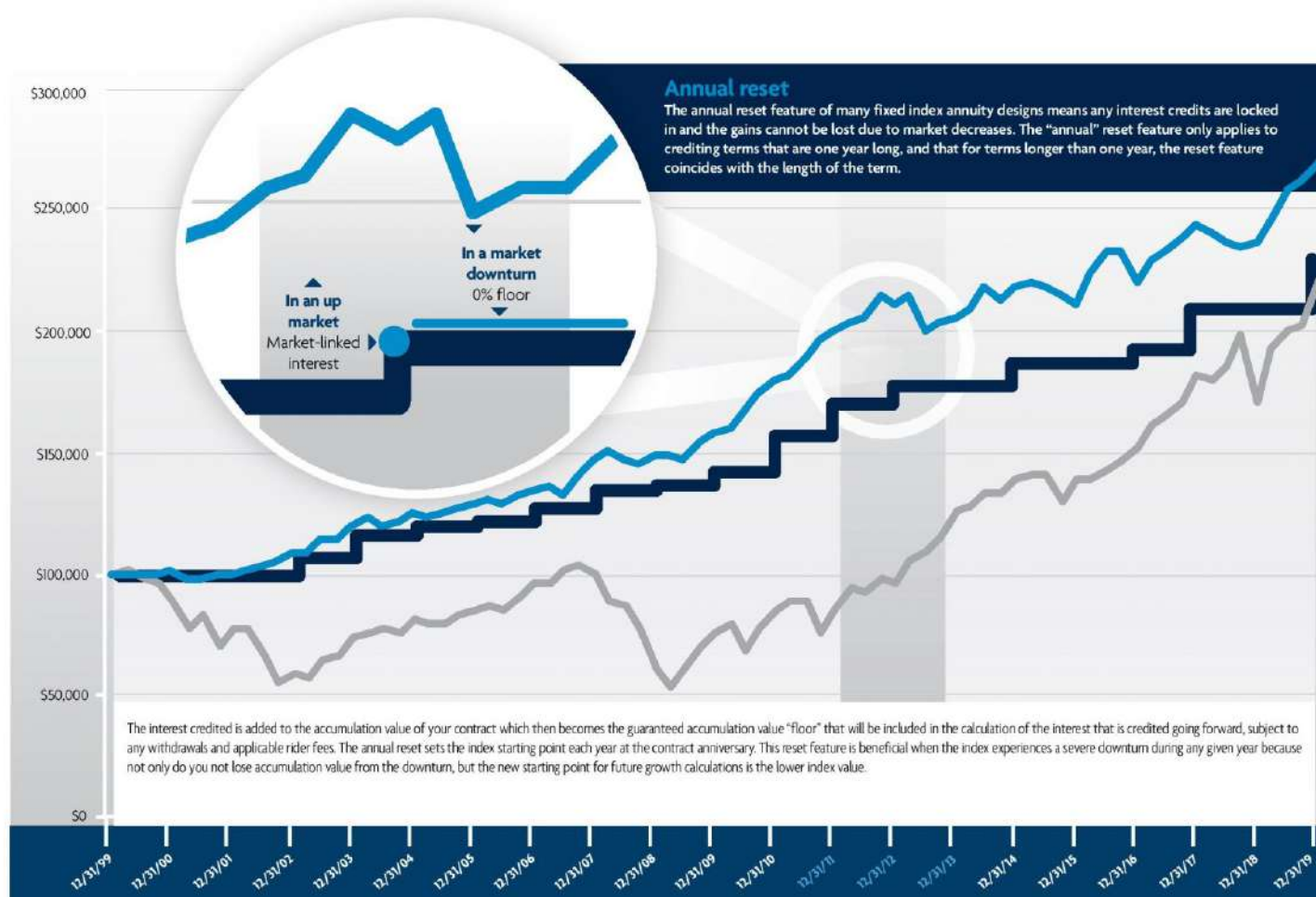


0% floor



Annual reset

The annual reset feature of many fixed index annuity designs means any interest credits are locked in and the gains cannot be lost due to market decreases. The "annual" reset feature only applies to crediting terms that are one year long, and that for terms longer than one year, the reset feature coincides with the length of the term.



Strength in numbers

We're a company built on a foundation of financial strength.

Our roots go back more than 110 years with the 1906 founding of Dakota Mutual Life Insurance Company.

Midland National has consistently earned high ratings based on our financial strength, operating performance and ability to meet obligations to our policyholders and contract holders.

Midland National has grown and is a member company of Sammons Financial.



\$89.8 billion

total assets under management

\$60.4 billion

Midland National life and annuity assets



Sammons.
FINANCIAL

Over 1 million
policy holders



Sammons.
FINANCIAL

Member companies

110+ years



Currently “A+” rated by:

A.M. Best (Superior) – (Second category out of 15)

Superior ability to meet ongoing obligations to policyholders

S&P Global Ratings (Strong) – (Fifth category out of 22)

Very strong financial security characteristics

Fitch Ratings (Stable) – (Fifth category out of 19)

A strong business profile, low financial leverage, very strong capitalization, and strong operating profitability supported by strong investment performance

Sammons Financial™ is the marketing name for Sammons® Financial Group, Inc.'s member companies, including Midland National® Life Insurance Company. Annuities and life insurance are issued by, and product guarantees are solely the responsibility of, Midland National Life Insurance Company.

Fixed index annuities (FIAs) are not a direct investment in the stock market. They are long term insurance products with guarantees backed by the issuing company. They provide potential for interest to be credited based in part on the performance of the index without risk of loss of premium due to market fluctuations. Fixed index annuities are not designed to compete with and should generally not be compared to a security or a direct investment in an index fund. While in this specific example during certain time periods, the accumulation value appears favorable when viewed with the performance of the indexes, in many scenarios this will not be the case. Interest credits for an FIA will not mirror the applicable index returns since any interest credits are subject to limits (index cap rate, index margin, and/or participation rate) on the amount of interest that is credited. FIAs do not include dividends for the applicable indices. This example should not be viewed as an illustration or a prediction of future performance or future interest credited within any of our FIAs. This information is provided for general reference purposes and should not be viewed as investment advice or as a recommendation for a specific allocation. Neither Midland National, nor any agents acting on its behalf should be viewed as providing legal, tax or investment advice. Always consult with and rely on a qualified advisor. This allocation provides the potential for interest to be credited based in part on the performance of the index without risk of loss of premium due to market fluctuations.

This index is managed to a volatility target, and as a result the index performance will not match the performance of any other index or the markets in general since volatility control tends to reduce both the rate of negative performance and positive performance of the underlying index, thereby creating more stabilized performance. The S&P MARC 5% ER Index has been in existence since Mar. 27, 2017. Ending Values in years prior to inception are determined by S&P Dow Jones Indices LLC or its affiliates ("SPDJI") using the same methodology as used currently.

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Midland National® is rated "A+" (Superior) by A.M. Best - effective Aug. 7, 2019. "A+" is the second of 15 categories.

S&P Global Ratings awarded its "A+" (Strong) rating for insurer financial strength on Feb. 26, 2009 and affirmed on Aug. 14, 2019 to Midland National® Life Insurance Company. The "A+" (Strong) rating, is the fifth highest out of 22 available ratings.

Fitch Ratings, a global leader in financial information services and credit ratings, on April 17, 2019, affirmed 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. For more information access <https://www.fitchratings.com>.

Policy count, assets under management, per statutory basis, as of December 31, 2019.



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NATIONAL®**

A **Sammons** Financial Company

**Find balance
in your
retirement**



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