



Builder IUL7 - Guideline Premium Test
A Universal Life Insurance Policy Illustration

Prepared for:

Peter

Presented by:

North American Company
North American Company
525 W. Van Buren
Chicago, IL 60607-0000
312-648-7600

THIS IS AN ILLUSTRATION ONLY. AN ILLUSTRATION IS NOT INTENDED TO PREDICT ACTUAL PERFORMANCE. INTEREST RATES, DIVIDENDS AND VALUES SET FORTH IN THE ILLUSTRATION ARE NOT GUARANTEED, EXCEPT FOR THOSE ITEMS CLEARLY LABELED GUARANTEED.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

EXPLANATION OF POLICY ILLUSTRATION

Plan Description

Builder IUL7 is a universal life product with indexed features, issued on form series LS172, that provides a death benefit upon the death of the insured person and also offers the potential to earn tax-deferred interest based on the performance of one or more stock market Indices. It has a no lapse guarantee period of 20 years subject to the payment of a minimum premium. Refer to the "Minimum Premium" section of this illustration for details.

In this policy, you can allocate premiums to an account that offers a fixed interest rate (the "Fixed Account"), and/or an account that offers an interest rate based on the performance of a combination of the following indices and one of the Index Crediting Methods (Index Selection):

Indices:

1. The Standard & Poor's 500® Composite Stock Price Index (S&P 500®)
2. The Uncapped Standard & Poor's 500® Composite Stock Price Index (Uncapped S&P 500®)
3. The Standard & Poor's MidCap 400® Composite Stock Price Index (S&P MidCap 400®)
4. The Dow Jones Industrial Average(sm) Composite Stock Price Index (DJIA(sm))
5. The NASDAQ-100® Stock Price Index (NASDAQ-100®)
6. The EURO STOXX 50® (EURO STOXX 50®)
7. Multi-Index Group
8. The Russell 2000® Composite Stock Price Index (Russell 2000®)

Index Crediting Methods:

1. Daily Averaging (available with S&P 500®, DJIA(sm), S&P MidCap 400®, Russell 2000®)
2. Monthly Point-to-Point (available with S&P 500®)
3. Annual Point to Point (available with S&P 500®, Uncapped S&P 500®, DJIA(sm), NASDAQ-100®, S&P MidCap 400®, Russell 2000® and EURO STOXX 50®)
4. Multi-Index Annual Point-to-Point (Multi-Index Group)

If you choose to allocate premiums to an Index Selection(s), it is important that you understand that:

- the interest credited to the policy's Account Value will depend on the performance of the Index(es) you select and will never be less than zero;
- the premiums are not invested in any stocks, bonds or equity investments;
- the Index performance does not include dividends;

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

EXPLANATION OF POLICY ILLUSTRATION (CONT.)

- the allocation does not represent an investment by you in any Index or stock market.

Builder IUL7 allows you to choose, at policy issue, one of two tests that will determine the policy's qualifying status as a life insurance contract. One is the Guideline Premium Test, and the other is the Cash Value Accumulation Test. For this illustration, you have chosen the Guideline Premium Test, and it is explained in the "Guideline Premium Test" section of this narrative. The test chosen at policy issue will be used for the duration of your life insurance policy. It cannot be changed after issue.

Important Facts About This Illustration

This illustration shows you how your universal life insurance policy works based on the information shown in the "Prepared for:" section at the top of the page, your chosen premium allocations that are described separately in this narrative explanation, and any loans, withdrawals and other policy changes assumed in this illustration. It is only an example. Your policy will not work exactly as it is shown in this document because the actual values in your policy will vary based on:

- the amount of the premium payments you make;
- when you make the premium payments;
- the actual cost of insurance;
- actual policy expenses;
- loans, withdrawals and other policy changes not shown in this illustration;
- the actual rate at which interest is credited to your policy.

We guarantee that we will credit interest on the unloaned portion of (a) the policy's Fixed Account Value at an annual rate of at least 3.0%, and (b) the policy's Index Account Value at a rate not less than 0%. The actual rate at which interest is credited to the Fixed Account Value may vary from time to time and will be determined at our sole discretion, subject to the guaranteed interest rate of 3.0%. We have considered various factors in setting the current interest rate for the Fixed Account, including yields obtained on our investments. Those factors may vary from time to time, and there is no assurance that any interest will be credited to the Fixed Account Value in the future at a rate in excess of the policy's guaranteed interest rate for the Fixed Account. The actual rate at which interest is credited to the Index Account Value can vary depending on the performance of the index(es) you select, but will not be less than 0%. More information on the Fixed Account Value and Index Account Value can be found under the caption "Account Value".

This policy offers two Policy Loan Options. You may choose either a Variable Interest Policy Loan or a Standard Policy Loan at the time you request a loan, subject to availability. Note that if your policy has an outstanding loan at the time of your request for a new loan, the new loan must be the same Policy Loan Option as your outstanding loan. If this illustration assumes that a policy loan is made, then the rates at which interest will be credited on loaned amounts are shown in the section appearing later in this narrative that describes the loan option you selected.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

EXPLANATION OF POLICY ILLUSTRATION (CONT.)

This illustration is not a contract. If there are any differences between this document and your insurance policy, your policy will take precedence.

This illustration is based on a reasonable interpretation of current income tax laws, and we do not guarantee the tax treatment of any policy. We recommend that you consult a tax advisor about your personal circumstances.

Guaranteed Elements of the Policy

In this illustration, we show you how your policy would work if we charged you the maximum amount for your cost of insurance and policy expenses (such as administrative expenses), and credited the minimum guaranteed interest rate for the Fixed Account of 3.00% in all years. These guaranteed elements are reflected in the "Guaranteed" columns of the Tabular Detail pages.

Non-Guaranteed Elements of the Policy

We also show you how your policy would work if the cost of insurance and policy expenses were the same as today's rates (which are lower than the maximum amount we could charge you in some or all years), and the interest rates for the Fixed Account and/or Index Selections to which you chose to allocate your premium payments remain the same in all years. The interest rate(s) used is based on your premium allocation selection(s).

To illustrate how interest rates can affect the performance of the policy, this illustration provides two different non-guaranteed scenarios: Non-Guaranteed Alternate and Non-Guaranteed. The Non-Guaranteed scenario shows the values based on the non-guaranteed costs, expenses, and interest rates for the premium allocations you selected. The Non-Guaranteed Alternate scenario uses interest rates that are lower than the Non-Guaranteed rates, subject to the guaranteed minimum crediting rates of 0% for money in the Index Selections and 3.00% for money in the Fixed Account. The Non-Guaranteed Alternate and Non-Guaranteed interest rates are shown on the Tabular Details pages. The premium payments, distributions, and non-guaranteed mortality and expense assumptions are the same between the two scenarios. Policy changes are also the same, except when a death benefit option change from an increasing option to a level option is illustrated. In that case, the resulting amount of the increase to the specified amount is different in each scenario. We do not guarantee these values, and they are shown in the "Non-Guaranteed" columns of the Tabular Detail pages.

The rates, costs and expenses assumed in computing the non-guaranteed values are subject to change by North American. This illustration assumes that the currently illustrated elements for both Non-Guaranteed Alternate and Non-Guaranteed scenarios will continue unchanged for all years shown. This is not likely to occur, and actual results may be more or less favorable.

Interest Bonus on the Fixed Account

After the 10th policy anniversary, we will credit a conditionally guaranteed interest bonus of 0.75% to your policy's Fixed Account value each year if we declare a current interest rate that is higher than the guaranteed interest rate. The Interest Bonus percentage is subject to change; however, once a policy is issued, the percentage will not change.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

EXPLANATION OF POLICY ILLUSTRATION (CONT.)

Index Bonus on the Index Account

After the 10th policy anniversary, we will add a guaranteed interest bonus of 0.75% to the interest rate used to calculate the Index Credit. This bonus is reflected in the values shown on the Tabular Detail pages of this illustration.

Minimum Premium

The minimum premium payment that will guarantee that this policy will stay in force for the no lapse guarantee period of 20 years is \$846.60 annually. This premium assumes that there are no policy changes during the no lapse guarantee period. Policy changes such as increasing or decreasing the death benefit, changing the death benefit option or adding or removing a rider will change the minimum premium that is required to maintain this guarantee.

Premium Outlay

The premium amount that appears in any given year on the Tabular Detail pages is the sum of the payments you plan to make each year. Based on the payment frequency you selected for this illustration, the Monthly EFT premium for the first year is \$500.00. This illustration assumes that all scheduled premium payments are received on the first day of each payment frequency period.

Guideline Premium Test

You have chosen to use the Guideline Premium Test to determine the qualifying status of your policy as a life insurance contract.

The Internal Revenue Service has set certain limitations on the amount of premium that can be paid into a policy to qualify it as insurance. There are two classifications:

1. The maximum single premium, which is referred to as the Guideline Single Premium.
2. The maximum level annual premium paid each year, which is referred to as the Guideline Level Premium or Guideline Annual Premium.

Based on the data used for this illustration, the initial Guideline Single Premium is \$26,883.58 and the initial Guideline Annual Premium is \$6,087.20. In order for your policy to qualify as life insurance, the total of your premium payments cannot at any time exceed the greater of the Guideline Single Premium or the sum of the Guideline Annual Premiums for the same period.

The payment of the initial Guideline Single Premium in year 1 or the initial Guideline Annual Premium in all years will not, in some cases, guarantee coverage for the duration of your policy.

If you pay the premiums that are shown on the Tabular Detail pages of this illustration, then based on the guaranteed interest rates and guaranteed charges, the insurance coverage of \$180,000.00 would cease at age 54.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

EXPLANATION OF POLICY ILLUSTRATION (CONT.)

Modified Endowment Contract

Based on the premium payments and exchange information used in this illustration, this policy is not a Modified Endowment Contract. MEC premiums are computed according to Internal Revenue Code guidelines.

According to the Internal Revenue Code, a life insurance policy is considered a Modified Endowment Contract ("MEC"), and loses certain tax advantages, if the accumulated premiums paid at any time during the first 7 policy years exceed the sum of the MEC premium of \$6,210.65 for the same period. Also, if you are exchanging a modified endowment contract for a new life insurance policy, the new policy will automatically be a modified endowment contract regardless of the amount of premiums paid.

Standard Policy Loans

While your policy is in force, you may obtain a Standard Policy Loan up to the maximum Standard Policy Loan amount as defined in your policy. When you take a Standard Policy Loan, it reduces the amount of the policy's Surrender Value and Death Benefit, and the amount you have borrowed is still shown as part of your Account Value. Interest on the total amount of any Standard Policy Loan will be credited to the Fixed Account at the guaranteed rate of 3.0%.

The guaranteed values in this illustration are based on a loan interest rate of 6.00% through policy year five and 3.00% thereafter.

The non-guaranteed values in this illustration are based on a loan interest rate of 4.25% through policy year five and 3.00% thereafter. The currently declared Standard Loan Interest Rate is 4.25% in through policy year five. This rate could change, but it will never be greater than 6.00%. Any increase or decrease to the currently declared rate will occur no more than once a year. An increase is limited to a maximum of 1.00% per year, and we will notify you of any such increase at least 30 days prior to it taking effect.

Net Zero Cost Policy Loans are available on the full loan value beginning in policy year six. The loan interest rate and the credited rate for a Net Zero Cost Policy Loan are both set to 3.0%, resulting in a 0% net loan interest rate.

For this illustration, the requested Standard Policy Loans and loan interest are allocated first to the unloaned Fixed Account. Funds are transferred from the Index Account Value to the Fixed Account Value if the Fixed Account Value is less than the requested Standard Policy Loan amount plus any outstanding Policy Debt.

Refer to the Minimum Account Value section of the Explanation of Policy Illustration for information regarding the Surrender Value available in any year in which the Minimum Account Value is used.

Any loan that you take from your policy may be subject to taxation under Section 72 of the Internal Revenue Code. We recommend that you consult a tax advisor if you intend to take loans.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

EXPLANATION OF POLICY ILLUSTRATION (CONT.)

Proposal Values

The values shown on the Tabular Detail pages are based on the assumption that loans are taken at the beginning of the policy year, and that capitalization of loan interest occurs at the end of the year. The policy's account values shown are end-of-year values before accumulated loans have been deducted, and the policy's surrender values and death benefits shown are end-of-year values after accumulated loans have been deducted.

Life Insurance Benefit

The initial death benefit is: \$180,000.

The increasing death benefit illustrated is the amount payable to the named beneficiary at the death of the insured while this policy is in force. The death benefit is the greater of the initial death benefit plus the account value in the policy, or the account value multiplied by the corridor percentage shown in the Schedule of Policy Benefits. The actual amount payable may be lower if you reduce your death benefit, take a policy loan or make a withdrawal. It may be higher if you increase your death benefit.

A change in death benefit option is reflected in year 18.

The level death benefit illustrated is the amount that we will pay to the named beneficiary when the insured person dies while this policy is in force. The death benefit is the greater of the initial death benefit or the account value multiplied by the corridor percentage shown in the Schedule of Policy Benefits. The actual amount payable may be lower if you reduce your death benefit, take a policy loan or make a withdrawal. It may be higher if you increase your death benefit.

If you would like to see an illustration for a death benefit amount other than what is shown here, please discuss it with your North American representative.

Changes

The specified amount changes to \$350,347 in year 18.

The guideline single premium changes to \$70,941.37 in year 18.

The guideline annual premium changes to \$2,741.72 in year 18.

The modified endowment premium changes to -\$6,095.91 in year 18.

Evidence of insurability may be required for some changes. There may be additional changes in later years.

Underwriting Class

The underwriting class used in this illustration is Preferred Non-Tobacco. Actual premiums for the proposed insurance coverage will ultimately depend on the outcome of the underwriting process and may vary from this illustration. If so, you will receive a revised illustration with your insurance contract.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

EXPLANATION OF POLICY ILLUSTRATION (CONT.)

Account Value

This policy's Account Value is the sum of the Fixed Account Value and the Index Account Value:

- Fixed Account Value – is equal to the total premiums and/or transfers that you allocate to the Fixed Account, minus policy charges and expenses, minus the cost of any additional insurance or benefits, minus any withdrawals. The Fixed Account Value is credited with the company's currently declared, non-guaranteed interest rate. That rate, along with any assumed rate you chose to use for the calculation of the non-guaranteed Fixed Account Value in this illustration, is defined in the Numeric Summary.
- Index Account Value – is the total value of all individual Index Segments for all Index Selections. It is equal to the total premiums and/or transfers allocated to the Index Selections, minus policy charges and expenses, minus the cost of any additional insurance or benefits, minus any withdrawals, plus any Index Credits. The Index Credit is based on the performance of the Index(es) you select. For this illustration, the Index Account Value is credited with the non-guaranteed rate(s) for Index Selections as defined in the Numeric Summary.

Refer to the "Illustrated Rate for Index Selections" section of this policy explanation for more information about determining the illustrated rate for Index Selections.

Because this is a flexible premium policy, you have the option to stop or reduce premium payments for a period of time. Even if this illustration shows premium payments for just one year or several years only, North American will continue to deduct the cost of insurance and policy expenses from your policy's Account Value each month. Depending on actual results, you may need to continue or resume premium outlays. If at any time the Surrender Value is not sufficient to cover the monthly charges and expenses, and absent an applicable no lapse guarantee, you would have to make sufficient premium payments to cover the charges and expenses in order to continue coverage.

Minimum Account Value

This policy has a Minimum Account Value that is calculated monthly using a 3.00% guaranteed average annual interest rate and assumes that all premiums are allocated to the Fixed Account. If the Account Value is being calculated due to any termination of the policy, including lapse, death, surrender or maturity, the amount in your policy's Account Value will be at least as large as the Minimum Account Value.

At the end of policy year eight and every eight years thereafter on the policy anniversary, the Account Value will be compared to the Minimum Account Value. If the Minimum Account Value is larger than the Account Value at those times, the Account Value will be increased to equal the Minimum Account Value. If the Minimum Account Value is not larger than the Account Value, neither one will be adjusted.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

EXPLANATION OF POLICY ILLUSTRATION (CONT.)

In this illustration, the value displayed for any year in the non-guaranteed "Account Value" column on the Tabular Detail pages is the greater of the Account Value or the Minimum Account Value, based on the premium allocations and interest rates you chose to illustrate. If the Minimum Account Value is used in any year, it will be identified as such on the Tabular Detail, and the non-guaranteed Surrender Value and Death Benefit amounts for that same year are based on the Minimum Account Value. In that event, it is important to note that the Surrender Value shown reflects the amount that is available due to termination of the policy, including lapse, death, surrender or maturity. It is not the amount that would be available for loans or withdrawals.

Surrender Value

The Surrender Value is the amount you receive if you cancel your policy. Your Surrender Value is equal to:

- your account value;
- minus any outstanding policy loans and loan interest;
- minus surrender charges.

The surrender charge reduces to zero at the end of 15 years.

Processing Changes at Age 100

The maturity date for your policy is the policy anniversary when you are age 120. If your policy's Account Value, less policy debt, is positive at age 100, death benefit coverage will continue to age 120 unless the accrued value of any outstanding loan causes the policy to lapse prior to age 120. Certain changes will occur for the years beyond age 100:

- No mortality or expense charges will be deducted, and no further premium payments will be accepted.
- The Fixed Account Value will continue to be credited with the current Fixed Account interest rate.
- The Index Account Value will continue to earn Index Credit.
- Loan repayments will be accepted, and loan interest will continue to accrue.
- No rider charges will be assessed.

Note, however, that there is a possibility that your policy may not qualify as life insurance after age 100 under federal tax law, and it may be subject to adverse tax consequences. We recommend that you consult a tax advisor regarding your personal circumstances.

Accelerated Death Benefit Endorsement

This endorsement allows the policy owner to access a portion of the policy's death benefit if you are diagnosed with a chronic or terminal illness. We must receive due proof that you are chronically ill or terminally ill as defined in the endorsement before an accelerated payment will be made. Accelerated benefits can only be elected under one of these conditions at any given time. The maximum death benefit we will accelerate on the policy is \$1,000,000.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

EXPLANATION OF POLICY ILLUSTRATION (CONT.)

If you are diagnosed with a terminal illness, the minimum benefit is the smaller of 10% of the death benefit on the election date or \$100,000. The maximum benefit is the smaller of 75% of the death benefit on the election date or \$750,000. Only one election can be made for terminal illness.

If you are diagnosed as chronically ill, the minimum benefit amount that can be accessed at each election, except the final election, is the smaller of 5% of the policy's death benefit on the initial election date or \$50,000. The maximum benefit at each election is the smaller of 24% of the death benefit on the initial election date or \$240,000. The maximum benefit may be smaller for a final election. A chronic illness election is effective for 12 months starting from the election date, and only one election can be made in that 12-month period.

This endorsement is automatically issued with your policy if all of the following qualifications are met:

- Your age at policy issue is 75 or less.
- If the standard cost of insurance rates are increased, the increase cannot exceed 100% for the life of the policy.
- You are not assessed with a flat extra premium of any amount for medical reasons.

If all of the above qualifications are not met, your policy will be issued with the Accelerated Death Benefit Endorsement for terminal illness only. In addition, note that if you are converting a North American term policy to this universal life plan, the chronic illness benefit is only available if requested by you and evidence of insurability is provided.

There is no additional premium to have this endorsement as part of your policy, but there is an administrative fee when an Accelerated Death Benefit payment is made. Since this benefit is paid prior to death, the payment received will be discounted and will be less than the death benefit accelerated. An accelerated payment will reduce the policy's death benefit and policy values, which include, but are not limited to, the account value, cash surrender value and loan value.

Benefits and limitations may vary by state. Refer to the Accelerated Death Benefit Endorsement form for additional details regarding this benefit.

Protected Death Benefit

The Protected Death Benefit provision is automatically included in your policy at issue. There is no additional premium to have this benefit as part of your policy, but there are charges associated with the benefit once it is elected.

If you elect the Protected Death Benefit, it guarantees that the policy will remain in effect and that the death benefit, less any policy debt at the insured's death, will at least be equal to the Protected Death Benefit Amount you specify at the time that you exercise this benefit. The minimum benefit amount is \$25,000. The Protected Death Benefit does not guarantee that other riders that are attached to the policy will remain in effect.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

EXPLANATION OF POLICY ILLUSTRATION (CONT.)

The earliest that you may elect this benefit is when the policy has been in force for at least 15 policy years and the insured's policy age is at least age 65. You may elect the benefit by sending us written notice on or after the date these conditions are met. The portion of the policy's Account Value that is required to maintain this benefit must be allocated to the Fixed Account. The Protected Death Benefit cannot be elected if the Overloan Protection Benefit is in effect. Other requirements may also apply. Refer to the policy form for benefit availability conditions and other details.

Overloan Protection Benefit

The Overloan Protection Benefit is automatically included in your policy at issue. If elected, this benefit guarantees that the policy will not lapse due to loans you have taken from the policy, provided that the policy is not terminated due to surrender and the policyowner does not take policy loans or withdrawals during the Overloan Protection Period. When this benefit is exercised, the Specified Amount of insurance may be reduced.

The policyowner may exercise this benefit via written notice to us, provided that the following conditions are met:

- The policy has been in effect for at least 15 policy years; and
- The insured's policy age is at least age 65; and
- Withdrawals of all premium have been made; and
- Policy debt does not exceed the Overloan Election Amount.
- The Protected Death Benefit is not in effect.

The Overloan Election Amount is defined as:

- 89% of the policy's Account Value for policy ages greater than or equal to age 65, but less than or equal to age 74;
- 93% of the Account Value for policy ages that are greater than or equal to age 75.

Other requirements may also apply. Refer to the policy form for benefit availability and other details.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

Index Definitions

The following are definitions of various terms that are used throughout this illustration in connection with the available Indices.

Index

A published numerical value used to measure the performance of a group of stocks and/or bonds. The available Indices for this policy are: S&P 500®, Uncapped S&P 500®, S&P MidCap 400®, DJIA(sm), NASDAQ-100®, EURO STOXX 50®, Multi-Index Group, and Russell 2000®.

Index Period

The period of time during which an Index Credit is calculated. An Index Period begins on the date an Index Segment is created. This policy uses a 12 consecutive month period. At the end of an Index Period, a new Index Period will begin, and any values in the Index Segment will remain in the same Index Segment.

Index Cap Rate

The maximum interest rate that is used in the calculation of the Index Credit. The Index Cap Rate will be declared for each Index Segment in advance of each Index Period. It will never be less than the Minimum Index Cap Rate shown in the policy.

Index Floor Rate

The minimum interest rate that is used in the calculation of the Index Credit. The Index Floor Rate is declared for each Index Segment in advance of each Index Period, and is guaranteed to never be less than 0%.

Index Crediting Method

The method used to calculate the Index change. This policy offers four Index Crediting Methods as described below. For each method, the change in the Index value, if any, is subject to the Index Participation Rate, Index Cap Rate and Index Floor Rate.

- **Daily Averaging**

When this method is chosen, the Index change is determined by calculating the difference between the Index value on the first day of the Index Period and the average Index value throughout the Index Period. The Index Credits, if any, are credited and locked in at the end of the Index Period.

- **Annual Point-to-Point**

When this method is chosen, the Index change is determined by comparing the Index value at the beginning of the Index Period and the Index value at the end of the Index Period. The amount credited to the policy will depend on the change in the Index value at the end of the Index Period (all intermediate values are ignored). The Index Credits, if any, are credited and locked in at the end of the Index Period.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

- **Monthly Point-to-Point**

When this method is chosen, the Index change is determined by looking at the Index value on each Monthly Index Date throughout the Index Period. At each Monthly Index Date, the Monthly Index Return is calculated and is limited by the current Monthly Index Cap Rate. The Monthly Point-to-Point crediting method does not use a monthly floor rate, but there is still an annual floor rate of 0%. The amount credited to the policy will depend on the sum of the 12 Monthly Index Returns during the Index Period. The Index Credits, if any, are credited and locked in at the end of the Index Period.

- **Multi-Index Annual Point-to-Point**

When this method is chosen, the index credit is determined by calculating a Multi-Index change between the first day of the Index Period and the last day of the Index Period. The Multi-Index change uses the following three indices: S&P 500®, EURO STOXX 50® and Russell 2000®. The annual point-to-point Index growth from each of the three individual indices derives the Multi-Index change. 50% of the best performing index growth plus 30% of the second best performing Index growth plus 20% of the third best performing Index growth equals the Multi-Index change. The Multi-Index change is subject to the Index Cap Rate and any earnings are credited and locked in at the end of the 12 month Index Period. The rate credited will never be less than zero percent.

Index Selection

The combination of an Index and an Index Crediting Method.

Index Segment

An account that earns an Index Credit based on an Index Selection. An Index Segment is created on each date when a premium payment (net of the premium load) or a transfer is allocated to an Index Selection. An Index Segment will end when its value reaches zero. The policy may contain multiple Index Segments at one time. For example, if the payment mode is monthly, the policy could have a minimum of 12 Index Segments.

Index Credit

The actual amount credited to an Index Segment. The Index Credit is calculated and added to an Index Segment at the end of an Index Period. No Index Credit will be given if an Index Segment ends before the end of the Index Period.

Index Participation Rate

The portion of the Index change that is in the calculation of the Index Credit. The Index Participation Rate will be declared for each Index Segment in advance of each Index Period, but it will never be less than the Minimum Index Participation Rate shown in your policy.

Monthly Index Date

The Monthly Index Date is the same day of the month as the date on which the Index Segment was created.

Monthly Index Return

The Monthly Index Return is based on the percentage increase or decrease in the Index. See the policy for more details.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

Illustrated Rate for Index Selections

The chart on the following page shows historical returns for the various Index Selections that are available, based on the current Index Cap Rate, Index Floor Rate and Index Participation Rate for each Index Selection as shown in the "Index Selections and Initial Premium Allocation" section of this illustration. Also shown is the Maximum Illustrated Rate that can be used in this illustration for each of the available Index Selections, and it is equal to that Index's 30 Year Average Rate of Return. For those indices without 30 years of historical data, the Maximum Illustrated Rate is equal to the Average Rate of Return since the inception of the index. These calculations assume that premium is paid on each business day of the year. The Rate of Return can vary significantly for individual business days. If you allocate premium payments to more than one Index Selection, the Maximum Illustrated Rate that is used will be a weighted average of each of the Maximum Illustrated Rates for the indices you chose, taking into account the percentage of premium you allocated to each Index. Those percentage allocations are shown in the "Index Selections and Initial Premium Allocation" section of this illustration. The Maximum Illustrated Rate is not an expected rate for any given year. **It is an average based on past performance and is not intended to predict future performance.**

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

When premium payments are allocated to one or more Index Selections, the amount credited to your policy will depend on the actual change in the selected Index. The actual credited rate for any given year will almost certainly be different from the illustrated rate, as it is not possible to know in advance what the actual credited rate will be.

Index Selection	Index	Index Crediting Method	Average Rates of Return						Maximum Illustrated Rate
			5 Year	10 Year	20 Year	30 Year	40 Year	50 Year	
1	S&P 500®	Annual Point-to-Point	6.90%	6.80%	8.00%	8.30%	7.70%	7.50%	8.30%
2	S&P 500®	Monthly Point-to-Point	6.60%	6.50%	8.20%	8.40%	7.40%	7.20%	8.40%
3	S&P 500®	Daily Averaging	6.00%	5.00%	6.30%	6.70%	6.20%	5.90%	6.70%
4	DJIA(sm)	Annual Point-to-Point	7.10%	6.10%	7.40%	7.70%	6.90%	6.60%	7.70%
5	DJIA(sm)	Daily Averaging	6.10%	4.80%	6.10%	6.80%	6.00%	5.70%	6.80%
6	NASDAQ-100®	Annual Point-to-Point	6.80%	6.10%	7.40%	NA	NA	NA	7.40% ¹
7	S&P MidCap 400®	Annual Point-to-Point	6.10%	6.80%	7.60%	7.50%	NA	NA	7.50% ²
8	S&P MidCap 400®	Daily Averaging	6.50%	6.10%	6.40%	6.60%	NA	NA	6.60% ²
9	Russell 2000®	Annual Point-to-Point	5.60%	6.40%	6.90%	6.60%	NA	NA	6.60%
10	Russell 2000®	Daily Averaging	5.80%	6.00%	6.00%	6.20%	NA	NA	6.20%
11	EURO STOXX 50®	Annual Point-to-Point	4.30%	5.70%	7.20%	NA	NA	NA	7.10% ³
12	Uncapped S&P 500®	Annual Point-to-Point	5.80%	5.20%	6.80%	7.30%	6.60%	6.30%	7.30%
13	Multi-Index Group	Multi-Index Annual Point-to-Point	5.70%	6.40%	7.50%	NA	NA	NA	7.30% ⁴

The Average Rate of Return uses the current Index Cap Rate, Index Participation Rate and Index Floor Rate and assumes money is deposited on each business day of the year.

¹ History of NASDAQ-100® is only available since 1985, and the Maximum Illustrated Rate is based on the Average Rate of Return since that time.

² History of S&P MidCap 400® is only available since 1981, and the Maximum Illustrated Rate is based on the Average Rate of Return since that time.

³ History of EURO STOXX 50® is only available since 1987, and the Maximum Illustrated Rate is based on the Average Rate of Return since that time.

⁴ History of Multi-Index Group is only available since 1987, and the Maximum Illustrated Rate is based on the Average Rate of Return since that time.

Past performance does not predict the future performance of any index.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

Index Selections and Initial Premium Allocation

The chart below shows the current and minimum Index Cap Rate, Index Floor Rate, and Index Participation Rate for each available Index Selection. The current rates are subject to change. It also shows the percentage of your premium outlay that you have chosen to allocate, on this illustration, to each Index Selection and the Fixed Account.

Index Selection	Index	Index Crediting Method	Minimum Index Par Rate	Current Index Par Rate	Minimum Index Cap Rate	Current Index Cap Rate	Minimum Index Floor	Current Index Floor	Initial Premium Allocation
1	S&P 500®	Annual Point-to-Point	100%	100%	4%	14%	0%	0%	100%
2	S&P 500®	Monthly Point-to-Point	100%	100%	1.25%	4.5%	0%	0%	0%
3	S&P 500®	Daily Averaging	40%	102.5%	None	None	0%	0%	0%
4	DJIA(sm)	Annual Point-to-Point	100%	100%	4%	13%	0%	0%	0%
5	DJIA(sm)	Daily Averaging	40%	102.5%	None	None	0%	0%	0%
6	NASDAQ-100®	Annual Point-to-Point	100%	100%	3%	11%	0%	0%	0%
7	S&P MidCap 400®	Annual Point-to-Point	100%	100%	3%	11%	0%	0%	0%
8	S&P MidCap 400®	Daily Averaging	30%	82.5%	None	None	0%	0%	0%
9	Russell 2000®	Annual Point-to-Point	100%	100%	3%	11%	0%	0%	0%
10	Russell 2000®	Daily Averaging	30%	82.5%	None	None	0%	0%	0%
11	EURO STOXX 50®	Annual Point-to-Point	100%	100%	3%	13%	0%	0%	0%
12	Uncapped S&P 500®	Annual Point-to-Point	10%	57.5%	None	None	0%	0%	0%
13	Multi-Index Group	Multi-Index Annual Point-to-Point	100%	100%	3%	11%	0%	0%	0%

Fixed Account Premium Allocation: 0%

This illustration assumes that the premium allocation percentages shown above are used for the life of the policy. However, you may change the percentage allocation of future premium payments at any time while the policy is in force.

“Standard & Poor’s®”, “S&P®”, “S&P 500®”, “Standard & Poor’s 500” and “500” are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by North American Company for Life and Health Insurance.

“S&P MidCap 400®”, “Standard & Poor’s MidCap 400®” are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by North American Company for Life and Health Insurance. This product is not sponsored, endorsed, sold or promoted by Standard & Poor’s® and Standard & Poor’s® makes no representation regarding the advisability of purchasing this product.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

The Dow Jones Industrial Average(SM) is a product of Dow Jones Indexes, the marketing name and a licensed trademark of CME Group Index Services LLC ("CME Indexes"), and has been licensed for use. "Dow Jones®", "Dow Jones Industrial Average(SM)", "DJIASM" and "Dow Jones Indexes" are service marks of Dow Jones Trademark Holdings, LLC ("Dow Jones"), have been licensed to CME Indexes and sublicensed for use for certain purposes by North American Company for Life and Health Insurance. North American's Indexed Universal Life Insurance products, based on the Dow Jones Industrial Average(SM), are not sponsored, endorsed, sold or promoted by Dow Jones, CME Indexes or their respective affiliates and none of them makes any representation regarding the advisability of investing in such products.

The EURO STOXX 50® is the intellectual property (including registered trademarks) of STOXX Limited, Zurich, Switzerland and/or its licensors the ("Licensors"), which is used under license. The Index Accounts for this Product based on the Index are in no way sponsored, endorsed, sold or promoted by STOXX and its Licensors and neither of the Licensors shall have any liability with respect thereto.

The Builder IUL7 from North American Company for Life and Health Insurance is not sponsored, endorsed, sold or promoted by Standard & Poor's® or Dow Jones, and Standard & Poor's® or Dow Jones makes no representation regarding the advisability of purchasing this contract or investing in this product.

THE RUSSELL 2000® COMPOSITE STOCK PRICE INDEX
This Index does not include dividends paid by the underlying companies.

Russell 2000® is a trademark of the Frank Russell Company, and has been licensed for use by North American Company for Life and Health Insurance. This product is not sponsored, endorsed, sold or promoted by Frank Russell Company and Frank Russell Company makes no representation regarding the advisability of purchasing this product.

The NASDAQ-100®, NASDAQ-100 INDEX® and NASDAQ® are registered marks of the NASDAQ Stock Market Inc. (which with its affiliates are the "Corporations") and are licensed for use by North American Company for Life and Health Insurance. This product has not been passed on by the Corporations as to their legality or suitability. This product is not issued, endorsed, sold or promoted by the Corporations. THE CORPORATIONS MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO THIS PRODUCT. THIS INDEX DOES NOT INCLUDE DIVIDENDS PAID BY THE UNDERLYING COMPANIES.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

Hypothetical Example

(Assuming 20% allocated to Fixed Account and 80% allocated to Index Selection #1)

- **November 1, 2011 (Policy Anniversary)**

Premium of \$1,250, net of the premium load, is received. \$250 (20%) is allocated to the Fixed Account, and \$1,000 (80%) is allocated to Index Selection #1. Index Segment A is created with a value of \$1,000. Total Account Value is \$1,250.

- **December 1, 2011**

The monthly policy charge for the preceding month is \$20. Since this is less than the Fixed Account Value, it will be taken out of the Fixed Account on December 1. The Fixed Account Value becomes \$230 (\$250 - \$20). The Fixed Account accumulates its balance at a pre-defined credited rate. Assuming the Fixed Account interest rate is established at an annual effective rate of 5.00%, the Fixed Account Value on December 1 would be \$230.94. The Fixed Account would continue to grow with interest and charges would continue to be deducted. (For the remainder of this example, we will not show the details of the Fixed Account calculations). The value of Index Segment A would remain at \$1,000 on December 1. Total Account Value is \$1,230.94.

- **March 1, 2012**

The Fixed Account Value is now \$173.28 (reflecting charges of \$20 per month and credited interest). Premium of \$500 is received. \$100 (20%) is allocated to the Fixed Account, and \$400 (80%) is allocated to Index Selection #1. The Fixed Account Value becomes \$273.28. Index Segment B is created with a value of \$400. The value of Index Segment A would remain at \$1,000 on March 1. Total Account Value is \$1,673.28.

- **November 1, 2012**

An Index Credit is given to Index Segment A. If we assume the Index change is 8%, then the Index Credit is \$80 (\$1,000 * 8%). The value in Index Segment A is now \$1,080. The value in Index Segment B is still \$400. The value in the Fixed Account is now \$119.34 (reflecting charges of \$20 per month and credited interest). Total Account Value is \$1,599.34.

- **March 1, 2013**

An Index Credit is given to Index Segment B. If we assume the Index change is 6%, then the Index Credit is \$24 (\$400 * 6%). The value in Index Segment B is now \$424. The value in Index Segment A is still \$1,080. The value in the Fixed Account is now \$40.46 (reflecting charges of \$20 per month and credited interest). Total Account Value is \$1,544.46.

Any additional premium received would create additional Index Segments that would receive Index Credits at the end of the Index Period

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

NUMERIC SUMMARY

		Guaranteed		Non-Guaranteed Midpoints		Non-Guaranteed	
End of Year	End of Year Age	Account Value	Death Benefit	Account Value	Death Benefit	Account Value	Death Benefit
5	40	26,898	206,898	27,108	207,108	29,464	209,464
10	45	56,950	236,950	58,572	238,572	70,398	250,398
20	55	0	0	0	0	198,285	205,431
35	70	0	0	0	0	306,305	58,624
Lapse Year		20		20		NA	

The guaranteed values are based on the minimum guaranteed interest rate of 3.00% for the Fixed Account and the highest possible cost of insurance rates and policy charges. Actual credited interest rates may be higher; actual cost of insurance rates may be lower.

The midpoint values are based on an interest rate which is midway between the guaranteed and non-guaranteed rates used in this illustration, and an average of non-guaranteed and guaranteed charges.

The non-guaranteed values are based on the non-guaranteed cost of insurance rates and policy charges and the following interest rates for the Index Selections:

7.25% years 1-10, 8.00% thereafter

The interest rate for years 11 and beyond includes an Index Bonus of 0.75%.

I have received a copy of this illustration and understand that this illustration assumes that the currently illustrated non-guaranteed elements will continue unchanged for all years shown. This is not likely to occur, and actual results may be more or less favorable than those shown.

Applicant/Policyowner _____ Date _____

I have not made any statements to the applicant as to the likelihood of the non-guaranteed elements actually being paid or credited.

Agent _____ Date _____

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

This illustration is based on the following initial premium allocations:

S&P 500®	Annual Point-to-Point	100%	S&P MidCap 400®	Daily Averaging	0%
S&P 500®	Monthly Point-to-Point	0%	Russell 2000®	Annual Point-to-Point	0%
S&P 500®	Daily Averaging	0%	Russell 2000®	Daily Averaging	0%
DJIA(sm)	Annual Point-to-Point	0%	EURO STOXX 50®	Annual Point-to-Point	0%
DJIA(sm)	Daily Averaging	0%	Uncapped S&P 500®	Annual Point-to-Point	0%
NASDAQ-100®	Annual Point-to-Point	0%	Multi-Index Group	Multi-Index Annual Point-to-Point	0%
S&P MidCap 400®	Annual Point-to-Point	0%	Fixed Account		0%

TABULAR DETAIL

				Guaranteed			Non-Guaranteed Alternate			Non-Guaranteed		
				3.00% Interest Rate			5.25% Interest Rate for Index Selections			7.25% Interest Rate for Index Selections		
End of Year	End of Yr Age	Premium Outlay	Loan Amount	Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit
1*	36**	6000.00	0	5132	1442	185132	5176	1486	185176	5176	1486	185176
2	37	6000.00	0	10380	6764	190380	10519	6903	190519	10652	7036	190652
3	38	6000.00	0	15747	12205	195747	16144	12602	196144	16517	12975	196517
4	39	6000.00	0	21259	17865	201259	22028	18634	202028	22772	19377	202772
5	40	6000.00	0	26898	23650	206898	28206	24958	208206	29464	26216	209464
		30,000.00	0									

* Non-Guaranteed Alternate values shown for this year are based on use of the Minimum Account Value.

** Non-Guaranteed values shown for this year are based on use of the Minimum Account Value.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

TABULAR DETAIL (CONT.)

End of Year	End of Yr Age	Premium Outlay	Loan Amount	Guaranteed			Non-Guaranteed Alternate			Non-Guaranteed		
				Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit
				3.00% Interest Rate			5.25% Interest Rate for Index Selections			7.25% Interest Rate for Index Selections		
6	41	6000.00	0	32666	29566	212666	34646	31546	214646	36578	33478	216578
7	42	6000.00	0	38545	35593	218545	41407	38455	221407	44190	41238	224190
8	43	6000.00	0	44561	41831	224561	48504	45774	228504	52332	49601	232332
9	44	6000.00	0	50695	48186	230695	55974	53465	235974	61062	58553	241062
10	45	6000.00	0	56950	54663	236950	63814	61526	243814	70398	68111	250398
		60,000.00	0									
11	46	6000.00	0	63330	61338	243330	73291	71298	253291	81698	79705	261698
12	47	6000.00	0	69838	68214	249838	83281	81657	263281	93834	92210	273834
13	48	6000.00	0	76477	75222	256477	93860	92606	273860	106930	105676	286930
14	49	6000.00	0	83250	82439	263250	105042	104230	285042	121039	120227	301039
15	50	6000.00	0	90185	89816	270185	116884	116515	296884	136263	135894	316263
		90,000.00	0									
16	51	6000.00	0	97240	97240	277240	129403	129403	309403	152668	152668	332668
17	52	6000.00	0	104419	104419	284419	142639	142639	322639	170348	170348	350348
18	53	0.00	45519	105892	59008	237533	149316	102431	275754	181166	134282	303462
19	54	0.00	45519	107449	12274	189242	155010	59835	227463	190532	95357	255171
20	55	0.00	45519	0	0	0	159646	14731	177723	198285	53370	205431
		102,000.00	136,557									

* Non-Guaranteed Alternate values shown for this year are based on use of the Minimum Account Value.

** Non-Guaranteed values shown for this year are based on use of the Minimum Account Value.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

TABULAR DETAIL (CONT.)

End of Year	End of Yr Age	Premium Outlay	Loan Amount	Guaranteed			Non-Guaranteed Alternate			Non-Guaranteed		
				3.00% Interest Rate			5.25% Interest Rate for Index Selections			7.25% Interest Rate for Index Selections		
				Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit
21	56	0.00	45519	0	0	0	0	0	0	204167	8019	154199
22	57	0.00	0	0	0	0	0	0	0	210243	8211	148315
23	58	0.00	0	0	0	0	0	0	0	216497	8404	142254
24	59	0.00	0	0	0	0	0	0	0	222920	8584	136011
25	60	0.00	0	0	0	0	0	0	0	229538	8772	129581
		102,000.00	182,076									
26	61	0.00	0	0	0	0	0	0	0	236288	8900	122958
27	62	0.00	0	0	0	0	0	0	0	243217	9006	116137
28	63	0.00	0	0	0	0	0	0	0	250333	9096	109110
29	64	0.00	0	0	0	0	0	0	0	257628	9155	101873
30	65	0.00	0	0	0	0	0	0	0	265131	9203	94419
		102,000.00	182,076									
31	66	0.00	0	0	0	0	0	0	0	272849	9243	86741
32	67	0.00	0	0	0	0	0	0	0	280809	9295	78833
33	68	0.00	0	0	0	0	0	0	0	289025	9366	70687
34	69	0.00	0	0	0	0	0	0	0	297522	9472	62298
35	70	0.00	0	0	0	0	0	0	0	306305	9615	58624
		102,000.00	182,076									

* Non-Guaranteed Alternate values shown for this year are based on use of the Minimum Account Value.

** Non-Guaranteed values shown for this year are based on use of the Minimum Account Value.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

TABULAR DETAIL (CONT.)

End of Year	End of Yr Age	Premium Outlay	Loan Amount	Guaranteed			Non-Guaranteed Alternate			Non-Guaranteed		
				Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit
				3.00% Interest Rate			5.25% Interest Rate for Index Selections			7.25% Interest Rate for Index Selections		
36	71	0.00	0	0	0	0	0	0	0	315385	9794	57102
37	72	0.00	0	0	0	0	0	0	0	324747	9988	52205
38	73	0.00	0	0	0	0	0	0	0	334419	10217	47003
39	74	0.00	0	0	0	0	0	0	0	344423	10495	41493
40	75	0.00	0	0	0	0	0	0	0	354792	10847	35682
		102,000.00	182,076									
41	76	0.00	0	0	0	0	0	0	0	365567	11303	29582
42	77	0.00	0	0	0	0	0	0	0	376634	11742	30573
43	78	0.00	0	0	0	0	0	0	0	388000	12161	31561
44	79	0.00	0	0	0	0	0	0	0	399663	12549	32532
45	80	0.00	0	0	0	0	0	0	0	411627	12900	33481
		102,000.00	182,076									
46	81	0.00	0	0	0	0	0	0	0	423880	13190	34384
47	82	0.00	0	0	0	0	0	0	0	436418	13408	35229
48	83	0.00	0	0	0	0	0	0	0	449237	13537	35999
49	84	0.00	0	0	0	0	0	0	0	462326	13554	36670
50	85	0.00	0	0	0	0	0	0	0	475669	13435	37218
		102,000.00	182,076									

* Non-Guaranteed Alternate values shown for this year are based on use of the Minimum Account Value.

** Non-Guaranteed values shown for this year are based on use of the Minimum Account Value.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

TABULAR DETAIL (CONT.)

End of Year	End of Yr Age	Premium Outlay	Loan Amount	Guaranteed			Non-Guaranteed Alternate			Non-Guaranteed		
				Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit
				3.00% Interest Rate			5.25% Interest Rate for Index Selections			7.25% Interest Rate for Index Selections		
51	86	0.00	0	0	0	0	0	0	0	489245	13144	37606
52	87	0.00	0	0	0	0	0	0	0	503005	12620	37770
53	88	0.00	0	0	0	0	0	0	0	516916	11820	37665
54	89	0.00	0	0	0	0	0	0	0	530948	10698	37246
55	90	0.00	0	0	0	0	0	0	0	545035	9179	36431
		102,000.00	182,076									
56	91	0.00	0	0	0	0	0	0	0	559171	7238	35197
57	92	0.00	0	0	0	0	0	0	0	573865	5374	28329
58	93	0.00	0	0	0	0	0	0	0	589227	3682	21358
59	94	0.00	0	0	0	0	0	0	0	605440	2329	14438
60	95	0.00	0	0	0	0	0	0	0	622752	1548	7775
		102,000.00	182,076									
61	96	0.00	0	0	0	0	0	0	0	641495	1654	1654
62	97	0.00	0	0	0	0	0	0	0	660731	1695	1695
63	98	0.00	0	0	0	0	0	0	0	680547	1739	1739
64	99	0.00	0	0	0	0	0	0	0	700959	1787	1787
65	100	0.00	0	0	0	0	0	0	0	721985	1839	1839
		102,000.00	182,076									

* Non-Guaranteed Alternate values shown for this year are based on use of the Minimum Account Value.

** Non-Guaranteed values shown for this year are based on use of the Minimum Account Value.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

TABULAR DETAIL (CONT.)

End of Year	End of Yr Age	Premium Outlay	Loan Amount	Guaranteed			Non-Guaranteed Alternate			Non-Guaranteed		
				Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit
				3.00% Interest Rate			5.25% Interest Rate for Index Selections			7.25% Interest Rate for Index Selections		
66	101	0.00	0	0	0	0	0	0	0	743743	1992	1992
67	102	0.00	0	0	0	0	0	0	0	766154	2151	2151
68	103	0.00	0	0	0	0	0	0	0	789246	2323	2323
69	104	0.00	0	0	0	0	0	0	0	813039	2508	2508
70	105	0.00	0	0	0	0	0	0	0	837555	2708	2708
		102,000.00	182,076									
71	106	0.00	0	0	0	0	0	0	0	862816	2923	2923
72	107	0.00	0	0	0	0	0	0	0	888846	3157	3157
73	108	0.00	0	0	0	0	0	0	0	915668	3408	3408
74	109	0.00	0	0	0	0	0	0	0	943308	3680	3680
75	110	0.00	0	0	0	0	0	0	0	971790	3974	3974
		102,000.00	182,076									
76	111	0.00	0	0	0	0	0	0	0	1001142	4291	4291
77	112	0.00	0	0	0	0	0	0	0	1031390	4633	4633
78	113	0.00	0	0	0	0	0	0	0	1062562	5003	5003
79	114	0.00	0	0	0	0	0	0	0	1094688	5402	5402
80	115	0.00	0	0	0	0	0	0	0	1127798	5833	5833
		102,000.00	182,076									

* Non-Guaranteed Alternate values shown for this year are based on use of the Minimum Account Value.

** Non-Guaranteed values shown for this year are based on use of the Minimum Account Value.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

TABULAR DETAIL (CONT.)

End of Year	End of Yr Age	Premium Outlay	Loan Amount	Guaranteed			Non-Guaranteed Alternate			Non-Guaranteed		
				3.00% Interest Rate			5.25% Interest Rate for Index Selections			7.25% Interest Rate for Index Selections		
				Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit	Account Value	Surrender Value	Death Benefit
81	116	0.00	0	0	0	0	0	0	0	1161923	6299	6299
82	117	0.00	0	0	0	0	0	0	0	1197094	6802	6802
83	118	0.00	0	0	0	0	0	0	0	1233346	7345	7345
84	119	0.00	0	0	0	0	0	0	0	1270713	7932	7932
85	120	0.00	0	0	0	0	0	0	0	1309229	8565	8565
		102,000.00	182,076									

Non-Guaranteed Alternate interest rates for Index Selections (including bonuses): 5.25% years 1-10, 6.00% thereafter
 Non-Guaranteed interest rates for Index Selections (including bonuses): 7.25% years 1-10, 8.00% thereafter

* Non-Guaranteed Alternate values shown for this year are based on use of the Minimum Account Value.

** Non-Guaranteed values shown for this year are based on use of the Minimum Account Value.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

LOAN REPORT

The values shown are based on the Non-Guaranteed assumptions used in the basic illustration.

End of Year	End of Yr Age	Annual Loan	Interest Paid In Cash	Interest Cptlzd	Cumulative Loan
1	36	0.00	0.00	0.00	0.00
2	37	0.00	0.00	0.00	0.00
3	38	0.00	0.00	0.00	0.00
4	39	0.00	0.00	0.00	0.00
5	40	0.00	0.00	0.00	0.00
6	41	0.00	0.00	0.00	0.00
7	42	0.00	0.00	0.00	0.00
8	43	0.00	0.00	0.00	0.00
9	44	0.00	0.00	0.00	0.00
10	45	0.00	0.00	0.00	0.00
11	46	0.00	0.00	0.00	0.00
12	47	0.00	0.00	0.00	0.00
13	48	0.00	0.00	0.00	0.00
14	49	0.00	0.00	0.00	0.00
15	50	0.00	0.00	0.00	0.00
16	51	0.00	0.00	0.00	0.00
17	52	0.00	0.00	0.00	0.00
18	53	45,519.00	0.00	1,365.57	46,884.57
19	54	45,519.00	0.00	2,772.11	95,175.68
20	55	45,519.00	0.00	4,220.84	144,915.52

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

LOAN REPORT

The values shown are based on the Non-Guaranteed assumptions used in the basic illustration.

End of Year	End of Yr Age	Annual Loan	Interest Paid In Cash	Interest Cptlzd	Cumulative Loan
21	56	45,519.00	0.00	5,713.04	196,147.56
22	57	0.00	0.00	5,884.43	202,031.99
23	58	0.00	0.00	6,060.96	208,092.95
24	59	0.00	0.00	6,242.79	214,335.74
25	60	0.00	0.00	6,430.07	220,765.81
26	61	0.00	0.00	6,622.97	227,388.78
27	62	0.00	0.00	6,821.66	234,210.44
28	63	0.00	0.00	7,026.31	241,236.75
29	64	0.00	0.00	7,237.10	248,473.85
30	65	0.00	0.00	7,454.22	255,928.07
31	66	0.00	0.00	7,677.84	263,605.91
32	67	0.00	0.00	7,908.18	271,514.09
33	68	0.00	0.00	8,145.42	279,659.51
34	69	0.00	0.00	8,389.79	288,049.30
35	70	0.00	0.00	8,641.48	296,690.78
36	71	0.00	0.00	8,900.72	305,591.50
37	72	0.00	0.00	9,167.75	314,759.25
38	73	0.00	0.00	9,442.78	324,202.03
39	74	0.00	0.00	9,726.06	333,928.09
40	75	0.00	0.00	10,017.84	343,945.93

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

LOAN REPORT

The values shown are based on the Non-Guaranteed assumptions used in the basic illustration.

<u>End of Year</u>	<u>End of Yr Age</u>	<u>Annual Loan</u>	<u>Interest Paid In Cash</u>	<u>Interest Cptlzd</u>	<u>Cumulative Loan</u>
41	76	0.00	0.00	10,318.38	354,264.31
42	77	0.00	0.00	10,627.93	364,892.24
43	78	0.00	0.00	10,946.77	375,839.01
44	79	0.00	0.00	11,275.17	387,114.18
45	80	0.00	0.00	11,613.43	398,727.61
46	81	0.00	0.00	11,961.83	410,689.44
47	82	0.00	0.00	12,320.68	423,010.12
48	83	0.00	0.00	12,690.30	435,700.42
49	84	0.00	0.00	13,071.01	448,771.43
50	85	0.00	0.00	13,463.14	462,234.57
51	86	0.00	0.00	13,867.04	476,101.61
52	87	0.00	0.00	14,283.05	490,384.66
53	88	0.00	0.00	14,711.54	505,096.20
54	89	0.00	0.00	15,152.89	520,249.09
55	90	0.00	0.00	15,607.47	535,856.56
56	91	0.00	0.00	16,075.70	551,932.26
57	92	0.00	0.00	16,557.97	568,490.23
58	93	0.00	0.00	17,054.71	585,544.94
59	94	0.00	0.00	17,566.35	603,111.29
60	95	0.00	0.00	18,093.34	621,204.63

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
 Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
 Riders: None
 Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
 DB Option Changes in Year 18 to Level
 Initial Monthly EFT Premium: \$500.00
 1035: \$0.00 (Month 1)
 Non-1035: \$0.00 (Month 1)

LOAN REPORT

The values shown are based on the Non-Guaranteed assumptions used in the basic illustration.

<u>End of Year</u>	<u>End of Yr Age</u>	<u>Annual Loan</u>	<u>Interest Paid In Cash</u>	<u>Interest Cptlzd</u>	<u>Cumulative Loan</u>
61	96	0.00	0.00	18,636.14	639,840.77
62	97	0.00	0.00	19,195.22	659,035.99
63	98	0.00	0.00	19,771.08	678,807.07
64	99	0.00	0.00	20,364.21	699,171.28
65	100	0.00	0.00	20,975.14	720,146.42
66	101	0.00	0.00	21,604.39	741,750.81
67	102	0.00	0.00	22,252.52	764,003.33
68	103	0.00	0.00	22,920.10	786,923.43
69	104	0.00	0.00	23,607.70	810,531.13
70	105	0.00	0.00	24,315.93	834,847.06
71	106	0.00	0.00	25,045.41	859,892.47
72	107	0.00	0.00	25,796.77	885,689.24
73	108	0.00	0.00	26,570.68	912,259.92
74	109	0.00	0.00	27,367.80	939,627.72
75	110	0.00	0.00	28,188.83	967,816.55
76	111	0.00	0.00	29,034.50	996,851.05
77	112	0.00	0.00	29,905.53	1,026,756.58
78	113	0.00	0.00	30,802.70	1,057,559.28
79	114	0.00	0.00	31,726.78	1,089,286.06
80	115	0.00	0.00	32,678.58	1,121,964.64

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

LOAN REPORT

The values shown are based on the Non-Guaranteed assumptions used in the basic illustration.

<u>End of Year</u>	<u>End of Yr Age</u>	<u>Annual Loan</u>	<u>Interest Paid In Cash</u>	<u>Interest Cptlzd</u>	<u>Cumulative Loan</u>
81	116	0.00	0.00	33,658.94	1,155,623.58
82	117	0.00	0.00	34,668.71	1,190,292.29
83	118	0.00	0.00	35,708.77	1,226,001.06
84	119	0.00	0.00	36,780.03	1,262,781.09
85	120	0.00	0.00	37,883.43	1,300,664.52

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

TRADITIONAL UNDERWRITING REQUIREMENTS

Requirements

The underwriting requirements based on this illustration are:

NOTE: In addition to the requirements below, please complete Part A of the application and Part B.

Blood/HOS

Physical Measurements

Motor Vehicle Reports will be ordered for all applicants that are of driving age and have a valid driver's license.

The Home Office reserves the right to order additional requirements deemed necessary.

North American Company for Life and Health Insurance

Builder IUL7 - Guideline Premium Test

A Universal Life Insurance Policy Illustration

Peter
Male, Age 35 (Based on Last Birthday), Preferred Non-Tobacco
Riders: None
Rating: None

Death Benefit: \$180,000 Initial DB Option: Increasing
DB Option Changes in Year 18 to Level
Initial Monthly EFT Premium: \$500.00
1035: \$0.00 (Month 1)
Non-1035: \$0.00 (Month 1)

TRADITIONAL REQUIRED FORMS

Standard Form(s)

Accelerated Benefit Disclosure L-3191NS (07-10)
Consumer Protection Notice L-2978 (01-09)
Disclosure for IUL L-3190 (09-11)
IUL Application Supplement L-3189 (10-11)
Life Agent Report O-2724 (06-10)
Life Insurance Application L-3182 (11-09)
Life Insurance Buyers Guide BYG76NA (12) (06-06)
NAC HIPAA Authorization L-3100 (11-11)
Transmittal Report O-922 (R11) (09-11)

Supplemental Form(s)

1035 Exchange L-2008 (R7) (01-04)
Certificate of Trust Agreement L-3172A (R1) (04-10)
COLI Consent Form L-3168 (11-09)
Credit Card Billing Authorization L-2856 (R8) (05-02)
Electronic Fund Transfer Authorization L-1683 (R11) (07-10)
IUL Authorization O-2758 (07-06)
L-3204 and DD Form 2885 Military Sales Disclosures L-3204 and DD Form 2885
Pension Max Disclosure Statement O-2792 (07-08)
Policy Change Application L-3187A (03-10)
Replacement Form (External Replacement 2) O-2328 (R3) (10-09)
Replacement Form (External Replacement) O-2309(12) (10-09)
Replacement Form (Internal Replacement 2) O-2328 (R3) (10-09)
Replacement Form (Internal Replacement) O-2309(12) (10-09)
Request to Exchange Coverage O-2793 (R1) (12-11)
Temporary Life Insurance Agreement L-2977-R (08-11)