

403(b) Exchange Disclosure and Acknowledgement

On July 26, 2007, the IRS published final regulations for 403(b) plans making significant changes in the rules governing many aspects of such plans and related transactions. Under the new regulations, your employer (the "Plan Sponsor") is required to adopt a written plan document no later than January 1, 2009, which describes the eligible contracts and custodial accounts (the "Provider") allowed under the plan.

For an exchange that occurs after September 24, 2007, and before the later of adoption of the written plan document by the Plan Sponsor, or January 1, 2009, a change in investments will be permitted only if (1) an Information Sharing Agreement is entered into between the Plan Sponsor and the Provider to share information necessary for compliance with the final 403(b) regulations relating to exchanges by employees and (2) the Plan Sponsor ultimately ratifies exchanges that occur during this interim period. In addition to the requirements noted in (1) and (2) in the preceding sentence, the value of your contract after the exchange must not be less than the value of your contract before the exchange and the product into which the exchange is being made must have distribution restrictions at least as restrictive as the product from which the exchange is being made.

For an exchange that occurs after December 31, 2008, the exchange will be permitted if the other requirements imposed by the regulations are met and the exchange is made only by a Provider authorized by the written plan document.

EXCHANGES TO North American

North American Company for Life and Health Insurance ("North American") intends to enter into an Information Sharing Agreement with your Plan Sponsor, and to ultimately be listed as a Provider in the Plan Sponsor's written plan document. However, we cannot assure you that your Plan Sponsor will take these actions or do so on a timely basis. In the event that your Plan Sponsor does not enter into an Information Sharing Agreement with us and ultimately ratify this exchange, the exchange will not qualify for tax-free treatment. If your Plan Sponsor's Plan document includes provisions which conflict with the provisions of North American's annuity contract, or that require North American to waive any surrender charges, market value adjustments, or interest adjustments permitted under our contract, we reserve the right to rescind the contract, refund the net premium, and recover all compensation paid to your agent.

EXCHANGES TO OTHER PROVIDERS

If you are making an exchange from a North American contract to the contract of another Provider, that Provider is subject to the same requirements generally described above. North American, however, has no obligation and will not assume any obligation to inquire regarding or insure that the appropriate action is being taken by the Provider to whom this exchange is being made to comply with the new regulations. Please contact your new Provider for information on the action that they are taking in response to the new regulations.

CONSULT A TAX ADVISOR

The new 403(b) regulations are complex and significantly change the rules regarding 403(b) plans generally and, specifically, the transfer and exchange rules with respect to such plans. North American **STRONGLY RECOMMENDS THAT YOU CONTACT YOUR TAX ADVISOR REGARDING THE IMPACT OF THE NEW REGULATIONS ON YOU AND ANY EXCHANGE BEING CONSIDERED.**

AUTHORIZATION

In the event that your Plan Sponsor does enter into an Information Sharing Agreement with us, it establishes the understanding between Provider and Plan Sponsor to share information necessary for compliance with final 403(b) regulations relating to Exchanges by employees of Plan Sponsor. This form authorizes us to release all information concerning your 403(b) contract including, but not necessarily limited to, premiums, contributions, withdrawals including any hardship withdrawals, and loans at the request of your Plan Sponsor.

ACKNOWLEDGMENT

Please sign this form where indicated below. By doing so you are acknowledging your understanding of the information provided above regarding the impact of the final 403(b) regulations as they relate to this exchange, and that you accept responsibility for any and all financial and tax consequences that may be incurred as a result of this exchange.

Plan Participant /Applicant Signature

Date

Agent Signature

Date

Please notify your employer that you have initiated this Exchange and request that North American be listed as a Provider in their final written plan document.

