

# Variable Universal Life - Death Benefit Prospectus

Prospectus for:

VUL-DB Insurance Policies

Issued by:

Midland National Life Insurance Company



**VARIABLE UNIVERSAL LIFE – DEATH BENEFIT (VUL-DB)  
 VARIABLE UNIVERSAL LIFE – CASH VALUE 2 (VUL-CV2)  
 PREMIER VARIABLE UNIVERSAL LIFE III (PVUL3)**

**Flexible Premium Variable Universal Life Insurance Policy  
 issued by: Midland National Life Insurance Company  
 through the Midland National Life Separate Account A**

Supplement dated May 12, 2015  
 to the Prospectuses dated May 1, 2015

This Supplement describes an important correction to one of the investment divisions for the variable universal life policies listed above. **Please read this Supplement carefully and retain it with your prospectus for future reference.**

With respect to the Invesco V.I. Diversified Dividend Fund – Series I, this supplement will alter the prospectus for the individual flexible premium variable universal life policies listed above in the following manner:

**This supplement updates the prospectus, on page 2 under the heading Separate Account Investment Portfolios, for the Invesco V.I. Core Plus Bond Fund – Series I Shares which should reflect the name Invesco V.I. Diversified Dividend Fund – Series I Shares.**

**Under the heading Investment Policies of the Portfolios, the Invesco V.I. Core Plus Bond Fund – Series I Shares should reflect the name Invesco V.I. Diversified Dividend Fund – Series I Shares.**

**The information listed in the prospectus for the V.I. Core Plus Bond Fund is hereby deleted and replaced with the following:**

<b>Portfolio</b>	<b>Investment Objective</b>	<b>Investment Adviser</b>
Invesco V.I. Diversified Dividend Fund – Series I Shares	The Fund's investment objective is to provide reasonable current income and long-term growth of income and capital. The Fund invests, under normal circumstances, at least 80% of its net assets (plus any borrowings for investment purposes) in common stocks of companies which pay dividends and other instruments that have economic characteristics similar to such securities.	Invesco Advisers, Inc.

*A corresponding update is hereby made throughout the prospectus.*

\* \* \*

If you have any questions, please call the Customer Service Center toll-free at 1-800-272-1642, or write the Customer Service Center at, Midland National<sup>®</sup> Life Insurance Company, One Sammons Plaza, Sioux Falls, SD 57193.

**Please retain this supplement for future reference.**

**VARIABLE UNIVERSAL LIFE - DB**  
**Flexible Premium Variable Life Insurance Policy**

Issued By:

**Midland National Life Insurance Company**  
**One Sammons Plaza • Sioux Falls, SD 57193**  
**(605) 373-2207 (telephone) • (800) 272-1642 (toll-free telephone number)**  
**(877) 841-6709 (toll-free facsimile for transaction requests)**  
**(877) 208-6136 (toll-free facsimile for service requests)**  
**Through the Midland National Life Separate Account A**

Variable Universal Life - DB (the “policy”) is a life insurance policy issued by Midland National Life Insurance Company. The policy:

- provides insurance coverage with flexibility in **death benefits** and premiums;
- pays a **death benefit** if the Insured person dies while the policy is still **inforce**;
- can provide substantial **policy fund** build-up on a tax-deferred basis. However, there is no guaranteed **policy fund** for amounts You allocate to the **investment divisions**. You bear the risk of poor investment performance for those amounts.
- lets You borrow against Your policy, withdraw part of the **net cash surrender value**, or completely surrender Your policy. There may be tax consequences to these transactions. Loans and withdrawals affect the **policy fund** and may affect the **death benefit**.

You have a limited right to examine Your policy and return it to Us for a refund. You may decide how much Your premiums will be and how often You wish to pay them, within limits. You may also increase or decrease the amount of insurance protection, within limits.

Depending on the amount of premiums paid, this may or may not be a **Modified Endowment Contract** (“**MEC**”). If it is a **MEC**, then loans and withdrawals may have more adverse tax consequences.

This prospectus generally describes policies that include the **Premium Guarantee Rider**, which will automatically be included in all policies with an application date on or after March 26, 2009. While the **Premium Guarantee Rider** is in effect, it could prevent Your policy from lapsing during certain periods IF certain conditions are met. However, there is an extra charge for this rider, and while the **Premium Guarantee Rider** is in effect, We reserve the right to restrict the allocation of Your **policy fund** and premiums to certain **investment divisions**. At this time, by current company practice, We do not restrict the **investment divisions** under the **Premium Guarantee Rider**. You can cancel the **Premium Guarantee Rider** at any time.

You may allocate Your **policy fund** to Our General Account and up to fifteen **investment divisions**. Each division invests in a specified mutual fund portfolio. The mutual fund portfolios are part of the following series **funds** or trusts:

1. AIM Variable Insurance Funds (Invesco Variable Insurance Funds)	7. MFS® Variable Insurance Trusts
2. The Alger Portfolios	8. Neuberger Berman Advisers Management Trust
3. American Century Variable Portfolios, Inc.	9. PIMCO Variable Insurance Trust
4. Fidelity® Variable Insurance Products	10. ProFunds Trust
5. Goldman Sachs Variable Insurance Trust	11. Van Eck VIP Trust
6. Lord Abbett Series Fund, Inc.	12. Vanguard® Variable Insurance Funds

You can choose among the fifty-eight **investment divisions** listed on the following page.

Your **policy fund** in the **investment divisions** will increase or decrease based on investment performance. You bear this risk. You could lose the amount You invest and lose Your insurance coverage due to poor investment performance. No one insures or guarantees the **policy fund** allocated to the **investment divisions**. Separate prospectuses describe the investment objectives, policies and risks of the portfolios.

**The Securities and Exchange Commission has not approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

**May 1, 2015**

## SEPARATE ACCOUNT INVESTMENT PORTFOLIOS

1. Alger Capital Appreciation Portfolio	30. Invesco V.I. Global Health Care Fund
2. Alger Large Cap Growth Portfolio	31. Invesco V.I. International Growth Fund
3. Alger Mid Cap Growth Portfolio	32. Lord Abbett Series Fund, Inc. Calibrated Dividend Growth Portfolio
4. American Century VP Capital Appreciation Fund	33. Lord Abbett Series Fund, Inc. Growth and Income Portfolio
5. American Century VP International Fund	34. Lord Abbett Series Fund, Inc. International Opportunities Portfolio
6. American Century VP Value Fund	35. Lord Abbett Series Fund, Inc. Mid Cap Stock Portfolio
7. Fidelity® VIP Asset Manager <sup>SM</sup> Portfolio	36. MFS® VIT Growth Series
8. Fidelity® VIP Asset Manager: Growth® Portfolio	37. MFS® VIT New Discovery Series
9. Fidelity® VIP Balanced Portfolio	38. MFS® VIT Research Series
10. Fidelity® VIP Contrafund® Portfolio	39. MFS® VIT Total Return Series
11. Fidelity® VIP Equity-Income Portfolio	40. MFS® VIT Utilities Series
12. Fidelity® VIP Freedom 2010 Portfolio	41. Neuberger Berman AMT Mid Cap Intrinsic Value Portfolio
13. Fidelity® VIP Freedom 2015 Portfolio	42. PIMCO High Yield Portfolio, Administrative Class
14. Fidelity® VIP Freedom 2020 Portfolio	43. PIMCO Real Return Portfolio, Administrative Class
15. Fidelity® VIP Freedom 2025 Portfolio	44. PIMCO Total Return Portfolio, Administrative Class
16. Fidelity® VIP Freedom 2030 Portfolio	45. ProFund VP Japan
17. Fidelity® VIP Freedom Income Portfolio	46. ProFund VP Oil & Gas
18. Fidelity® VIP Growth & Income Portfolio	47. ProFund VP Small-Cap Value
19. Fidelity® VIP Growth Opportunities Portfolio	48. ProFund VP Ultra Mid-Cap
20. Fidelity® VIP Growth Portfolio	49. Van Eck VIP Global Hard Assets Fund
21. Fidelity® VIP High Income Portfolio	50. Vanguard® VIF Balanced Portfolio
22. Fidelity® VIP Index 500 Portfolio	51. Vanguard® VIF High Yield Bond Portfolio
23. Fidelity® VIP Investment Grade Bond Portfolio	52. Vanguard® VIF International Portfolio
24. Fidelity® VIP Mid Cap Portfolio	53. Vanguard® VIF Mid-Cap Index Portfolio
25. Fidelity® VIP Money Market Portfolio	54. Vanguard® VIF REIT Index Portfolio
26. Fidelity® VIP Overseas Portfolio	55. Vanguard® VIF Short-Term Investment-Grade Portfolio
27. Goldman Sachs VIT Large Cap Value Fund	56. Vanguard® VIF Small Company Growth Portfolio
28. Goldman Sachs VIT Small Cap Equity Insights Fund	57. Vanguard® VIF Total Bond Market Index Portfolio
29. Invesco V.I. Core Plus Bond Fund	58. Vanguard® VIF Total Stock Market Index Portfolio

This prospectus generally describes only the variable portion of the policy, except where the General Account is specifically mentioned.

Buying this policy might not be a good way of replacing Your existing insurance or adding more insurance if You already own a flexible premium variable life insurance policy.

**You should read this prospectus and the current prospectuses for the funds carefully and keep them for future reference.**

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## POLICY BENEFITS/RISKS SUMMARY

In this prospectus “We”, “Our”, “Us”, “Midland National”, and “Company” mean Midland National Life Insurance Company. “You” and “Your” mean the owner of the policy. We refer to the person who is covered by the policy as the “Insured” or “Insured person”, because the Insured person and the owner may not be the same.

There is a list of definitions at the end of this prospectus, explaining many words and phrases used here and in the actual insurance policy. In this prospectus, these words and phrases are generally in bold face type. See “Definitions” on page 81.

**This summary describes the policy’s important risks and benefits. The detailed information appearing later in this prospectus further explains the following Policy Benefits/Risks summary. This summary must be read along with that detailed information. Unless otherwise indicated, the description of the policy in this prospectus assumes that the policy is inforce and that there is no outstanding policy loan.**

### POLICY BENEFITS

#### Death Benefit

Variable Universal Life - DB is life insurance on the Insured person. If the policy is **inforce** We will pay a **death benefit** when the Insured person dies. You can choose between two **death benefit** options:

- **Option 1: death benefit** equals the **face amount** of the insurance policy. This is sometimes called a “level” **death benefit**.
- **Option 2: death benefit** equals the **face amount plus the policy fund**. This is sometimes called a “variable” **death benefit**.

The **death benefit** may be even greater in some circumstances. See “Death Benefit” on page 20.

We deduct any **policy debt** and unpaid charges before paying any benefits. The **death benefit** will be paid in a lump sum.

You may change the **death benefit** option You have chosen. You may also increase or decrease the **face amount** of Your policy, within certain limits. Changing the **death benefit** option or the **face amount** may have tax consequences.

#### Flexible Premium Payments

You may pay premiums whenever and in whatever amount You want, within certain limits. We require an initial premium at issue which is at least equal to one month’s no lapse guarantee premium. The no lapse guarantee premium is based on the policy’s **face amount** and the Insured person’s **age**, sex and underwriting class. We are not obligated to accept any premium and We currently reject any premium of less than \$50.00. However, under current Company practice, if paid by monthly bank draft, We will accept a premium as low as \$30.00. See “Flexible Premium Payments” on page 24.

#### No Lapse Guarantee Premium

During the **no lapse guarantee period**, Your policy will remain **inforce** as long as You meet the applicable no lapse guarantee premium requirements. See “Premium Provisions During the No Lapse Guarantee Period” on page 25.

#### Premium Guarantee Rider

This Rider is automatically included on policies with applications dated on or after March 26, 2009. After the **no lapse guarantee period**, this rider could keep Your policy **inforce**, for a certain period, provided certain conditions are met. We reserve the right to restrict the allocation of Your **policy fund** and premiums to certain **investment divisions**. At this time, by current company practice, We do not restrict the **investment divisions** under the **Premium Guarantee Rider**. You will pay an additional fee for this rider, which varies based on the individual characteristics of the Insured and the specified **face amount** of insurance. You can cancel the **Premium Guarantee Rider** at any time.

#### Benefits of the Policy Fund

- **Withdrawing Money from Your Policy Fund.** You may make a partial withdrawal from Your **policy fund**. The current minimum withdrawal amount is \$200. The maximum partial withdrawal You can make in the first **policy year** is 50% of Your **net cash surrender value** (that is, Your **policy fund** minus **policy debt** minus **surrender charge**); thereafter, it is 90% of Your **net cash surrender value**. See “Withdrawing Money From Your Policy Fund” on page 53. There may be tax consequences for making a partial withdrawal. See “Tax Effects” on page 60.

- **Surrendering Your Policy.** You can surrender Your policy for cash and then We will pay You the **net cash surrender value** (the **policy fund** minus any **surrender charge** and minus any **policy debt**). See “Surrendering Your Policy” on page 15. There may be tax consequences for surrendering Your policy.
- **Policy Loans.** You may borrow up to 92% of Your **cash surrender value** (the **policy fund** less the **surrender charge**) minus any **policy debt**. Your policy will be the sole security for the loan. Your policy states a minimum loan amount, usually \$200. See “Policy Loans” on page 52. Policy loan interest is generally not tax deductible on policies owned by an individual. There may be federal tax consequences for taking a policy loan. See “Tax Effects” on page 60.
- **Transfers of Policy Fund.** You may transfer Your **policy fund** among the **investment divisions** and between the General Account and the various **investment divisions**. Currently, We allow an unlimited number of free transfers. We reserve the right to charge a \$25 fee for each transfer after the 12<sup>th</sup> transfer in a **policy year**. We reserve the right to eliminate and/or severely restrict the transfer privilege in any manner We deem appropriate for some, all or specific policy owners. There are additional limitations on transfers to and from the General Account. See “Transfers Of Policy Fund” on page 46 and “Transfer Limitations” on page 47.
- **Dollar Cost Averaging (“DCA”).** The DCA program enables You to make scheduled monthly transfers of a predetermined dollar amount from the DCA source account (any **investment division** or the General Account) into one or more of the **investment divisions**. The minimum monthly amount to be transferred using DCA is \$200. See “Dollar Cost Averaging” on page 50
- **Enhanced Dollar Cost Averaging (“EDCA”).** By Midland National’s current Company practice, on monies allocated into the EDCA program during the first four **policy months**, We will pay an effective annual interest rate of 9% on Your declining balance in the General Account until the end of the first **policy year**. See “Enhanced Dollar Cost Averaging” on page 50.
- **Portfolio Rebalancing.** The Portfolio Rebalancing Option allows policy owners, who are not participating in a DCA program, to have the Company automatically reset the percentage of **policy fund** allocated to each **investment division** to a pre-set level. On a quarterly, semi-annual, or annual interval, We will transfer amounts needed to “balance” the **policy fund** to the specified percentages selected by You. See “Portfolio Rebalancing” on page 51.
- **Automatic Distribution Option.** You can elect to receive automatic distributions of Your **net cash surrender value** on a monthly, quarterly, semi-annual or annual basis by filling out one form, and We will automatically process the necessary withdrawals and loans. See “Automatic Distribution Option” on page 51.

### **Tax Benefits**

We intend for the policy to satisfy the definition of life insurance under the Internal Revenue Code. Assuming that the policy does satisfy that definition, the **death benefit** generally should be excludable from the gross income of its recipient. Similarly, You should not be deemed to be in constructive receipt of the policy value (the **policy fund**), and therefore should not be taxed on increases (if any) in the **policy fund** until You take out a loan or withdrawal, surrender the policy, or We pay the maturity benefit. In addition, transfers of **policy funds** (among **investment divisions** and between the General Account and the various **investment divisions**) are not taxable transactions.

See “Tax Risks” on page 8 and “Tax Effects” on page 60. You should consult with and rely on a qualified tax advisor for assistance in all policy related tax matters.

### **Policy Illustrations**

There are sample illustrations at the end of this prospectus showing **policy fund** values, **cash surrender values**, and **death benefits** for a hypothetical Insured based on certain assumptions. You should receive a personalized illustration that reflects Your particular circumstances. These hypothetical illustrations should help You to:

- understand the long-term effects of different levels of investment performance,
- understand the impact of charges and deductions under the policy, and
- compare the policy to other life insurance policies.

The hypothetical illustrations also show the value of the monthly premium accumulated at interest and demonstrate that the **cash surrender values** may be very low (compared to the premiums accumulated at interest) if You surrender the policy in the early **policy years**. Therefore, You should not purchase the policy as a short-term investment or if You do not need the insurance protection. The personalized illustrations are based on hypothetical rates of return and are not a representation or guarantee of investment returns or **policy fund** values. Your actual **policy fund**, **cash surrender value**, and **death benefit** amount will be different than the amounts shown in the hypothetical illustrations.

### **Additional Benefits**

Your policy may have one or more supplemental benefits that are options or attached by rider to the policy. Each benefit is subject to its own requirements as to eligibility and additional cost. The additional benefits that may be available to You are:

- Accelerated Benefit Rider – Chronic Illness
- Accelerated Benefit Rider – Terminal Illness
- Accidental Death Benefit Rider
- Children’s Insurance Rider 2
- Flexible Disability Benefit Rider 2
- Guaranteed Insurability Rider
- Protected Flexibility Rider
- Waiver of Charges Rider

Some of these benefits may have tax consequences and there are usually extra charges for them. Please consult Your tax advisor before selecting or exercising an additional benefit.

### **Your Right to Examine This Policy**

For a limited period of time, as specified in Your policy, You have a right to return Your policy for a refund. See “Your Right To Examine This Policy” on page 67.

## **POLICY RISKS**

### **Investment Risk**

Your **policy fund** in the **investment divisions** will increase or decrease based on investment performance of the underlying portfolios. You bear this risk. We deduct fees and charges from Your **policy fund**, which can significantly reduce Your **policy fund**. During times of poor investment performance, the deduction of fees and charges based on the net amount at risk will have an even greater negative impact on Your **policy fund**. If You allocate **net premium** to the General Account, then We will credit Your **policy fund** in the General Account with a declared rate of interest. You assume the risk that the interest rate on the General Account may decrease, although it will never be lower than a guaranteed minimum annual effective rate of 3.0%. No one insures or guarantees the **policy fund** allocated to the **investment divisions**. Separate prospectuses describe the investment objectives, policies, and risks of the portfolios. You should purchase the policy only if You have the financial ability to keep it **inforce** for a substantial period of time. You should not purchase the policy if You intend to surrender all or part of the **policy fund** in the near future.

**This policy is not suitable as a short-term investment.**

### **Surrender Charge Risk**

If You surrender Your policy for its **net cash surrender value** or let Your policy lapse during the surrender charge period, We will deduct a **surrender charge**. The surrender charge period lasts for the first 14 **policy years** after the date of issue or increase in **face amount**. It is possible that You will receive no **net cash surrender value** if You surrender Your policy, especially in the first few **policy years**. See “Surrender Charge” on page 59. Taxes and a tax penalty may apply. See “Tax Effects” on page 60.

### **Withdrawing Money**

Withdrawals will reduce Your **policy fund**. Withdrawals, especially those taken during periods of poor investment performance, could considerably reduce or eliminate some benefits or guarantees of the policy.

If You make a partial withdrawal, We will deduct a withdrawal charge if You make more than one withdrawal in any given **policy year**. The maximum partial withdrawal You can make during the first **policy year** is 50% of the **net cash surrender value**; in any **policy year** thereafter it is 90% of the **net cash surrender value**. Taxes and a tax penalty may apply. See “Tax Effects” on page 60. Withdrawals may increase the likelihood of Your policy lapsing, and decrease the likelihood that the **Premium Guarantee Rider** will prevent a lapse.

### **Risk of Lapse**

Your policy can lapse if the **net cash surrender value** is not sufficient to pay the monthly deductions. Taxes and a tax penalty may apply if Your policy lapses while a policy loan is outstanding.

- **Planned Premium.** You choose a planned periodic premium. However, **payment of the planned premiums may not ensure that Your policy will remain inforce**. Additional premiums may be required to keep Your policy from lapsing. You need not pay premiums according to the planned schedule. Whether Your policy lapses or remains **inforce** can depend on the amount of Your **policy fund** (less any **policy debt** and **surrender charge**). The **policy fund**, in turn, depends, in part, on the investment performance of the **investment divisions** You select. (The **policy fund** also depends on the premiums You pay and the charges We deduct.) However, You can ensure that Your policy stays **inforce** during the **no lapse guarantee period** by paying premiums equal to those required to meet the accumulated no lapse guarantee premium requirements described in “**Premium Provisions During The No Lapse Guarantee Period**” on page 25. The policy can lapse (1) during the **no lapse guarantee period** if You do not meet the no lapse guarantee premium requirements, and (2) after the **no lapse**

**guarantee period** no matter how much You pay in premiums if the **net cash surrender value** is insufficient to pay the monthly deductions (subject to the grace period).

This policy also offers a secondary, no-lapse guarantee through the Premium Guarantee Rider. See "Premium Guarantee Rider" on page 26. If the rider's **premium guarantee account** value, less any **policy debt** is positive, then the policy stays in force beyond the base **no lapse guarantee period** even if there is a negative value in the base **policy fund**. (The rider is "secondary" to the no lapse guarantee included in the base policy. The rider may be automatically included in a policy, but You can cancel it at any time.)

- **Policy Loans.** Your loan may affect whether Your policy remains **inforce**. If Your loan lowers the value of Your **policy fund** to a point where the monthly deductions are greater than Your policy's **net cash surrender value**, then the policy's lapse provision may apply. Your policy may lapse because the loaned amount cannot be used to cover the monthly deductions that are taken. For more details see "Policy Loans" on page 62. Policy loans could also negatively affect whether the Premium Guarantee Rider will prevent Your policy from lapsing. See "Premium Guarantee Rider," on page 26.
- **Surrender Charge Period.** If You allow Your policy to lapse during the surrender charge period, We will deduct a **surrender charge**.

### **Loan Risks**

Taking a policy loan will have a permanent effect on Your **policy fund** and benefits under Your policy. A policy loan will reduce the **death benefit** proceeds or any benefit paid on the maturity date (i.e., the **policy anniversary** after the Insured person's 120<sup>th</sup> birthday), and the **net cash surrender value** of Your policy. Taking a policy loan also may make Your policy more susceptible to lapse, and may have tax consequences. See "Policy Loans" on page 52 and "Tax Effects" on page 60.

### **Tax Risks**

In order to qualify as a life insurance policy for Federal income tax purposes and to receive the tax treatment normally accorded life insurance policies under Federal tax law, a policy must satisfy certain requirements which are set forth in the Internal Revenue Code. Guidance as to how these requirements are to be applied is limited. Nevertheless, We believe that a policy issued on a standard rate class basis should satisfy the applicable requirements. There is less guidance, however, with respect to policies issued on a substandard basis and it is not clear whether such policies will in all cases satisfy the applicable requirements, particularly if You pay the full amount of premiums under the policy.

Depending on the total amount of premiums You pay, the policy may be treated as a **modified endowment contract** ("**MEC**") under federal tax laws. If a policy is treated as a **MEC**, then surrenders, withdrawals, and loans under the policy will be taxable as ordinary income to the extent there are earnings in the policy. In addition, a 10% penalty tax may be imposed on surrenders, withdrawals, and loans taken before You reach **age 59 ½**. If the policy is not a **MEC**, then distributions generally will be treated first as a return of basis or investment in the policy and then as taxable income. Moreover, loans will generally not be treated as distributions. Finally, neither distributions nor loans from a policy that is not a **MEC** are subject to the 10% penalty tax.

This policy may be purchased with the intention of accumulating cash value on a tax-free basis for some period (such as, until retirement) and then periodically borrowing from the policy without allowing the policy to lapse. The aim of this strategy is to continue borrowing from the policy until its contract value (i.e., the **policy fund**) is just enough to pay off the policy loans that have been taken out and then relying on the Protected Flexibility Rider to keep the policy in force until the death of the Insured. Anyone contemplating taking advantage of this strategy should be aware that it involves several risks. First, if the **death benefit** under the Protected Flexibility Rider is lower than the policy's original **death benefit**, then the policy might become a **MEC** which could result in a significant tax liability attributable to the balance of any **policy debt**. Second, this strategy will fail to achieve its goal if the policy is a **MEC** or becomes a **MEC** after the periodic borrowing begins. Third, this strategy has not been ruled on by the Internal Revenue Service (the "IRS") or the courts and it may be subject to challenge by the IRS, since it is possible that loans under this policy may be treated as taxable distributions when the rider causes the policy to be converted to a fixed policy. In that event, assuming policy loans have not already been subject to tax as distributions, a significant tax liability could arise. Anyone considering using the policy as a source of tax-free income by taking out policy loans should, before purchasing the policy, consult with and rely on a competent tax advisor about the tax risks inherent in such a strategy.

See "Tax Effects" on page 60. You should consult a qualified tax advisor for assistance in all policy-related tax matters.

### **Risk of Increases in Charges**

Certain fees and charges assessed against the policy are currently at levels below the guaranteed maximum levels. We may increase these fees and charges up to the guaranteed maximum level. If fees and charges are increased,

the risk that the policy will lapse increases and You may have to increase the premiums to keep the policy **inforce**.

**Portfolio Risks**

A comprehensive discussion of the risks of each portfolio may be found in each portfolio’s prospectus. Please refer to the portfolios’ prospectuses for more information.

**There is no assurance that any portfolio will achieve its stated investment objective.**

**FEE TABLE**

The following tables describe the fees and expenses that You will pay when buying, owning, and surrendering the policy. The first table describes the fees and expenses that You will pay at the time You buy the policy, make premium payments, take cash withdrawals, surrender the policy, exercise certain riders or transfer **policy funds** between **investment divisions**.

<b>Transaction Fees</b>			
<b>Charge</b>	<b>When Charge Is Deducted</b>	<b>Amount Deducted<sup>i</sup></b>	
		<b>Maximum Guaranteed Charge</b>	<b>Current Charge</b>
<b>Premium Charge</b>	Upon receipt of a premium payment.	5.0% of each premium payment in all <b>policy years</b> .	5.0% of each premium payment received in <b>policy years</b> 1 through 15.
<b>Civil Service Allotment Service Charge</b>	Upon receipt of a premium payment where Civil Service Allotment is chosen.	\$0.46 from each bi-weekly premium payment.	\$0.46 from each bi-weekly premium payment.
<b>Surrender Charge<sup>ii</sup> (Deferred Sales Charge)</b>  Minimum and Maximum  Charge for a male Insured issue <b>age</b> 35 in the non-tobacco premium class in the first <b>policy year</b> .	At the time of surrender or lapse that occurs (a) during the first 14 <b>policy years</b> , or (b) during the first 14 <b>policy years</b> following any increase in <b>face amount</b> .	\$7.00 up to \$52.50 in the first <b>policy year</b> per \$1,000 of <b>face amount</b> . <sup>iii</sup>  \$21.00 per \$1,000 of <b>face amount</b> .	\$7.00 up to \$52.50 in the first <b>policy year</b> per \$1,000 of <b>face amount</b> . <sup>iii</sup>  \$21.00 per \$1,000 of <b>face amount</b> .
<b>Partial Withdrawal Charge</b>	Upon partial withdrawal.	\$25 on any withdrawal after the first one in any <b>policy year</b> .	\$25 on any withdrawal after the first one in any <b>policy year</b> .
<b>Transfer Fees</b>	Upon transfer of any money from the <b>investment divisions</b> or the General Account.	\$25 on each transfer after the 12th transfer in any one <b>policy year</b> .	\$0 on all transfers.

The next table describes the fees and expenses that You will pay periodically during the time that You own the policy, not including mutual fund portfolio fees and expenses.

<b>Periodic Fees Related to Owning the Policy Other than Portfolio Operating Expenses</b>			
		<b>Amount Deducted<sup>i</sup></b>	
<b>Charge</b>	<b>When Charge Is Deducted</b>	<b>Maximum Guaranteed Charge</b>	<b>Current Charge</b>
<b>Cost of Insurance Deduction<sup>iv</sup></b>  Minimum and Maximum  Charges for a male Insured issue <b>age 35</b> in the non-tobacco premium class in the first <b>policy year</b> with an initial specified <b>face amount</b> of \$400,000.	On the <b>policy date</b> and on every <b>monthly anniversary</b> .	\$0.02 up to \$35.30 per \$1,000 of net amount at risk <sup>v</sup> per month.  \$0.10 per \$1,000 of net amount at risk per month.	\$0.02 up to \$28.54 per \$1,000 of net amount at risk per month.  \$0.03 per \$1,000 of net amount at risk per month.
<b>Per Policy Expense Charge</b>	On the <b>policy date</b> and on every <b>monthly anniversary</b> .	\$8 per month in all <b>policy years</b> .	\$8 per month in all <b>policy years</b> .
<b>Per Unit Expense Charge</b>  Minimum and Maximum  Charges for a male Insured issue <b>age 35</b> in the non-tobacco premium class in the first <b>policy year</b> with an initial specified <b>face amount</b> of \$400,000.	On the <b>policy date</b> and on every <b>monthly anniversary</b> .	\$0.0225 up to \$1.315 per month per \$1,000 of specified <b>face amount</b> in all <b>policy years</b> .  \$0.0825 per month per \$1,000 of specified <b>face amount</b> in all <b>policy years</b> .	\$0.0225 up to \$1.315 per month per \$1,000 of specified <b>face amount</b> in <b>policy years 1-10</b> .  \$0.0825 per month per \$1,000 of specified <b>face amount</b> in <b>policy years 1-10</b> .
<b>Percent of Fund Value Charge</b>	On the <b>policy date</b> and on each <b>monthly anniversary</b> .	Annual rate of 0.90% of the total <b>policy fund</b> value in <b>policy years 1-10</b> and 0.05% thereafter.	Annual rate of 0.90% of the total <b>policy fund</b> value in <b>policy years 1 – 10</b> and 0.05% thereafter.
<b>Loan Interest Spread<sup>vi</sup></b>	On <b>policy anniversary</b> or earlier, as applicable. <sup>vii</sup>	5.00% (annually) in <b>policy years 1-5</b> ; 0.00% (annually) thereafter.	2.00% (annually) in <b>policy years 1-5</b> ; 0.00% (annually) thereafter.
<b>Premium Guarantee Rider</b>  Minimum and Maximum  Charge for a male Insured issue <b>age 35</b> in the non-tobacco premium class in the first <b>policy year</b> .	On <b>rider date</b> and each <b>monthly anniversary</b> thereafter.	\$0.0225 up to \$0.275 per month per \$1,000 of specified <b>face amount</b> of insurance during all <b>policy years</b> .  \$0.0575 per month per \$1,000 of specified <b>face amount</b> of insurance in all <b>policy years</b> .	\$0.0225 up to \$0.275 per month per \$1,000 of specified <b>face amount</b> of insurance during <b>policy years 1-20</b> .  \$0.0575 per month per \$1,000 of specified <b>face amount</b> of insurance in <b>policy years 1-20</b> only.
<b>Additional Benefits Charges<sup>viii</sup></b>			
<b>Accelerated Benefit Rider – Chronic Illness</b>	At the time a benefit is paid out.	\$200.00	\$200.00 <sup>ix</sup>
<b>Accelerated Benefit Rider – Terminal Illness</b>	At the time a benefit is paid out.	\$200.00	\$200.00 <sup>ix</sup>

Periodic Fees Related to Owning the Policy Other than Portfolio Operating Expenses			
		Amount Deducted <sup>i</sup>	
Charge	When Charge Is Deducted	Maximum Guaranteed Charge	Current Charge
<b>Accidental Death Benefit Rider</b>  Minimum and Maximum  Charge for a male Insured <b>attained age</b> 35 in the non-tobacco premium class in the first <b>policy year</b> following the <b>rider date</b> .	On <b>rider date</b> and each <b>monthly anniversary</b> thereafter.	\$0.03 up to \$0.09 per month per \$1,000 of accidental <b>death benefit</b> selected.  \$0.07 per month per \$1,000 of accidental <b>death benefit</b> .	\$0.03 up to \$0.09 per month per \$1,000 of accidental <b>death benefit</b> selected.  \$0.07 per month per \$1,000 of accidental <b>death benefit</b> .
<b>Children's Insurance Rider 2</b>  Minimum and Maximum  Charge for a male Insured issue <b>age</b> 35 in the non-tobacco premium class.	On <b>rider date</b> and each <b>monthly anniversary</b> thereafter.	\$0.50 per month per \$1,000 of Children's Insurance benefit. <sup>x</sup>	\$0.50 per month per \$1,000 of Children's Insurance benefit.
<b>Flexible Disability Benefit Rider 2</b>  Minimum and Maximum  Charge for a male Insured issue <b>age</b> 35 in the non-tobacco premium class.	On <b>rider date</b> and each <b>monthly anniversary</b> thereafter until the <b>policy anniversary</b> on which the Insured reaches <b>attained age</b> 60.	\$0.27 up to \$0.80 per month per \$10 of monthly benefit.  \$0.40 per month per \$10 of monthly benefit.	\$0.27 up to \$0.80 per month per \$10 of monthly benefit.  \$0.40 per month per \$10 of monthly benefit.
<b>Guaranteed Insurability Rider</b>  Minimum and Maximum  Charge for a male Insured issue <b>age</b> 35 in the non-tobacco premium class.	On <b>rider date</b> and each <b>monthly anniversary</b> thereafter.	\$0.05 up to \$0.17 per month per \$1,000 of Guaranteed Insurability benefit elected.  \$0.17 per month per \$1,000 of Guaranteed Insurability benefit elected.	\$0.05 up to \$0.17 per month per \$1,000 of Guaranteed Insurability benefit elected.  \$0.17 per month per \$1,000 of Guaranteed Insurability benefit elected.
<b>Protected Flexibility Rider</b>  Minimum and Maximum  Charge for a male Insured issue <b>age</b> 35 in the non-tobacco premium class in the first <b>policy year</b> .	Not Applicable – no charge for rider.	Not Applicable – no charge for rider.	Not Applicable – no charge for rider.

<sup>i</sup>Some of these charges are rounded off in accordance with regulations of the U.S. Securities and Exchange Commission. Actual charges may be somewhat higher or lower.

<sup>ii</sup>The **surrender charge** varies based upon the sex, issue **age**, and rating class of the Insured person on the issue date. The **surrender charges** shown in the table may not be representative of the charges that You will pay. Your policy's data page will indicate the **surrender charge** applicable to Your policy. For more detailed information concerning Your **surrender charges**, please contact Our **Administrative Office**.

<sup>iii</sup>These charges decrease gradually in **policy years** 2 through 14 to \$0.00 for **policy years** 15 and thereafter. An increase in **face amount** establishes a new **surrender charge** schedule for the amount of the increase in **face amount** based upon the sex, **attained age** and rating class at the time the **face amount** increase becomes effective.

<sup>iv</sup>The cost of insurance rate varies based upon a number of factors, including, but not limited to, the sex, **attained age, face amount** of insurance, and rating class of the Insured person at the time of the charge. The cost of insurance deductions shown in the table may not be representative of the charges that You will pay. Your policy's data page will indicate the maximum guaranteed cost of insurance deduction applicable to Your policy. For more detailed information concerning Your cost of insurance deductions, please contact Our **Administrative Office**. We may place an Insured in a substandard underwriting class with ratings that reflect higher mortality risks and that result in a higher cost of insurance deduction.

<sup>v</sup>As of any **monthly anniversary**, the net amount at risk is the **death benefit** less the **policy fund** (after all deductions for that **monthly anniversary**, except the cost of insurance deduction).

<sup>vi</sup>The Loan Interest Spread is the difference between the amount of interest We charge You for a loan (guaranteed not to exceed a maximum of 8.00% annually) and the amount of interest We credit to the amount in Your loan account (which is 3.0% annually).

<sup>vii</sup>While a policy loan is outstanding, loan interest is charged in arrears on each **policy anniversary** or, if earlier, on the date of loan repayment, policy lapse, surrender, policy termination, or the Insured's death.

<sup>viii</sup>Charges for these riders may vary based on the policy duration, Insured's issue or **attained age**, sex, risk class, and benefit amount. Charges based on **attained age** may increase as the Insured ages. The rider charges shown in the table may not be typical of the charges You will pay. Your policy's specification page will indicate the rider charges applicable to Your policy, and more detailed information concerning these rider charges is available upon request from Our **Administrative Office**.

<sup>ix</sup>We charge an administrative fee of \$200 at the time benefits are paid from this rider.

<sup>x</sup>Regardless of the number of children or their **age**, up through **age 18**.

The next item shows the lowest and highest total operating expenses deducted from portfolio assets (before waiver or reimbursement) during the fiscal year ended December 31, 2014. Expenses of the portfolios may be higher or lower in the future. More detail concerning each portfolio's fees and expenses is contained in the prospectus for each portfolio.

**Total Annual Portfolio Operating Expenses:**

	<u>Lowest</u>		<u>Highest</u>
<b>Total Annual Portfolio Operating Expenses<sup>1</sup></b> (total of all expenses that are deducted from portfolio assets, including management fees, distribution or service fees (12b-1 fees), and other expenses)	0.10%		1.72%

<sup>1</sup>The portfolio expenses used to prepare this table were provided to Midland National by the funds or their fund managers. Midland National has not independently verified such information. The expenses reflect those incurred as of December 31, 2014. Current or future expenses may be greater or less than those shown.

These fees and expenses are paid out of the assets of the portfolio companies. A comprehensive discussion of the risks, charges and expenses of each portfolio company may be found in the portfolio company's prospectus. You can obtain a current copy of the portfolio companies' prospectuses by contacting Us at:

Midland National Life Insurance Company  
 One Sammons Plaza  
 Sioux Falls, SD 57193  
 Phone: (800) 272-1642  
 Fax: (605) 335-3621 or toll-free (877) 208-6136

For information concerning compensation paid for the sale of the policies, see "Distribution of the Policies" on page 73.

## SUMMARY OF VARIABLE UNIVERSAL LIFE - DB

### DEATH BENEFIT OPTIONS

Variable Universal Life - DB provides life insurance on the Insured person. If the policy is **inforce** We will pay a **death benefit** when the Insured person dies. You can choose between two **death benefit** options:

- **Option 1: death benefit** equals the **face amount** of the insurance policy. This is sometimes called a “level” **death benefit**.
- **Option 2: death benefit** equals the **face amount** plus the **policy fund**. This is sometimes called a “variable” **death benefit**.

The **death benefit** may be even greater in some circumstances. See “Death Benefit” on page 20.

We deduct any **policy debt** and unpaid charges before paying any benefits. The **death benefit** will be paid in a lump sum.

The minimum **face amount** is generally \$50,000. However, for:

- Insured persons, **age 20 to 44** at issue who are in the preferred plus non-tobacco, preferred non-tobacco or the preferred tobacco classes, the minimum **face amount** is \$100,000.

You may change the **death benefit** option You have chosen. You may also increase or decrease the **face amount** of Your policy, within limits.

### FLEXIBLE PREMIUM PAYMENTS

You may pay premiums whenever and in whatever amount You want, within certain limits. We require an initial premium at issue which is at least equal to one month’s no lapse guarantee premium. The no-lapse guarantee premium is based on the policy’s **face amount** and the Insured person’s **age**, sex and underwriting class. We are not required to accept any premium and We currently reject any premium of less than \$50.00. However under current Company practice, if paid by monthly bank draft, We will accept a premium as low as \$30.00.

You may choose a planned periodic premium. However, **payment of the planned premiums may not ensure that Your policy will remain inforce**. Additional premiums may be required to keep Your policy from lapsing. You need not pay premiums according to the planned schedule. Whether Your policy lapses or remains **inforce** can depend on the amount of Your **policy fund** (less any **policy debt** and **surrender charge**). The **policy fund**, in turn, depends on the investment performance of the **investment divisions** You select. (The **policy fund** also depends on the premiums You pay and the charges We deduct.) However, You can ensure that Your policy stays **inforce** during the **no lapse guarantee period** by paying premiums at least equal to those required to meet the accumulated no lapse guarantee premium requirements described in “*Premium Provisions During The No Lapse Guarantee Period*” on page 25.

### INVESTMENT CHOICES

If the **Premium Guarantee Rider** is in effect, We reserve the right to restrict the allocation of Your **policy fund** and premiums to certain **investment divisions**. At this time, by current company practice, We do not restrict the **investment divisions** under the **Premium Guarantee Rider**.

You may allocate Your **policy fund** to up to fifteen of the fifty-eight available **investment divisions** and You may also allocate Your **policy fund** to Our General Account, where We guarantee the safety of principal and a minimum interest rate. See the “THE GENERAL ACCOUNT” on page 55.

You bear the complete investment risk for all amounts allocated to any of the **investment divisions**. For more information, see “The Funds” on page 36.

## **YOUR POLICY FUND**

Your **policy fund** begins with Your first premium payment. From Your premium We deduct a premium charge, any per premium expenses as described in the “Deductions From Your Premiums” section on page 55 and the first monthly deduction as described in the “Monthly Deductions From Your Policy Fund” section on page 56. The balance of the premium is Your beginning **policy fund**.

Your **policy fund** reflects:

- the amount and frequency of premium payments,
- deductions for the cost of insurance, additional benefits, and other charges,
- the investment performance of Your chosen **investment divisions**,
- interest earned on amounts allocated to the General Account,
- the impact of loans, and
- the impact of partial withdrawals.

There is no guaranteed **policy fund** for amounts allocated to the **investment divisions**. See “Deductions From Your Premiums” on page 55.

### **Transfers**

You may transfer Your **policy fund** among the **investment divisions** and between the General Account and the various **investment divisions**. Transfers take effect when We receive Your request in good order. We require a minimum amount for each transfer, usually \$200.

Currently, We allow an unlimited number of free transfers. However, We reserve the right to charge a \$25 fee for each transfer after the 12<sup>th</sup> in a **policy year**. There are other limitations on transfers to and from the General Account. See “Transfers Of Policy Fund” on page 46.

Completed transfer requests received at Our **Administrative Office** in good order before the New York Stock Exchange closes for regular trading (usually, 3:00 p.m. Central Time) are priced at the unit value determined at the close of that regular trading session of the New York Stock Exchange. If We receive Your completed transfer request in good order after the close of regular trading on the New York Stock Exchange, We will process the transfer request at the unit value determined at the close of the next regular trading session of the New York Stock Exchange. If you send your request by fax (facsimile), be sure to use the correct fax number. See “Correspondence, Inquiries, and Transactions” on page 17. We reserve the right to eliminate and/or severely restrict the transfer privilege in any manner We deem appropriate for some, all or specific policy owners.

### **Policy Loans**

You may borrow up to 92% of Your **cash surrender value** (the **policy fund** less the **surrender charge**) minus any **policy debt**. Your policy will be the sole security for the loan. Your policy states a minimum loan amount, usually \$200. Policy loan interest accrues daily at an annually adjusted rate. See “Policy Loans” on page 52. Policy loan interest is generally not tax deductible on policies owned by an individual. There may be federal tax consequences for taking a policy loan. See “Tax Effects” on page 60.

### **Withdrawing Money**

You may make a partial withdrawal from Your **policy fund**. The current minimum withdrawal amount is \$200. The maximum partial withdrawal You can make in the first **policy year** is 50% of Your **net cash surrender value**; thereafter it is 90% of the **net cash surrender value**. The **net cash surrender value** is the **policy fund** minus any **surrender charge** minus any **policy debt**. Withdrawals are subject to other requirements. If You make more than one withdrawal in a **policy year**, then We deduct a service charge (no more than \$25) for each subsequent withdrawal. See "Withdrawing Money From Your Policy Fund" on page 53. Withdrawals could considerably reduce or eliminate some benefits or guarantees of the policy. Withdrawals and surrenders may have negative tax effects. See "Tax Effects" on page 60.

Partial withdrawal requests received in good order at Our **Administrative Office** before the New York Stock Exchange closes for regular trading (usually, 3:00 p.m. Central Time) are priced at the unit value determined at the close of that regular trading session of the New York Stock Exchange. If We receive Your completed partial withdrawal request after the close of regular trading on the New York Stock Exchange, We will process the partial withdrawal request at the unit value determined at the close of the next regular trading session of the New York Stock Exchange. If you send your request by fax (facsimile), be sure to use the correct fax number. See "Correspondence, Inquiries, and Transactions" on page 17. Withdrawals are effected at unit values determined at the close of business on the day the withdrawal takes effect.

### **Surrendering Your Policy**

You can surrender Your policy for cash and then We will pay You the **net cash surrender value**. A **surrender charge** will be deducted if You surrender Your policy or allow it to lapse during the surrender charge period. It is possible that You will receive no **net cash surrender value** if You surrender Your policy, especially in the first few **policy years**. See "Surrendering Your Policy" on page 54. Taxes and a tax penalty may apply. See "Tax Effects" on page 60.

Surrender requests received in good order at Our **Administrative Office** before the New York Stock Exchange closes for regular trading (usually, 3:00 p.m. Central Time) are priced at the unit value determined at the close of that regular trading session of the New York Stock Exchange. If We receive Your completed surrender request after the close of regular trading on the New York Stock Exchange, We will process the surrender request at the unit value determined at the close of the next regular trading session of the New York Stock Exchange. If you send your request by fax (facsimile), be sure to use the correct fax number. See "Correspondence, Inquiries, and Transactions" on page 17.

## **DEDUCTIONS AND CHARGES**

### **Deductions From Your Premiums**

We deduct a 5.0% premium charge from each premium payment. We currently intend to eliminate this charge after the 15<sup>th</sup> **policy year**, but We reserve the right to continue the charge for all **policy years**. This charge partially reimburses Us for the selling and distribution costs of this policy and for premium taxes We pay. If You elect to pay premiums by Civil Service Allotment, We also deduct a 46¢ (forty-six cents) service charge from each bi-weekly premium payment. See "Deductions From Your Premiums" on page 55.

## **Deductions From Your Policy Fund**

Certain amounts are deducted from Your **policy fund** monthly. These are:

- a per policy expense charge of \$8.00;
- a cost of insurance deduction. The amount of this charge is based on a number of factors, including, but not limited to, the Insured person's **attained age**, sex, risk class, and the amount of insurance under Your policy;
- a per unit expense charge that varies depending on the Insured's issue **age**, sex, **face amount**, and underwriting class;
- a percent of fund value at an annual rate of 0.90% of the assets in every **investment division** and the **General Account** in the first 10 **policy years** and 0.05% after the 10<sup>th</sup> **policy year**; and
- charges for additional benefits (including the **Premium Guarantee Rider**).

In addition, We can deduct fees when You make:

- a partial withdrawal of **net cash surrender value** more than once in a **policy year** or
- more than twelve transfers a year between **investment divisions**. (We currently waive this charge.)

For more information on these deductions see "Monthly Deductions From Your Policy Fund" on page 56.

## **Surrender Charge**

We deduct a **surrender charge** only if You surrender Your policy for its **net cash surrender value** or let Your policy lapse during the first 14 **policy years** from the date of issue or an increase in **face amount**. If You keep this policy **inforce** for longer than 14 **policy years**, then You will not incur a **surrender charge** on the original **face amount** of insurance. As explained in the section entitled "Surrender Charge" on page 59 a **face amount** increase will result in a new 14 year surrender charge period on the amount of the increase.

The **surrender charge** varies by the issue **age**, sex and class of the Insured at the time of issue. The per \$1,000 of **face amount surrender charge** is highest in the first year of Your policy and decreases to \$0.00 after the end of 14 **policy years**. For example, a male with an issue **age** of 35 and a class of standard non-tobacco will have a first year **surrender charge** of \$21.00 per \$1,000 of the **face amount**, but a male with an issue **age** of 65 and a class of standard non-tobacco will have a first year **surrender charge** of \$52.50 per \$1,000 of the **face amount**. The maximum first year **surrender charge** for all issue ages, sexes and classes is \$52.50 per \$1,000 of the **face amount**. The \$52.50 per \$1,000 **surrender charge** occurs for males with issue ages at 65 or older.

The **surrender charge** at the time of surrender is determined by multiplying the **surrender charge** listed in Your policy form, for the appropriate **policy year**, times the appropriate **face amount** of insurance and dividing by 1,000. If You decrease Your **face amount** after Your policy is issued, the **surrender charge** will not change. If You increase Your **face amount** after Your policy is issued, We will send You an endorsement, which specifies the **surrender charges** for the amount of the increase. See "Surrender Charge" on page 59 for a full description of how the new **surrender charges** are determined for a **face amount** increase and for examples of the **surrender charges** for various issue ages, sexes and classes.

## ADDITIONAL INFORMATION ABOUT THE POLICIES

### Your Policy Can Lapse

Your policy remains **inforce** if the **net cash surrender value** can pay the monthly deductions. In addition, during the **no lapse guarantee period**, Your policy will remain **inforce** as long as You meet the applicable no lapse guarantee premium requirements. However, the policy can lapse (1) during the **no lapse guarantee period** if You do not meet the no lapse guarantee premium requirement and (2) after the **no lapse guarantee period** no matter how much You pay in premiums, if the **net cash surrender value** is insufficient to pay the monthly deductions (subject to the grace period) and the **Premium Guarantee Rider** is not in effect or the rider does not prevent lapse. See “Your Policy Can Lapse” on page 67.

### Correspondence, Inquiries, and Transactions

You can write to Us or call Us at Our **Administrative Office** to request transactions under Your policy, such as paying premiums, making transfers between **investment divisions**, or changing the **face amount** of Your policy, or with questions or to request information or service for Your policy. Our **Administrative Office** is located at:

Midland National Life Insurance Company  
One Sammons Plaza  
Sioux Falls, SD 57193  
(800) 272-1642

### FAX (Facsimile) Numbers

We have different fax (facsimile) numbers for different types of services.

### Transaction Requests

To send Us transaction requests by fax (facsimile), **You should use** the following fax numbers:

(605) 373-8557  
(877) 841-6709 (toll-free)

Some examples of transaction requests are:

1. Partial Withdrawals
2. Loan requests
3. Surrender requests
4. Transfers among **funds**
5. **Fund** or General Account additions/deletions
6. Premium allocation changes
7. Monthly deduction changes
8. Dollar Cost Averaging set-up
9. Portfolio rebalancing set-up

Transaction requests must be in “good order” and received at Our **Administrative Office**, at the address or number(s) above, to be processed (see “Policy Fund Transactions and “Good Order”” on page 46.) Any transaction requests sent to another number (including the fax numbers below under “*Service Requests*”) or address may not be considered received and may not receive that day’s price.

## Service Requests

To send Us service requests by fax (facsimile), You should use the following fax numbers:

(605) 335-3621  
(877) 208-6136 (toll-free)

Transaction requests should not be faxed to these numbers, but instead to the Transaction Request fax numbers, above.

Some examples of service requests would be:

1. Ownership changes
2. **Beneficiary** changes
3. Collateral Assignments
4. Address changes
5. Request for general policy information
6. Adding or canceling Riders or Additional Benefits
7. Requesting prospectuses for (or other information and documents about) the policy or the underlying **funds**

The procedures We follow for facsimile requests include a written confirmation sent directly to You following any transaction request. We may record all telephone requests. We will employ reasonable procedures to confirm that instructions communicated by telephone or facsimile are genuine. The procedures We follow for transactions initiated by telephone may include requirements that callers identify themselves and the policy owner by name, social security number, date of birth of the owner or the Insured, or other identifying information. We only allow certain transaction requests to be made with a telephone request. Partial withdrawal, transfer, surrender and loan requests must be in good order, and may be made in writing or facsimile to Our **Administrative Office**. Facsimile, internet, and telephone correspondence and transaction requests may not always be available. Facsimile, internet, and telephone systems can experience outages or slowdowns for a variety of reasons. These outages or slowdowns may prevent or delay Our receipt of Your request. If You are experiencing problems, You should make Your correspondence and transaction request in writing. There are risks associated with requests made by facsimile, internet, or telephone when the original request is not sent to Our **Administrative Office**. You bear these risks. Accordingly, We disclaim any liability for losses resulting from allegedly unauthorized facsimile, internet, or telephone requests that We believe are genuine.

## State Variations

Certain provisions of the policies may be different than the general description in this prospectus, and certain riders and options may not be available, because of legal restrictions in Your state. See Your policy for specific variations since any such variations will be included in Your policy or in riders or endorsements attached to Your policy. See Your agent or contact Our **Administrative Office** for additional information that may be applicable to Your state.

## Tax-Free “Section 1035” Exchanges

You can generally exchange one life insurance policy for another in a “tax-free exchange” under Section 1035 of the Internal Revenue Code. Before making an exchange, You should compare both policies carefully. Remember that if You exchange another policy for the one described in this prospectus, You might have to pay a **surrender charge** and income taxes, including a possible penalty tax, on Your old policy, and there will be a new surrender charge period for this policy and other charges may be higher (or lower) and the benefits may be

different. You should not exchange another policy for this one unless You determine, after knowing all the facts, that the exchange is in Your best interest and not just better for the person trying to sell You this policy (that person will generally earn a commission if You buy this policy through an exchange or otherwise). If You purchase the policy in exchange for an existing life insurance policy from another company, We may not receive Your premium payment from the other company for a substantial period of time after You sign the application and send it to Us, and We cannot credit Your premium to the policy until We receive it. You should consult with and rely upon a tax advisor if You are considering a policy exchange. See “Tax Effects” on page 60.

## DETAILED INFORMATION ABOUT VARIABLE UNIVERSAL LIFE - DB

### INSURANCE FEATURES

This prospectus describes Our Variable Universal Life - DB policy. There may be contractual variances because of requirements of the state where Your policy is delivered.

#### **How the Policies Differ From Whole Life Insurance**

Variable Universal Life - DB provides insurance coverage with flexibility in **death benefits** and premium payments. It enables You to respond to changes in Your life and to take advantage of favorable financial conditions. The policy differs from traditional whole life insurance because You may choose the amount and frequency of premium payments, within limits.

In addition, Variable Universal Life - DB has two **death benefit** options. You may switch back and forth between these options. Variable Universal Life - DB also allows You to change the **face amount** (within limits) without purchasing a new insurance policy. However, **evidence of insurability** may be required.

Variable Universal Life - DB is “variable” life insurance because the **policy fund** and other benefits will vary up or down depending on the investment performance of the **investment divisions** or options You select. You bear the risk of poor investment performance, but You get the benefit of good performance.

#### **Application for Insurance**

To apply for a policy You must submit a completed application, in good order. We decide whether to issue a policy based on the information in the application and Our standards for issuing insurance and classifying risks. If We decide not to issue a policy, then We will return the sum of premiums paid plus interest credited. The maximum issue **age** is 75.

There may be delays in Our receipt of applications that are outside of Our control because of the failure of the selling broker-dealer or life insurance agent to forward the application to Us promptly, or because of delays in determining that the policy is suitable for You. Any such delays will affect when Your policy can be issued and when Your **net premium** is allocated among Our General Account and the **investment divisions**.

We offer other variable life insurance policies that have different **death benefits**, policy features, and optional benefits. However, these other policies also have different charges that would affect Your investment performance and **policy fund**. To obtain more information about these other policies, contact Our **Administrative Office**.

## **Death Benefit**

As long as Your policy remains **inforce**, We will pay the **death benefit** to the **beneficiary** when the Insured dies (outstanding **policy debt** will be deducted from the proceeds). As the owner, You may choose between two **death benefit** options:

- Option 1 provides a benefit that equals the **face amount** of the policy. This “level” **death benefit** is for owners who prefer insurance coverage that does not vary in amount and has lower insurance charges. Except as described below, the option 1 **death benefit** is level or fixed at the **face amount**.
- Option 2 provides a benefit that equals the **face amount** of the policy plus the **policy fund** on the day the Insured person dies. This “variable” **death benefit** is for owners who prefer to have investment performance reflected in the amount of their insurance coverage. Under option 2, the value of the **death benefit** fluctuates with Your **policy fund**.

Under either option, the length of time Your policy remains **inforce** depends on the **net cash surrender value** of Your policy and whether You meet the **no lapse guarantee period** requirements. Your coverage lasts as long as Your **net cash surrender value** can cover the monthly deductions from Your **policy fund**. In addition, during the **no lapse guarantee period**, Your policy remains **inforce** if the sum of Your premium payments (minus any loans or withdrawals) is greater than or equal to the sum of the monthly no lapse guarantee premiums for all of the **policy months** since the policy was issued. After the **no lapse guarantee period**, if Your policy has the **Premium Guarantee Rider** and the **premium guarantee account** is greater than **policy debt** on each **monthly anniversary**, then the policy will remain **inforce**.

Under both **death benefit** options, federal tax law may require a greater benefit. The section 7702 minimum **death benefit** is the minimum **death benefit** Your policy must have to qualify as life insurance under section 7702 of the Internal Revenue Code. The policy has two life insurance qualification tests – the cash value accumulation test and the guideline minimum premium test. You must choose a test on Your application and, once chosen, You can never change Your test. Your choice depends on the premiums You want to pay.

These tests determine the section 7702 minimum **death benefit**. If You do not want limits (subject to Company minimums and maximums and the policy becoming a **Modified endowment contract**) on the amount of premium You can pay into the policy, then the cash value accumulation test is usually the better choice. Under the cash value accumulation test, the section 7702 minimum **death benefit** is the accumulation value of Your policy (i.e., Your **policy fund**) multiplied by a net single premium factor that is based on the Insured’s **attained age**, sex and underwriting class. A table of net single premium factors and some examples of how they work are in the statement of additional information which is available free upon request (see back cover).

The guideline premium test will usually result in a lower section 7702 minimum **death benefit** than the cash value accumulation test. Your choice depends on the premiums You want to pay. **THE GUIDELINE PREMIUM TEST IS THE DEFAULT TEST FOR YOUR POLICY, AND HISTORICALLY HAS BEEN THE MORE POPULAR CHOICE.** Under the guideline premium test, the section 7702 minimum **death benefit** is the accumulation value of Your policy (i.e., Your **policy fund**) times a **death benefit** percentage. The **death benefit** percentage varies by the **attained age** of the insured(s) at the start of the **policy year** and declines as the Insured gets older (this is referred to as the “corridor” percentage). The section 7702 minimum **death benefit** will be Your **policy fund** on the day the Insured dies multiplied by the corridor percentage for his or her **age**. For this purpose, **age** is the **attained age** (last birthday) at the beginning of the **policy year** of the Insured’s death. A table of corridor

percentages and some examples of how they work are in the Statement of Additional Information, which is available free upon request (see back cover).

The investment performances of the **investment divisions** and the interest earned in the General Account affect Your **policy fund**. Therefore, the returns from these investment choices can affect the length of time Your policy remains **inforce**.

The minimum initial **face amount** is \$50,000. However, for:

- Insured persons, age 20 to 44 at issue are in the preferred plus non-tobacco, preferred non-tobacco or the preferred tobacco classes, the minimum **face amount** is \$100,000.

### **Notice and Proof of Death**

We require satisfactory proof of the Insured person's death before We pay the **death benefit**. That can be a certified copy of a death certificate or any other proof satisfactory to Us.

### **Payment of Death Benefits and Lump Sum Payments**

When a **death benefit** is paid in a lump sum the **beneficiary** has two options available to them. The first option is payment in a lump sum by check or by electronic funds transfer in the amount of the **death benefit** proceeds. The other option is payment of the **death benefit** by establishing an interest bearing draft account, called the "Midland National Access Account," for the **beneficiary**, in the amount of the **death benefit** proceeds. We will send the **beneficiary** a draft account book and the **beneficiary** will have access to the account simply by writing a draft for all or any part of the amount of the **death benefit**. We do not guarantee to credit a minimum interest rate on amounts left in the Midland National Access Account. Any interest paid on amounts in the Midland National Access Account are currently taxable to the **beneficiary**. The Midland National Access Account is not available in all jurisdictions.

The Midland National Access Account is a draft account and is part of Our General Account. It is not a bank account or a checking account and it is not insured by the FDIC or any government agency. As part of Our General Account, it is subject to the claims of Our creditors. We receive a benefit from all amounts left in the Midland National Access Account.

Every state has unclaimed property laws which generally declare life insurance policies to be abandoned after a period of inactivity of 3 to 5 years from the policy's **maturity date** or date the **death benefit** is due and payable. For example, if the payment of a **death benefit** has been triggered, but, if after a thorough search, We are still unable to locate the **beneficiary** of the **death benefit**, or the **beneficiary** does not come forward to claim the **death benefit** in a timely manner, the **death benefit** will be paid to the abandoned property division or unclaimed property office of the state in which the **beneficiary** or the policy **owner** last resided, as shown on Our books and records, or to Our state of domicile. This "escheatment" is revocable, however, and the state is obligated to pay the **death benefit** (without interest) if Your **beneficiary** steps forward to claim the **death benefit** with the proper documentation. To prevent such escheatment, it is important that You update your **beneficiary** designations, including full names and complete addresses, if and as they change. Such updates should be communicated in writing, by telephone, or other approved electronic means at Our **Administrative Office**.

### **Maturity Benefit**

If the Insured person is still living on the maturity date, We will pay You the **policy fund** minus any outstanding loans. The policy will then end. The maturity date is the **policy anniversary** after the Insured person's 120<sup>th</sup> birthday. See "Maturity Date" on page 68. In certain circumstances, the tax consequences of continuing Your policy beyond the Insured

person's 100<sup>th</sup> birthday are unclear and You should consult a tax advisor about these consequences. See "Tax Effects" on page 60.

**Changes In Variable Universal Life - DB**

Variable Universal Life - DB gives You the flexibility to choose from a variety of strategies that enable You to increase or decrease Your insurance protection. Changing Your insurance protection may have tax consequences. You should consult a tax adviser before changing Your insurance protection.

A reduction in **face amount** lessens the emphasis on a policy's insurance coverage by reducing both the **death benefit** and the amount of pure insurance provided. The amount of pure insurance is the difference between the **death benefit** and the **policy fund**. This is the amount of risk We take. A reduced amount at risk results in lower cost of insurance deductions from Your **policy fund**.

Increases in the **face amount** have the exact opposite effect of decreases.

A partial withdrawal reduces the **policy fund** and will reduce the **death benefit**, while providing You with a cash payment, but generally does not reduce the amount at risk.

Choosing not to make premium payments may have the effect of reducing the **policy fund**.

Under **death benefit** option 1, a reduction in the **policy fund**, due to negative market performance, has the following effect:

- it increases the amount at risk (thereby increasing the cost of insurance deductions); and
- it leaves the **death benefit** unchanged.

Under **death benefit** option 2, a reduction in the **policy fund**, due to negative market performance, has the following effect:

- it decreases the **death benefit**; and
- it either decreases the amount at risk or leaves it unchanged.

A reduction in the **policy fund** due to a partial withdrawal may have a different effect as shown in the example below.

**Death Benefit Option 2 -- Face Amount + Policy Fund**

		<b><u>Policy NOT in Corridor</u></b>	<b><u>Policy IN Corridor</u></b>	Corridor Factor
<b>Before</b>	Face Amount	\$ 100,000	\$ 100,000	Age 35      2.5
	Policy Fund	\$ 30,000	\$ 75,000	
<b>Partial Withdrawal</b>	Death Benefit	\$ 130,000	\$ 187,500*	
	Amount at Risk	\$ 100,000	\$ 112,500	
	Partial Withdrawal	\$ 10,000	\$ 10,000	
<b>After</b>	Face Amount	\$ 100,000	\$ 100,000	
	Policy Fund	\$ 20,000	\$ 65,000	
<b>Partial Withdrawal</b>	Death Benefit	\$ 120,000	\$ 165,000**	
	Amount at Risk	\$ 100,000	\$ 100,000	

\* The minimum death benefit—the **policy fund** multiplied by the corridor factor (\$75,000 x 2.5 = \$187,500)—exceeds the sum of the **face amount** plus the **policy fund** (\$100,000 + \$75,000 = \$175,000).

\*\* The minimum death benefit— $\$65,000 \times 2.5 = \$162,500$ —is less than the **face amount** plus the **policy fund** ( $\$100,000 + \$65,000 = \$165,000$ ).

Under **death benefit** option 1, a partial withdrawal results in a dollar for dollar reduction of both the **policy fund** and the **face amount** (and hence **death benefit**).

### **Changing The Face Amount of Insurance**

You may change the **face amount** of Your policy by submitting a fully completed policy change application, in good order, to Our **Administrative Office**. You can only change the **face amount** twice each **policy year**. All changes are subject to Our approval and to the following conditions.

For increases:

- Increases in the **face amount** must be at least \$25,000. By Midland National's current company practice, We may allow amounts lower than this.
- To increase the **face amount**, You must provide, in good order, a fully completed policy change application and satisfactory **evidence of insurability**. If the Insured person has become a more expensive risk, then We charge higher cost of insurance fees for the additional amounts of insurance (We reserve the right to change this procedure in the future).
- Monthly cost of insurance deductions from Your **policy fund** will increase. There will also be a **surrender charge** increase. These begin on the date the **face amount** increase takes effect.
- The right to examine this policy does not apply to **face amount** increases. (It only applies when You first purchase the policy).
- There will be an increase in the no lapse guarantee premium requirements.
- There will be an increase in the **Premium Guarantee Rider**.
- A new surrender charge period and a new or increased **surrender charge** will apply to the **face amount** increase.

For decreases:

- The **surrender charge** remains unchanged at the time of decrease.
- You cannot reduce the **face amount** below the minimum issue amounts at the time of reduction as noted on the Schedule of Policy Benefits page of Your **policy**.
- Monthly cost of insurance deductions from Your **policy fund** will decrease.
- The federal tax law may limit a decrease in the **face amount**. If that limit applies, then Your new **death benefit** will be Your **policy fund** multiplied by the corridor percentage the federal tax law specifies for the Insured's **age** at the time of the change.
- If You request a **face amount** decrease after You have already increased the **face amount** at substandard (i.e., higher) cost of insurance deductions, and the original **face amount** was at standard cost of insurance deductions, then We will first decrease the **face amount** that is at substandard higher cost of insurance deductions. We reserve the right to change this procedure.
- There will be no decrease in the contractual no lapse guarantee premium requirement. By Midland National's current company practice, the no lapse guarantee premium is reduced when a decrease in **face amount** is processed.
- There will be no decrease in the **Premium Guarantee Rider**.

Changing the **face amount** may have tax consequences. See "Tax Effects" on page 60. You should consult a tax advisor before making any change.

### **Changing Your Death Benefit Option**

You may change Your **death benefit** option from option 1 to option 2 by submitting a fully completed policy change application, in good order, to Our **Administrative Office**. We require satisfactory **evidence of insurability** to make this change. If You change from option 1 to option 2, the **face amount** decreases by the amount of Your **policy fund** on the date of the change. This keeps the **death benefit** and net amount at risk the same as before the change. We may not allow a change in **death benefit** option if it would reduce the **face amount** below the minimum issue amounts, as noted on the Schedule of Policy Benefits page of Your policy.

You may change Your **death benefit** option from option 2 to option 1 by sending a written request, in good order, to Our **Administrative Office**. If You change from option 2 to option 1, then the **face amount** increases by the amount of Your **policy fund** on the date of the change. These increases and decreases in **face amount** are made so that the amount of the **death benefit** remains the same on the date of the change. When the **death benefit** remains the same, there is no change in the net amount at risk. This is the amount on which the cost of insurance deductions are based.

Changing the **death benefit** option may have tax consequences. You should consult a tax advisor before making any change. See “Tax Effects” on page 60.

### **When Policy Changes Go Into Effect**

Any changes in the **face amount** or the **death benefit** option will go into effect on the **monthly anniversary** after the date We approved Your request. After Your request is approved, You will receive a written notice showing each change. You should attach this notice to Your policy. We may also ask You to return Your policy to Us at Our **Administrative Office** so that We can make a change. We will notify You in writing if We do not approve a change You request. For example, We might not approve a change that would disqualify Your policy as life insurance for income tax purposes.

Policy changes may have negative tax consequences. See “Tax Effects” on page 60. You should consult a tax advisor before making any change.

### **Flexible Premium Payments**

You may choose the amount and frequency of premium payments, within the limits described below.

Even though Your premiums are flexible, Your policy’s Schedule of Policy Benefits page will show a “planned” periodic premium. You determine the planned premium when You apply and can change it at any time. You will specify the frequency to be on a quarterly, semi-annual or annual basis. Planned periodic premiums may be monthly if paid by pre-authorized check. Premiums may be bi-weekly if paid by Civil Service Allotment. If You decide to make bi-weekly premium payments, We will assess the Civil Service Allotment Service Charge of \$0.46 per bi-weekly premium. The planned premiums may not be enough to keep Your policy **inforce**.

The insurance goes into effect when We receive Your initial minimum premium payment (and approve Your application). We determine the initial minimum premium based on:

- 1) the **age**, sex and premium class of the Insured,
- 2) the initial **face amount** of the policy, and
- 3) any additional benefits selected.

All premium payments should be payable to Midland National. After Your first premium payment, all additional premiums should be sent directly to Our **Administrative Office**.

We will send You premium reminders based on Your planned premium schedule. You may make the planned payment, skip the planned payment, or change the frequency or the amount of the payment. Generally, You may pay premiums at any time. Amounts must be at least \$50, unless made by a pre-authorized check. Under current Company practice, amounts made by a pre-authorized check can be as low as \$30.

**Payment of the planned premiums does not guarantee that Your policy will stay inforce.** Additional premium payments may be necessary. The planned premiums increase when the **face amount** of insurance increases.

If You send Us a premium payment that would cause Your policy to cease to qualify as life insurance under federal tax law, then We will notify You and return that portion of the premium that would cause the disqualification.

*Premium Provisions During The No Lapse Guarantee Period*

During the **no lapse guarantee period**, You can keep Your policy **inforce** by meeting a no lapse guarantee premium requirement. The **no lapse guarantee period** lasts until the 15<sup>th</sup> **policy anniversary** for issue ages of 55 or less; for policies issued with issue ages of 56 or more, it is 5 **policy years**. A monthly no lapse guarantee premium is shown on Your Schedule of Policy Benefits page. (This is not the same as the planned premiums.) The no lapse guarantee premium requirement will be satisfied if the sum of premiums You have paid, less Your loans and withdrawals, is equal to or greater than the sum of the monthly no lapse guarantee premiums required on each **monthly anniversary**. The no lapse guarantee premium increases when the **face amount** increases.

During the **no lapse guarantee period**, Your policy will enter a grace period and lapse if:

- the **net cash surrender value** cannot cover the monthly deductions from Your **policy fund**; and
- the total premiums You have paid, less Your loans and withdrawals, are less than the total monthly no lapse guarantee premiums required to that date.

Remember that the **net cash surrender value** is Your **policy fund** minus any **surrender charge** and minus any outstanding **policy debt**.

This policy lapse can occur even if You pay all of the planned premiums.

*Premium Provisions After The No Lapse Guarantee Period.* After the **no lapse guarantee period**, Your policy will enter a grace period and lapse if the **net cash surrender value** cannot cover the monthly deductions from Your **policy fund**. Paying Your planned premiums may not be sufficient to maintain Your policy because of investment performance, charges and deductions, policy changes or other factors. Therefore, additional premiums may be necessary to keep Your policy **inforce**.

*Premium Provisions During the Premium Guarantee Period.* If Your policy has the **Premium Guarantee Rider**, You will choose a **guarantee period** that will be until You reach **age 100** or some other specified period. As long as the **premium guarantee account**, less any loans, is positive, even if there is a negative value in the base **policy fund**, the policy will stay **inforce** during the premium guarantee period if the policy is beyond the base **no lapse guarantee period**. The **Premium Guarantee Rider** has no effect during the **no lapse guarantee period**.

### **Allocation of Premiums**

Each **net premium** will be allocated to the **investment divisions** or to Our General Account on the later of the day We receive Your premium payment, in good order, at Our **Administrative Office** (if We receive it before the close of regular trading on the New York Stock Exchange (usually, 3:00 p.m. Central Time)) or on the **record date**. When any premium is received before the **record date**, the **net premium**, will be held and earn interest in the General Account until the day after the **record date**. When this period ends, Your instructions will dictate how We allocate the **net premium**.

There may be delays in Our receipt of applications that are outside of Our control because of the failure of the selling broker-dealer or life insurance agent to forward the application to Us promptly, or because of delays in determining that the policy is suitable for You. Any such delays will affect when Your policy can be issued and when Your **net premium** is allocated among Our General Account and/or **investment divisions**. Once We receive, in good order, the application and initial premium from the selling broker-dealer, Your instructions will dictate how We allocate the **net premium**.

The **net premium** is the premium minus a premium charge and any applicable service charge. (**Please note:** The first monthly deduction is also taken from the initial premium). Each **net premium** is put into Your **policy fund** according to Your instructions. Your policy application may provide directions to allocate **net premiums** to Our General Account or the **investment divisions**. You may not allocate Your **policy fund** to more than 15 **investment divisions** at any one point in time. Your allocation instructions will apply to all of Your premiums unless You write to Our **Administrative Office** with new instructions. You may also change Your allocation instructions by calling Us at (800) 272-1642 or faxing Us at (605) 373-8557 or toll-free (877) 841-6709. Changing Your allocation instructions will not change the way Your existing **policy fund** is apportioned among the **investment divisions** or the General Account. Allocation percentages may be any whole number from 0% to 100%. The sum of the allocation percentages must equal 100%. Of course, You may choose not to allocate a premium to any particular **investment division**. See "THE GENERAL ACCOUNT" on page 55.

If You use a third party registered investment adviser in connection with allocations among the **investment divisions**, it is Your responsibility to pay the advisory fees. Your use of any third party investment advisory service does not constitute Us providing investment advice.

If Your Policy has the **Premium Guarantee Rider**, We reserve the right to restrict the allocation of Your **policy fund** and premiums to certain **investment divisions**. At this time, by current company practice, We do not restrict the **investment divisions** under the **Premium Guarantee Rider**. See "Premium Guarantee Rider" below.

### **Premium Guarantee Rider**

Under the **Premium Guarantee Rider**, the policy will stay in force beyond the **no lapse guarantee period** and will extend to the earlier of (i) termination of the policy or the rider, (ii) the number of years selected by the policy owner, subject to any applicable state limitations, or (iii) **age 121** of the Insured, provided that certain conditions are met. More specifically, on any **monthly anniversary** after the **no lapse guarantee period** has expired, the policy will not enter a grace period or lapse—even if the **policy fund** is negative and the **net cash surrender value** is not sufficient to pay the monthly deduction—as long as the rider's **premium guarantee account** value less the amount of any **policy debt** is positive. The **Premium Guarantee Rider** is not in effect during the **no lapse guarantee period**, and will not prevent the policy from entering the grace period and lapsing during the **no lapse guarantee period**.

You will pay an additional fee for this rider that varies based on the individual characteristics of the Insured and the specified **face amount** of insurance. See the "Fee Table" on page 9 for details. A change in the specified **face amount** of insurance may affect the cost of the rider.

Under this rider, We reserve the right to restrict the allocation of Your **policy fund** and premiums to certain **investment divisions**. At this time, by current company practice, We do not restrict the **investment divisions** under this rider. (See below, "Requirements for Premium and Fund Allocations.")

This rider is automatically included on all policies with an application dated on or after March 26, 2009. For policies with applications dated before March 26, 2009, the rider was optional and could be elected only at the time of application. You may cancel the **Premium Guarantee Rider** at any time.

The **Premium Guarantee Account** (PGA) is a reference value for this rider, used only to determine whether or not this rider will prevent lapse. It does **not** represent an independent dollar value that You can access and does not affect the calculation of the actual **policy fund**.

The PGA on the **policy date** is equal to any premium received on or before the **policy date** less the *account premium load* minus the *required premium amount*, minus the *required rider amount*, minus the *account expense* due on the **policy date**.

The PGA after the **policy date** is equal to the accumulation at interest of:

1. The **premium guarantee account** from the end of the previous **policy month**; plus
2. Any premiums received during the current **policy month**, less the account premium load; minus
3. The required premium deducted at the beginning of the current **policy month**; minus
4. The account expense deducted at the beginning of the current **policy month**; minus
5. The required rider amount deducted at the beginning of the current **policy month**; minus
6. Any partial withdrawals of cash value made during the current **policy month**.

The interest rate used in this calculation is an annual rate of 4.75% in **policy years** 1-10, and 4.50% thereafter.

*Required Premium.* The required premium is determined on each **monthly anniversary**. It is equal to: (a) multiplied by the difference between (b) and (c), divided by 1,000.

- (a) The account premium rate;
- (b) The **death benefit** divided by one plus the monthly account interest rate; and
- (c) The PGA after deducting the required rider amount and any account expense.

For example, for a male non-tobacco insured at issue **age** 35, the monthly account premium rate is \$0.28 per \$1,000. If We assume the policy is in year 11, the monthly account interest rate is 0.3675%. If We assume the **death benefit** is \$375,000, that there are no other riders attached to the Policy besides the **Premium Guarantee Rider**, and the PGA is \$25,000 before the deduction of the *required rider amount* and the *account expense*, the required premium for the **monthly anniversary** is as follows:  $\$0.28 * (375,000 / (1.003675) - 25,000) / 1,000 = \$97.62$ .

*Account Premium Rate.* The account premium rate varies with the issue **age**, **policy year**, sex, specified **face amount**, and premium class of the Insured. It is specified on the Schedule of Premium Guarantee Rider Amounts.

*Account Expense.* The account expense is equal to \$10.00 per month in all **policy years** plus a unit expense charge. The unit expense charge is equal to a unit expense factor times the current specified **face amount** of insurance ever in effect. See the “Fee Table” on page 9 for details.

*Required Rider Amount.* The required rider amount is based on the additional benefits provided by all riders You have added to the policy. The required rider amount for this rider is zero. The required rider amount for all other riders will be the same as the rider charge that is deducted from the **policy fund**.

*Account Premium load.* The account premium load varies based on the policy duration and the amount of premium You pay into Your policy. It is equal to the sum of (a) plus (b) plus (c), where (a), (b) and (c) are as follows:

- (a) In **policy year 1** it is 95% of the premium You pay in year 1 that is not in excess of the premium shown in Your Schedule of **Premium Guarantee Rider** Amounts *plus* 10% of all paid premium that is in excess of the premium shown in the Schedule of **Premium Guarantee Rider** Amounts.
- (b) For **policy years 2-10**, it is 5% of the premium You pay in that **policy year**.
- (c) For **policy years 11+**, it is 2.5% of the premium You pay in that **policy year**.

For example, if You are a male non-tobacco issue **age 35** with \$375,000 of **face amount** and no riders attached besides the **Premium Guarantee Rider**, and We assume the total premium paid up through **policy month 10** is \$3,500.00, the account premium load in **policy year 1** for the 10<sup>th</sup> **policy month** is derived as follows:

The premium that would be shown in the Schedule of Premium Guarantee Rider Amounts is \$3,120.00. The account premium load is:  $0.95 * 3,120 + (0.10 * (3,500.00 - 3,120.00)) = \$3,002.00$ .

If the policy contains a Waiver of Charge Rider and a total disability is approved, then for any month for which monthly deductions are thereby waived the required premium amounts, the account expense and the required rider amounts will not be deducted from the PGA.

### **Requirements for Premium & Fund Allocations**

We reserve the right to restrict the allocation of Your **policy fund** and premiums to certain **investment divisions**. At this time, by current company practice, We do not restrict the **investment divisions** under the **Premium Guarantee Rider**.

### **All Investment Options**

You can elect Dollar Cost Averaging (DCA) for 12 months or less. If You choose DCA for 12 months or less, You can have more than 25% of Your premium allocated to the General Account while the DCA program is in effect.

We reserve the right to restrict the allocation of Your **policy fund** and premiums to certain **investment divisions**. At this time, by current company practice, We do not restrict the **investment divisions** under the **Premium Guarantee Rider**.

### **Termination**

The **Premium Guarantee Rider** will terminate on the earliest of:

1. The expiration date shown on the Schedule of Policy Benefits page.
2. The **monthly anniversary** on which the **premium guarantee account** less the **policy debt** has been less than zero for twenty-four consecutive months and the Policy is no

longer within the **no lapse guarantee period** shown on the Schedule of Policy Benefits page.

3. The date You have elected the protected **death benefit** under the Protected Flexibility Rider.
4. The **monthly anniversary** following Your written request to terminate this rider.
5. Policy termination or maturity.

**If the Premium Guarantee Rider terminates, it *cannot* be reinstated and charges previously deducted for the rider will *not* be refunded.**

### **Additional Benefits**

You may include additional benefits in Your policy. With some exceptions noted in the descriptions below, certain benefits result in an additional monthly deduction from Your **policy fund**. We do not limit the number of additional benefits You include with Your policy. You may cancel these benefits at any time. However, canceling these benefits may have adverse tax consequences and You should consult a tax advisor before doing so.

The following briefly summarizes the additional benefits that are currently available:

1. **Accelerated Benefit Rider – Chronic Illness:** This rider is automatically included on all newly issued policies. This benefit provides You with the ability to accelerate a portion of Your policy's **death benefit** as an **accelerated death benefit**. The actual payment made is called the **accelerated benefit payment**. We do not charge a fee for this rider prior to the time of the **accelerated benefit payment**.

You can elect to accelerate a portion of Your policy's **death benefit** under this rider if the Insured person is "Chronically Ill" as defined in the rider. Generally, "Chronically Ill" means that a Physician, as defined in the rider, has certified within the last 12 months that the insured (a) is permanently unable to perform, for at least 90 consecutive days, at least two out of six "Activities of Daily Living," which are Bathing, Continence, Dressing, Eating, Toileting, and Transferring or (b) has severe cognitive impairment (each as defined in the rider). Please refer to the actual rider for Our right to require a second opinion from another Physician.

The tax consequences associated with receiving an **accelerated benefit payment** under the Accelerated Benefit Rider – Chronic Illness are unclear. It is possible that such distributions may be treated as taxable withdrawals. Moreover, the tax consequences associated with reducing the **death benefit** after We pay an accelerated **death benefit** are also unclear. You should consult a qualified tax advisor about the consequences of adding this rider to a policy or requesting an advanced sum payment under this rider.

The accelerated benefit payment will be equal to the following:

- 1) The accelerated **death benefit**, less
- 2) An amount for future interest and also expected mortality, less
- 3) Any debt repayment amount, less
- 4) An administrative fee (this fee may not exceed \$200)

On the date that We make an **accelerated benefit payment**, We will reduce the **death benefit** of Your policy by the amount of the accelerated **death benefit**. This will occur on each payment date if You choose to receive periodic payments under the accelerated **death benefits** for Chronic Illness.

The **face amount**, any **policy fund** and any **policy debt** will be reduced by the ratio of 1. divided by 2., where 1. and 2. are as described below:

1. accelerated **death benefit** on the election date.
2. **death benefit** immediately prior to the election date.

You can choose the amount of the **death benefit** to accelerate at the time of the claim. The maximum accelerated **death benefit** is 24% of the eligible **death benefit** (which is the **death benefit** of the policy plus the sum of any additional **death benefits** on the life of the Insured person provided by any eligible riders) at each election to receive an accelerated **death benefit**, or \$240,000, whichever is less. This amount may be smaller for a final election. An election is valid for 12 months, and only one election can be made in that 12 month period.

Your ability to accelerate a portion of the **death benefit** is subject to the terms and conditions of the rider itself.

2. **Accelerated Benefit Rider – Terminal Illness:** This rider is automatically included on all newly issued policies. This benefit provides You with the ability to accelerate a portion of Your policy's **death benefit** as an **accelerated death benefit**. The actual payment made is called the accelerated benefit payment. We do not charge a fee for this rider prior to the time of the **accelerated benefit payment**.

You can choose to accelerate a portion of Your policy's **death benefit** under this rider if the Insured person has a terminal illness (terminal illness is defined as a condition in which a Physician, as defined in the rider, has certified that the insured's life expectancy is 24 months or less - but this may be defined by a longer period of time if required by state law). Please refer to the actual rider form for Our rights to require a second opinion from another Physician.

Pursuant to the Health Insurance Portability and Accountability Act of 1996, We believe that for federal income tax purposes an advanced sum payment made under the Accelerated Benefit Rider – Terminal Illness, should be fully excludable from the gross income of the recipient, as long as the recipient is the Insured person under the policy (except in certain business contexts) and the insured person's life expectancy is 24 months or less, as certified by a licensed physician. You should consult a tax advisor if such an exception should apply. The tax consequences associated with reducing the **death benefit** after We pay an accelerated benefit are unclear, however. You should consult a qualified tax advisor about the consequences of adding this rider to a policy or requesting an advanced sum payment under this rider.

The **accelerated benefit payment** will be equal to the following:

- 1) The accelerated **death benefit**, less
- 2) An amount for future interest, less
- 3) Any debt repayment amount, less
- 4) An administrative fee (this fee may not exceed \$200)

On the day We make the accelerated benefit payment, We will reduce the **death benefit** of Your Policy by the amount of the accelerated **death benefit**.

The **face amount**, any **policy fund** and any **policy debt** will be reduced by the ratio of 1. divided by 2., where 1. and 2. are as described below:

1. accelerated **death benefit** on the election date.
2. **death benefit** immediately prior to the election date.

You can choose the amount of the **death benefit** to accelerate at the time of the claim. The maximum accelerated **death benefit** is 50% of the eligible **death benefit** (which is the **death benefit** of the policy) at the time You elect to receive an accelerated **death benefit**, or \$500,000, whichever is less.

Your ability to accelerate a portion of the **death benefit** is subject to the terms and conditions of the rider itself.

3. **Accidental Death Benefit Rider:** This rider can be selected at the time of application or added to an **inforce** policy. Under this rider, We will pay an additional benefit if the Insured person dies from a physical injury that results from an accident, provided the Insured person dies before the **policy anniversary** that is within a half year of his or her 70<sup>th</sup> birthday. We charge a fee for this rider on the **rider date** and on each **monthly anniversary** thereafter.
4. **Children's Insurance Rider 2:** This rider can be selected at the time of application or added to an **inforce** policy. Coverage under this rider provides term life insurance on the lives of the Insured person's children, which includes natural children, stepchildren and legally adopted children, between the **ages** of 15 days and 18 years. They are covered until the Insured person reaches **age** 65 or the child reaches **age** 23, whichever is earlier. We charge a fee for this rider on the **rider date** and on each **monthly anniversary** thereafter.

The Children's Insurance Rider 2 provides term insurance. Term insurance, unlike base coverage, does not provide a cash value or an opportunity for the **death benefit** to grow. However, the cost of term insurance may be lower than the cost of base coverage.

5. **Flexible Disability Benefit Rider 2:** This rider must be selected at the time of application and is only available if You have selected the Waiver of Charges Rider. Under this rider, We pay a set amount into Your **policy fund** each month if the Insured person is disabled (the amount is on Your Schedule of Policy Benefits page). The benefit is payable when the Insured person becomes totally disabled on or after his/her 15<sup>th</sup> birthday and the disability continues for at least 6 months. The disability must start before the **policy anniversary** following the Insured person's 60<sup>th</sup> birthday. The benefit will continue for as long as the disability lasts or until the Insured person reaches **age** 65, whichever is earlier. If the amount of the benefit paid into the **policy fund** is more than the premium amount permitted under the income tax code, the monthly benefit will be paid to the Insured.

The maximum monthly benefit that can be purchased is the smaller of \$500 or the Guideline Level Annual Premium under **death benefit** option 1 divided by 12. For example, if Your Guideline Level Annual Premium under Option 1 is \$3,000, the maximum monthly benefit You can elect is \$250.00 (since  $\$3,000/12 = \$250$  and \$250 is smaller than \$500).

We charge a fee for this rider on the **rider date** and on each **monthly anniversary** thereafter until the **policy anniversary** on which the Insured reaches **attained age** 60.

6. **Guaranteed Insurability Rider:** This rider must be selected at the time of application. This benefit provides for additional amounts of insurance without further **evidence of insurability**. We charge a fee for this rider on the **rider date** and on each **monthly anniversary** thereafter.

7. **Protected Flexibility Rider:** This rider is automatically included on all newly issued policies and We do not charge You a fee for the benefit. This rider has two separate features. One is a protected **death benefit**, and the other is an overloan protection benefit.

Protected Death Benefit. This feature guarantees that Your policy will remain in effect and the **death benefit**, less any **policy debt**, at the insured's death, will be equal to the protected **death benefit** amount, provided the following conditions are met:

1. You have elected the **protected death benefit**;
2. You do not take loans or withdrawals that exceed the **protected death benefit distributable fund** (see below); and
3. You have not elected the overloan protection benefit (see below).

As long as the above conditions are met, this guarantee applies even if the **net cash surrender value** is insufficient to pay the monthly deductions under Your policy. This rider does not guarantee that other riders and supplemental benefits that are attached to the policy will remain in effect. If Your policy has a **Premium Guarantee Rider** attached to it, such rider will be terminated upon the election of the protected **death benefit**. If the **protected death benefit distributable fund** becomes less than zero, then We will make the following changes to Your policy and send You written notice to Your last known address to inform You of these changes.

1. We will terminate any riders or supplemental benefits that deduct rider charges or other fees from the **policy fund**.
2. We will reduce the **face amount** to equal the **protected death benefit** amount.

**Note:**

- The **protected death benefit distributable fund** is an amount equal to 97% of the result of (a) minus (b), where:
  - (a) is the **policy fund**; and
  - (b) is the greater of (1) and (2), where
    - (1) is (100% - the **protected death benefit percentage**) multiplied by the **policy fund**; and
    - (2) is the protected death benefit fund.
- The **protected death benefit percentage** is used to calculate the portion of the **policy fund** that can be accessed (that is, taken out through a policy loan or partial withdrawal) by the policy owner and still keep the **protected death benefit** in effect. The **protected death benefit percentage** starts at a value of 87% when the Insured reaches **age 65**, and stays at that level until the Insured reaches **age 75**; thereafter, the percentage increases to 91% and stays at that level for all higher **ages**. As the **protected death benefit percentage** increases, the policy owner has a larger **protected death benefit distributable fund**, which means a larger percentage of the **policy fund** can be accessed while keeping the **protected death benefit** in effect.

Protected Death Benefit Fund. The protected **death benefit** fund is used to determine if the protected **death benefit** is in effect, and it dictates the amount of Your **policy fund** that is required to be allocated to the General Account. This fund will remain positive as long as You do not take loans or withdrawals in excess of the protected **death benefit** distributable fund. **The protected death benefit fund is not a monetary amount that increases Your policy fund, cash surrender value or any other amount described in**

**Your policy. Rather, it is a reference value used only to determine whether Your Policy stays in force.**

The initial protected **death benefit** fund is based upon the protected **death benefit** amount that You choose, and the **age**, sex and premium class of the insured. The protected **death benefit** fund at any time thereafter is equal to the accumulation at the protected **death benefit** interest rate, of:

1. the protected **death benefit** fund on the preceding **monthly anniversary**; minus
2. any protected **death benefit** cost of insurance deduction at the beginning of the current **policy month**; minus
3. the protected **death benefit** expense charge at the beginning of the month; minus
4. any withdrawals of **policy fund** in excess of the protected **death benefit distributable fund**.

Protected Death Benefit Amount. The maximum protected **death benefit** amount is determined by the **net cash surrender value** at the time You elect the protected **death benefit**. The maximum protected **death benefit** amount will be less than or equal to Your **face amount** of insurance at the time You exercise Your right to the protected **death benefit**. The minimum protected **death benefit** amount is \$25,000.

Protected Death Benefit Withdrawal Amount. The protected **death benefit** withdrawal amount is equal to the **protected death benefit distributable fund** less any **policy debt**. Any withdrawal of **policy fund** up to the protected **death benefit** withdrawal amount will not reduce the amount of the protected **death benefit** fund. If, however, a withdrawal of **policy fund** exceeds the protected **death benefit** withdrawal amount, then We will reduce the amount of the protected **death benefit** fund by the amount by which such withdrawal exceeds the protected **death benefit** withdrawal amount. Any reduction of the protected **death benefit** fund in connection with such an "excess" withdrawal will be accompanied by a reduction in the protected **death benefit** amount that is equal to (1) multiplied by the ratio of (2) to (3), where:

- (1) The protected **death benefit** amount in effect at the end of the previous day; times
- (2) the amount withdrawn from the protected **death benefit** fund; divided by
- (3) the protected **death benefit** fund on the date of the withdrawal before deducting the amount of the withdrawal.

Impact of Policy Loans. If You take a policy loan that causes Your **policy debt** to exceed the protected **death benefit distributable fund**, the rider will terminate. Once the rider terminates, it cannot be reinstated.

You may make a loan repayment at anytime while the protected **death benefit** is available. Loan repayments during this period will be allocated to the General Account. Interest charged on **policy debt** will continue to accrue while the protected **death benefit** is available.

**Note: In some circumstances, electing the protected death benefit may cause Your policy to become a modified endowment contract (MEC) as defined by Section 7702A of the Internal Revenue Code. You should consult with and rely upon Your tax advisor prior to making policy changes, taking loans or withdrawals.**

Overloan Protection Benefit. We guarantee that during the period that the overloan protection benefit is available, Your policy will remain in effect until the insured's death, provided that (i) the policy is not terminated due to surrender, and (ii) You do not take loans or withdrawals after the overloan protection effective date (described below).

The overloan protection benefit is available provided the following conditions are met:

1. the policy has been in effect for at least **15 policy years**;
2. the insured's **attained age** is at least **age 65**;
3. You have made withdrawals of all Your premium; and
4. **policy debt** does not exceed the overloan election amount.

Overloan Election Amount. The overloan election amount is defined as 89% of the **policy fund** for **attained ages 65 to 74**, and 93% of the **policy fund** for **attained ages 75 and older**.

Overloan Protection Effective Date. The entire amount of Your **policy fund** must be allocated to the General Account on and after the overloan protection effective date. If You have any portion of the **policy fund** in other accounts on the overloan protection effective date, We will transfer it to the General Account on that date.

On and after the overloan protection effective date, the following changes may occur:

1. if the **death benefit** is option 2, then it will be changed to **death benefit** option 1, and the **death benefit** will be subject to the minimum **death benefit** provisions below;
2. if the **policy debt** does not exceed the **face amount** as of the of overloan protection effective date, then the **face amount** will be decreased to equal the **policy fund** as of the overloan protection effective date; and
3. all other riders will terminate.

Overloan Protection Period. The overloan protection period ends on the earlier of:

1. the insured's death; or
2. surrender of the policy; or
3. the date any loans or withdrawals are taken.

During the overloan protection period:

1. We guarantee Your policy will remain in effect until the insured's death, provided the policy is not terminated due to surrender, and no loans or withdrawals are taken after the overloan protection effective date;
2. the excess **policy debt** provision in the policy will be suspended; and
3. all monthly deductions will be taken from the General Account.
4. We will not allow any:
  1. **Premium payments**; or
  2. Transfers to the **separate accounts**; or
  3. **Face amount** changes; or
  4. **Death benefit** option changes.
5. The protected **death benefit** for this rider will terminate and no longer be available.

Loan repayments can be made at anytime during the overloan protection period. All loan repayments during this time will be allocated to the General Account. Interest charged on **policy debt** will continue to accrue during the overloan protection period.

**Note:**

- Your policy may become a **modified endowment contract (MEC)** as defined by Section 7702A of the Internal Revenue Code as of the overloan protection effective date. You should consult Your tax advisor before allowing Your policy to enter the overloan protection period.

- This policy may be purchased with the intention of accumulating cash value on a tax-free basis for some period (such as, until retirement) and then periodically borrowing from the policy without allowing the policy to lapse. The aim of this strategy is to continue borrowing from the policy until its **policy fund** is just enough to pay off the policy loans that have been taken out and then relying on the Overloan Protection Benefit to keep the policy in force until the death of the insured. Anyone contemplating taking advantage of this strategy should be aware that it involves several risks. First, if the Overloan Protection Benefit provided is lower than the policy's original **death benefit**, then the policy might fail to qualify as a life insurance contract under the Internal Revenue Code or might become a **MEC**, either of which could result in a significant tax liability attributable to the balance of any outstanding loan. Second, this strategy will fail to achieve its goal if the policy is a **MEC** or becomes a **MEC** after the periodic borrowing begins. Third, this strategy has not been ruled on by the Internal Revenue Service (the "IRS") or the courts and it may be subject to challenge by the IRS, since it is possible that loans under this policy may be treated as taxable distributions when the rider causes the policy to be converted to a fixed policy. In that event, assuming policy loans have not already been subject to tax as distributions, a significant tax liability could arise. Before purchasing the policy, anyone considering using the policy as a source of tax-free income by taking out policy loans should consult with and rely on a competent tax advisor about the tax risks inherent in such a strategy.

8. **Waiver of Charges Rider:** This rider can be selected at the time of application or added to an **inforce** policy with proof of insurability. With this benefit, We waive monthly deductions from the **policy fund** during the total disability of the Insured, if the Insured person becomes totally disabled on or after his/her 15<sup>th</sup> birthday and the disability continues for at least 6 months. If a disability starts before the **policy anniversary** following the Insured person's 60<sup>th</sup> birthday, then We will waive monthly deductions from the **policy fund** for as long as the disability continues. If a disability starts after the **policy anniversary** following the Insured person's 60<sup>th</sup> birthday, then You will not receive any benefit under this rider.

We charge a fee for this rider on the **rider date** and on each **monthly anniversary** thereafter.

## SEPARATE ACCOUNT INVESTMENT CHOICES

### Our Separate Account And Its Investment Divisions

The "**Separate Account**" is Our **Separate Account A**, established under the insurance laws of the State of Iowa. It is a unit investment trust registered with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1940 but **this registration does not involve any SEC supervision of its management or investment policies**. The **Separate Account** meets the definition of a "**Separate Account**" under the federal securities laws. Income, gains and losses credited to, or charged against, the **Separate Account** reflects the investment experience of the **Separate Account** and not the investment experience of Midland National's other assets. Midland National is obligated to pay all amounts guaranteed under the policy.

The **Separate Account** has a number of **investment divisions**, each of which invests in the shares of a corresponding portfolio of the **funds**. You may allocate part or all of Your **net premiums** in up to fifteen of the fifty-eight **investment divisions** currently available in Our **Separate Account** at any one time.

## The Funds

Each of the portfolios available under the policy is a “series” of its investment company. There are fifty-eight **investment divisions**.

The **funds**’ shares are bought and sold by Our **Separate Account** at net asset value. More detailed information about the **funds** and their investment objectives, policies, risks, expenses and other aspects of their operations appear in their prospectuses.

The **funds**, their managers, or affiliates thereof, may make payments to Midland National and/or its affiliates. These payments may be derived, in whole or in part, from the advisory fee deducted from fund assets and/or from “Rule 12b-1” fees deducted from fund assets. Policy owners, through their indirect investment in the **funds**, bear the costs of these advisory and 12b-1 fees. The amount of these payments may be substantial, may vary between **funds** and portfolios, and generally are based on a percentage of the assets in the **funds** that are attributable to the Policies and other variable insurance products issued by Midland National. These percentages currently range up to 0.25% annually. Midland National may use these payments for any corporate purpose, including payment of expenses (i) that Midland National and/or its affiliates incur in promoting, marketing, and administering the Policies, and (ii) that Midland National incurs, in its role as an intermediary, in promoting, marketing and administering the **funds**. Midland National and its affiliates may profit from these payments.

## Investment Policies Of The Portfolios

Each portfolio tries to achieve a specified investment objective by following certain investment policies. A portfolio’s objectives and policies affect its returns and risks. Each **investment division**’s performance depends on the experience of the corresponding portfolio. The objectives of the portfolios are as follows:

<b>Portfolio</b>	<b>Investment Objective</b>	<b>Investment Adviser</b>
<b>AIM Variable Insurance Funds (Invesco Variable Insurance Funds)</b>		
Invesco V.I. Core Plus Bond Fund (Formerly Invesco V.I. Diversified Dividend Fund) – Series I Shares	The Fund’s investment objective is total return comprises of current income and capital appreciation. The Fund invests, under normal circumstances, at least 80% of its net assets (plus any borrowings for investment purposes) in fixed income securities, and in derivatives and other instruments that have economic characteristics similar to such securities.	Invesco Advisers, Inc.
Invesco V.I. Global Health Care Fund – Series I Shares	The Fund’s investment objective is long-term growth of capital. The Fund invests, under normal circumstances, at least 80% of its net assets (plus borrowings for investment purposes) in securities of issuers engaged primarily in the healthcare-related industries and derivatives and other instruments that have economic characteristics similar to such securities.	Invesco Advisers, Inc.

<b>Portfolio</b>	<b>Investment Objective</b>	<b>Investment Adviser</b>
Invesco V.I. International Growth Fund – Series I Shares	The Fund's investment objective is long-term growth of capital. The Fund invests primarily in equity securities and depositary receipts of foreign issuers. The principal types of equity securities in which the Fund invests are common and preferred stock.	Invesco Advisers, Inc.
<b>The Alger Portfolios</b>		
Alger Capital Appreciation Portfolio	Seeks long-term capital appreciation.	Fred Alger Management, Inc.
Alger Large Cap Growth Portfolio	Seeks long-term capital appreciation.	Fred Alger Management, Inc.
Alger Mid Cap Growth Portfolio	Seeks long-term capital appreciation.	Fred Alger Management, Inc.
<b>American Century Variable Portfolios, Inc.</b>		
American Century VP Capital Appreciation Fund	Seeks capital growth.	American Century Investment Management, Inc.
American Century VP International Fund	Seeks capital growth.	American Century Investment Management, Inc.
American Century VP Value Fund	Seeks long-term capital growth. Income is a secondary objective.	American Century Investment Management, Inc.
<b>Fidelity® Variable Insurance Products</b>		
VIP Asset Manager <sup>SM</sup> Portfolio	Seeks to obtain high total return with reduced risk over the long term by allocating its assets among stocks, bonds, and short-term instruments.	Fidelity Management & Research Company (FMR); Fidelity Investments Money Management, Inc. (FIMM), FMR Co., Inc. (FMRC), and other investment advisers serve as sub-advisers
VIP Asset Manager: Growth® Portfolio	Seeks to maximize total return by allocating its assets among stocks, bonds, short-term instruments, and other investments.	Fidelity Management & Research Company (FMR); Fidelity Investments Money Management, Inc. (FIMM), FMR Co., Inc. (FMRC), and other investment advisers serve as sub-advisers

<b>Portfolio</b>	<b>Investment Objective</b>	<b>Investment Adviser</b>
VIP Balanced Portfolio	Seeks income and capital growth consistent with reasonable risk.	Fidelity Management & Research Company (FMR); Fidelity Investments Money Management, Inc. (FIMM), FMR Co., Inc. (FMRC), and other investment advisers serve as sub-advisers
VIP Contrafund <sup>®</sup> Portfolio	Seeks long-term capital appreciation.	Fidelity Management & Research Company (FMR); FMR Co., Inc. (FMRC) and other investment advisers serve as sub-advisers
VIP Equity-Income Portfolio	Seeks reasonable income. Will also consider the potential for capital appreciation. The fund's goal is to achieve a yield which exceeds the composite yield on the securities comprising the S&P 500 <sup>®</sup> Index.	Fidelity Management & Research Company (FMR); FMR Co., Inc. (FMRC) and other investment advisers serve as sub-advisers
VIP Freedom 2010 Portfolio	Seeks high total return with a secondary objective of principal preservation as the fund approaches its target date and beyond.	Strategic Advisers <sup>®</sup> , Inc., an affiliate of Fidelity Management & Research Company (FMR)
VIP Freedom 2015 Portfolio	Seeks high total return with a secondary objective of principal preservation as the fund approaches its target date and beyond.	Strategic Advisers <sup>®</sup> , Inc., an affiliate of Fidelity Management & Research Company (FMR)
VIP Freedom 2020 Portfolio	Seeks high total return with a secondary objective of principal preservation as the fund approaches its target date and beyond.	Strategic Advisers <sup>®</sup> , Inc., an affiliate of Fidelity Management & Research Company (FMR)
VIP Freedom 2025 Portfolio	Seeks high total return with a secondary objective of principal preservation as the fund approaches its target date and beyond.	Strategic Advisers <sup>®</sup> , Inc., an affiliate of Fidelity Management & Research Company (FMR)
VIP Freedom 2030 Portfolio	Seeks high total return with a secondary objective of principal preservation as the fund approaches its target date and beyond.	Strategic Advisers <sup>®</sup> , Inc., an affiliate of Fidelity Management & Research Company (FMR)
VIP Freedom Income Portfolio	Seeks high total return with a secondary objective of principal preservation.	Strategic Advisers <sup>®</sup> , Inc., an affiliate of Fidelity Management & Research Company (FMR)
VIP Growth & Income Portfolio	Seeks high total return through a combination of current income and capital appreciation.	Fidelity Management & Research Company (FMR); FMR Co., Inc. (FMRC) and other investment advisers serve as sub-advisers

<b>Portfolio</b>	<b>Investment Objective</b>	<b>Investment Adviser</b>
VIP Growth Opportunities Portfolio	Seeks to provide capital growth.	Fidelity Management & Research Company (FMR); FMR Co., Inc. (FMRC) and other investment advisers serve as sub-advisers
VIP Growth Portfolio	Seeks to achieve capital appreciation.	Fidelity Management & Research Company (FMR); FMR Co., Inc. (FMRC) and other investment advisers serve as sub-advisers
VIP High Income Portfolio	Seeks a high level of current income, while also considering growth of capital.	Fidelity Management & Research Company (FMR); FMR Co., Inc. (FMRC) and other investment advisers serve as sub-advisers
VIP Index 500 Portfolio	Seeks to provide investment results that correspond to the total return of common stocks publicly traded in the United States, as represented by the S&P 500 <sup>®</sup> Index.	Fidelity Management & Research Company (FMR); Geode Capital Management, LLC (Geode <sup>®</sup> ) and FMR Co., Inc. (FMRC) and other investment advisers serve as sub-advisers
VIP Investment Grade Bond Portfolio	Seeks as high a level of current income as is consistent with the preservation of capital.	Fidelity Management & Research Company (FMR); Fidelity Investments Money Management, Inc. (FIMM) and other investment advisers serve as sub-advisers
VIP Mid Cap Portfolio	Seeks long-term growth of capital.	Fidelity Management & Research Company (FMR); FMR Co., Inc. (FMRC) and other investment advisers serve as sub-advisers
VIP Money Market Portfolio <sup>1</sup>	Seeks as high a level of current income as is consistent with preservation of capital and liquidity.	Fidelity Management & Research Company (FMR); Fidelity Investments Money Management, Inc. (FIMM) and other affiliates serve as sub-advisers

<b>Portfolio</b>	<b>Investment Objective</b>	<b>Investment Adviser</b>
VIP Overseas Portfolio	Seeks long-term growth of capital.	Fidelity Management & Research Company (FMR); FMR Co., Inc. (FMRC) and other investment advisers serve as sub-advisers
<b>Goldman Sachs Variable Insurance Trust</b>		
Goldman Sachs VIT Large Cap Value Fund	Seeks long-term capital appreciation.	Goldman Sachs Asset Management, L.P.
Goldman Sachs VIT Small Cap Equity Insights Fund (Formerly Goldman Sachs VIT Structured Small Cap Equity Fund)	Seeks long-term growth of capital.	Goldman Sachs Asset Management, L.P.
<b>Lord Abbett Series Fund, Inc.</b>		
Lord Abbett Calibrated Dividend Growth Portfolio	Seeks current income and capital appreciation.	Lord, Abbett & Co. LLC
Lord Abbett Growth and Income Portfolio	Seeks long-term growth of capital and income without excessive fluctuations in market value.	Lord, Abbett & Co. LLC
Lord Abbett International Opportunities Portfolio	Seeks long-term capital appreciation.	Lord, Abbett & Co. LLC
Lord Abbett Mid Cap Stock Portfolio	Seeks capital appreciation through investments, primarily in equity securities, which are believed to be undervalued in the marketplace.	Lord, Abbett & Co. LLC
<b>MFS® Variable Insurance Trusts</b>		
MFS® VIT Growth Series	Seeks capital appreciation. The fund's objective may be changed without shareholder approval.	MFS® Investment Management
MFS® VIT New Discovery Series	Seeks capital appreciation. The fund's objective may be changed without shareholder approval.	MFS® Investment Management
MFS® VIT Research Series	Seeks capital appreciation. The fund's objective may be changed without shareholder approval.	MFS® Investment Management
MFS® VIT Total Return Series	Seeks total return. The fund's objective may be changed without shareholder approval.	MFS® Investment Management
MFS® VIT Utilities Series	Seeks total return. The fund's objective may be changed without shareholder approval.	MFS® Investment Management
<b>Neuberger Berman Advisers Management Trust</b>		
Neuberger Berman AMT Mid Cap Intrinsic Value Portfolio	Seeks growth of capital.	Neuberger Berman Management LLC

<b>Portfolio</b>	<b>Investment Objective</b>	<b>Investment Adviser</b>
<b>PIMCO Variable Insurance Trust</b>		
PIMCO High Yield Portfolio <sup>2</sup> Administrative Class	Seeks maximum total return, consistent with preservation of capital and prudent investment management.	Pacific Investment Management Company LLC
PIMCO Real Return Portfolio Administrative Class	Seeks maximum real return, consistent with preservation of real capital and prudent investment management.	Pacific Investment Management Company LLC
PIMCO Total Return Portfolio Administrative Class	Seeks maximum total return, consistent with preservation of capital and prudent investment management.	Pacific Investment Management Company LLC
<b>ProFunds Trust<sup>5</sup></b>		
ProFund VP Japan	Seeks investment results, before fees and expenses, that correspond to the performance of the Nikkei 225 Stock Average. The Fund seeks to provide a return consistent with an investment in the component equities in the Index hedged to U.S. Dollars. The Fund seeks to provide a return based solely on the local price return of the equity securities in the Index, without any effect from currency movements in the yen versus the U.S. dollar. The Fund determines its success in meeting this investment objective by comparing its daily return on a given day with the daily performance of the dollar-denominated Nikkei 225 futures contracts traded in the United States.	ProFund Advisors LLC
ProFund VP Oil & Gas	Seeks investment results, before fees and expenses, that correspond to the performance of the Dow Jones U.S. Oil & Gas <sup>SM</sup> Index.	ProFund Advisors LLC
ProFund VP Small-Cap Value	Seeks investment results, before fees and expenses, that correspond to the performance of the S&P SmallCap 600 <sup>®</sup> Value Index.	ProFund Advisors LLC
ProFund VP Ultra Mid-Cap	Seeks daily investment results, before fees and expenses, that correspond to two times (2x) the daily performance of the S&P MidCap 400 <sup>®</sup> . The Fund does not seek to achieve its stated investment objective over a period of time greater than a single day.	ProFund Advisors LLC
<b>Van Eck VIP Trust</b>		
Van Eck VIP Global Hard Assets Fund	Seeks long-term capital appreciation by investing primarily in “hard asset” securities. Income is a secondary consideration.	Van Eck Associates Corporation

Portfolio	Investment Objective	Investment Adviser
<b>Vanguard Variable Insurance Fund Portfolios</b>		
Vanguard <sup>®</sup> VIF Balanced Portfolio	Seeks to provide long-term capital appreciation and reasonable current income.	Wellington Management Company, LLP
Vanguard <sup>®</sup> VIF High Yield Bond Portfolio <sup>3</sup>	Seeks to provide a high level of current income.	Wellington Management Company, LLP
Vanguard <sup>®</sup> VIF International Portfolio	Seeks to provide long-term capital appreciation.	Baillie Gifford Overseas Ltd., M&G Investment Management Limited, and Schroder Investment Management North America Inc.
Vanguard <sup>®</sup> VIF Mid-Cap Index Portfolio	Seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization stocks.	The Vanguard Group, Inc. <sup>4</sup>
Vanguard <sup>®</sup> VIF REIT Index Portfolio	Seeks to provide a high level of income and moderate long-term capital appreciation by tracking the performance of a benchmark index that measures the performance of publicly traded equity REITs.	The Vanguard Group, Inc. <sup>4</sup>
Vanguard <sup>®</sup> VIF Short-Term Investment-Grade Portfolio	Seeks to provide current income while maintaining limited price volatility.	The Vanguard Group, Inc. <sup>4</sup>
Vanguard <sup>®</sup> VIF Small Company Growth Portfolio	Seeks to provide long-term capital appreciation.	The Vanguard Group, Inc. <sup>4</sup> and Granahan Investment Management, Inc.
Vanguard <sup>®</sup> VIF Total Bond Market Index Portfolio	Seeks to track the performance of a broad, market-weighted bond index.	The Vanguard Group, Inc. <sup>4</sup>
Vanguard <sup>®</sup> VIF Total Stock Market Index Portfolio	Seeks to track the performance of a benchmark index that measures the investment return of the overall stock market.	The Vanguard Group, Inc. <sup>4</sup>

<sup>1</sup>During extended periods of low interest rates, the yields of the money market **investment division** may become extremely low and possibly negative.

<sup>2</sup>Under normal circumstances, the fund invests at least 80% of its assets in a diversified portfolio of high yield securities (commonly known as "junk bonds").

<sup>3</sup>The fund invests mainly in a diversified group of high-yielding, higher risk corporate bonds, commonly known as "junk bonds," with medium and lower-range credit quality ratings.

<sup>4</sup>Vanguard is a trademark of the Vanguard Group, Inc.

<sup>5</sup>The ProFunds VP portfolios permit frequent transfers. Frequent transfers may increase portfolio turnover. A high level of portfolio turnover may negatively impact performance by increasing transaction costs. In addition, large movements of assets into and out of a ProFunds Trust VP portfolio may negatively impact a fund's ability to achieve its investment objective or maintain a consistent level of operating expenses. See "Effects of Market Timing." Some ProFunds portfolios may use investment techniques not associated with most mutual fund portfolios. Investors in the ProFunds portfolios will bear additional investment risks. See the ProFunds prospectus for a description of the investment strategies and risks associated with investing in the ProFunds portfolios.

The fund portfolios available under these policies are not available for purchase directly by the general public. In addition, the fund portfolios are not the same as the mutual **funds** with very similar or nearly identical names that are sold directly to the public. However, the investment objectives and policies of the portfolios are very similar to the investment objectives and policies of other (publicly available) mutual fund portfolios that have very similar or nearly identical names and that are or may be managed by the same investment adviser or manager. Nevertheless, the investment performance and results of any of the **funds'** portfolios that are available under the policies may be lower, or higher, than the investment results of such other (publicly available) portfolios. There can be no assurance, and no representation is made, that the investment results of any of the available portfolios will be comparable to the investment results of any other portfolio or mutual fund, even if the other portfolio or mutual fund has the same investment adviser or manager and the same investment objectives and policies and a very similar or nearly identical name.

The fund portfolios offered through the policy are selected by Midland National based on several criteria, including asset class coverage, the alignment of the investment objectives of a fund portfolio with our hedging strategy, the strength of the manager's reputation and tenure, brand recognition, performance, and the capability and qualification of each sponsoring investment firm. We also consider whether the fund portfolio, its adviser, sub-adviser, or distributor (or an affiliate) can provide marketing and distribution support for sale of the policies. Another factor that We consider during the selection process is whether the fund or one of its service providers (*e.g.*, the investment adviser) will make payments to Us, and the amount of any such payments. We may use such payments for any corporate purpose, including payment of expenses that We incur in promoting, marketing, and administering the policies, and, in Our role as an intermediary, the **funds**. We may profit from these payments.

You are responsible for choosing the fund portfolios, and the amounts allocated to each, that are appropriate for Your own individual circumstances and Your investment goals, financial situation, and risk tolerance. Because investment risk is borne by You, decisions regarding investment allocations should be carefully considered.

In making Your investment selections, We encourage You to thoroughly investigate all of the information regarding the **fund** portfolios that is available to You, including each **fund's** prospectus, statement of additional information and annual and semi/annual reports. Other sources such as the **fund's** website or newspapers and financial and other magazines provide more current information, including information about any regulatory actions or investigations relating to a **fund** or portfolio. You should monitor and periodically re-evaluate Your allocations to determine if they are still appropriate.

**You bear the risk of any decline in Your policy fund resulting from the performance of the portfolios You have chosen.**

Midland National does not provide investment advice and does not recommend or endorse any particular **fund** or portfolio.

Certain portfolios may invest substantially all of their assets in portfolios of other funds. As a result, You will pay fees and expenses at both portfolio levels. This will reduce Your investment return. These arrangements are referred to as "funds of funds" or "master-feeder funds." Funds of funds or master-feeder structures may have higher expenses than portfolios that invest directly in debt or equity securities.

Certain portfolios may employ hedging strategies to provide for downside protection during sharp downward movements in equity markets. The cost of these hedging strategies could

limit the upside participation of the portfolio in rising equity markets relative to other portfolios.

Certain portfolios invest in positions that emphasize alternative investment strategies and/or nontraditional asset classes. Alternative investment strategies may be riskier than traditional investment strategies and may involve leverage or use various complex hedging techniques, like options and derivatives. These alternative investments create a mix of strategies that offers potential diversification benefits beyond traditional investment strategies.

You should consult with Your registered representative or investment advisor to determine which combination of investment choices are appropriate for You.

You should carefully consider the investment objectives, risks, and charges and expenses of the portfolios before investing. The portfolios' prospectuses contain this and other information and should be read carefully before investing. You can receive a current copy of a prospectus or a summary prospectus for each of the portfolios by contacting Your registered representative and by contacting Us at:

Midland National Life Insurance Company  
One Sammons Plaza  
Sioux Falls, SD 57193  
Phone: (800) 272-1642  
Fax: (605) 335-3621 or toll-free (877) 208-6136

### **Effects of Market Timing**

Frequent, large, programmed, or short-term transfers among the **investment divisions** or between the **investment divisions** and the General Account (“harmful trading”) can cause risks with adverse effects for other policy owners (and beneficiaries and portfolios). These risks and harmful effects include: (1) dilution of the interests of long-term investors in an **investment division** if transfers into the division are made at unit values that are priced below the true value or transfers out of the **investment division** are made at unit values priced higher than the true value (some “market timers” attempt to do this through methods known as “time-zone arbitrage” and “liquidity arbitrage”); (2) an adverse effect on portfolio management, such as causing the portfolio to maintain a higher level of cash than would otherwise be the case, or causing a portfolio to liquidate investments prematurely (or otherwise at an inopportune time) in order to pay withdrawals; and (3) increased brokerage and administrative expenses.

The ProFunds portfolios are designed for, and affirmatively permit, frequent and short term trading. Therefore, they may be more susceptible to these harmful effects than other portfolios. These portfolios might not be appropriate for long-term investors.

In addition, because other insurance companies and/or retirement plans may invest in the portfolios, the risk exists that the portfolios may suffer harm from frequent, programmed, large, or short-term transfers among **investment divisions** or sub-accounts of variable policies issued by other insurance companies or among investment options available to retirement plan participants.

### **Charges In The Funds**

The **funds** charge for managing investments and providing services. Each portfolio’s charges vary.

The Fidelity VIP portfolios have an annual management fee. That is the sum of an individual fund fee rate and a group fee rate based on the monthly average net assets of Fidelity

Management & Research Company's mutual **funds**. In addition, each of these portfolios' total operating expenses includes fees for management and shareholder services and other expenses (custodial, legal, accounting, and other miscellaneous fees). The fees for the Fidelity VIP portfolios are based on the Initial Class. See the Fidelity VIP portfolio prospectuses for additional information on how these charges are determined and on the minimum and maximum charges allowed.

The **funds**, with the exception of Fidelity VIP, have annual management fees that are based on the monthly average of the net assets in each of the portfolios.

The **funds** may also impose liquidity and redemption fees on certain transactions (pursuant to SEC rules 2a-7 and 22c-2 under the Investment Company Act of 1940), which We would deduct from Your **policy fund**. See each portfolio company's prospectus for details.

## USING YOUR POLICY FUND

### The Policy Fund

Your **policy fund** is the sum of Your amounts in the various **investment divisions** and in the General Account (including any amount in Our General Account securing a policy loan). Your **policy fund** reflects various charges. See "DEDUCTIONS AND CHARGES" on page 55. Monthly deductions are made on the **policy date** and on the first day of each **policy month**. Transaction and **surrender charges** are made on the effective date of the transaction. Charges against Our **Separate Account** are reflected daily.

Your **policy fund** begins with Your first premium payment. From Your premium We deduct a premium charge, any applicable service charge, and the first monthly deduction (and any per premium expenses) as described in the "Deductions From Your Premiums" section on page 55. The balance of the premium is Your beginning **policy fund**.

Your **policy fund** reflects:

- the amount and frequency of premium payments,
- deductions for the cost of insurance, additional benefits and other charges,
- the investment performance of Your chosen **investment divisions**,
- interest earned on amounts allocated to the General Account,
- the impact of loans, and
- the impact of partial withdrawals.

We guarantee amounts allocated to the General Account. This guarantee is subject to Our financial strength and claims-paying ability. There is no guaranteed minimum **policy fund** for amounts allocated to the **investment divisions** of Our **Separate Account**. An **investment division's** performance will cause Your **policy fund** to go up or down. You bear that investment risk.

### Amounts In Our Separate Account

Amounts allocated or transferred to the **investment divisions** are used to purchase **accumulation units**. **Accumulation units** of an **investment division** are purchased when You allocate **net premiums**, repay loans or transfer amounts to that division. **Accumulation units** are redeemed when You make withdrawals, when You transfer amounts from an **investment division** (including transfers for loans), when We make monthly deductions and charges, and when We pay the **death benefit**. The number of **accumulation units** purchased or redeemed in an **investment division** is calculated by dividing the dollar amount of the transaction by the division's **accumulation unit** value next determined at the end of the **business day** on which the transaction occurs; if the transaction occurs after 3:00 p.m. Central Time, then We will use

the **investment division's accumulation unit** value on the next **business day**. The value You have in an **investment division** is the **accumulation unit** value times the number of **accumulation units** credited to You. The number of **accumulation units** credited to You will not vary because of changes in **accumulation unit** values.

### **How We Determine The Accumulation Unit Value**

We determine **accumulation unit** values for the **investment divisions** at the end of each **business day**. **Accumulation unit** values fluctuate with the investment performance of the corresponding portfolios of the **funds**. They reflect investment income, the portfolio's realized and unrealized capital gains and losses, the **funds'** expenses, and Our deductions and charges. The **accumulation unit** value for each **investment division** is set at \$10.00 on the first day there are policy transactions in Our **Separate Account** associated with these policies. After that, the **accumulation unit** value for any **business day** is equal to the **accumulation unit** value for the previous **business day** multiplied by the net investment factor for that division on that **business day**.

We determine the net investment factor for each **investment division** every **business day** as follows:

- We take the value of the shares belonging to the division in the corresponding fund portfolio at the close of business that day (before giving effect to any policy transactions for that day, such as premium payments or surrenders). We use the share value reported to Us by the fund.
- We add any dividends or capital gains distributions paid by the portfolio that day.
- We divide this amount by the value of the amounts in the **investment division** at the close of business on the preceding **business day** (after giving effect to any policy transactions on that day).
- We may subtract any daily charge for taxes or amounts set aside as tax reserves.

### **Policy Fund Transactions and "Good Order"**

The transactions described below may have different effects on Your **policy fund, death benefit, face amount** or cost of insurance deductions. You should consider the net effects before making any **policy fund** transactions. Certain transactions have fees. Remember that upon completion of these transactions, You may not have Your **policy fund** allocated to more than 15 **investment divisions**.

*Good Order.* We cannot process Your requests for transactions relating to Your **policy fund** until We have received them in good order at Our **Administrative Office**. "Good order" means the actual receipt of the requested transaction in writing, along with all information and supporting legal documentation necessary to effect the transaction. This information and documentation generally includes, to the extent applicable, Your completed application, the policy number, the transaction amount (in dollars), the full names of and allocations to and/or from the **investment divisions** affected by the requested transaction, the signatures of all policy owners (exactly as registered on the policy), social security number or taxpayer I.D., and any other information or supporting documentation that We may require. With respect to purchase requests, "good order" also generally includes receipt of sufficient funds by Us to effect the purchase. We may, in Our sole discretion, determine whether any particular transaction request is in good order, and We reserve the right to change or waive any good order requirements at any time.

### **Transfers Of Policy Fund**

You may transfer amounts among the **investment divisions** and between the General Account and any **investment divisions**. To make a transfer of **policy fund**, write to Our **Administrative Office** at the address shown on page one of this prospectus. You may also

call-in Your requests to Our **Administrative Office** toll-free at (800) 272-1642 or fax Your requests to Our **Administrative Office** at (605) 373-8557 or toll-free (877) 841-6709. Any requests sent to other numbers may not be considered received in Our **Administrative Office**. Currently, You may make an unlimited number of free transfers of **policy fund** in each **policy year** (subject to the “Transfer Limitations” below). However, We reserve the right to assess a \$25 charge for each transfer after the 12<sup>th</sup> in a **policy year**. We reserve the right to eliminate and/or severely restrict the transfer privilege in any manner We deem appropriate for some, all or specific policy owners. If We charge You for making a transfer, then We will allocate the charge as described under “Deductions and Charges - How Policy Fund Charges Are Allocated” on page 58. Although a single transfer request may include multiple transfers, it will be considered a single transfer for the purpose of assessing any transfer charge.

If the **Premium Guarantee Rider** is part of Your policy, then We reserve the right to restrict the allocation of Your **policy fund** and premiums to certain **investment divisions**. At this time, by current company practice, We do not restrict the **investment divisions** under the **Premium Guarantee Rider**. The total amount that can be transferred from the General Account to the **Separate Account**, in any **policy year**, cannot exceed the larger of:

1. 25% of the unloaned amount in the General Account at the beginning of the **policy year**, or
2. \$25,000. (We reserve the right to decrease this to \$1,000.)

These restrictions may prolong the period of time it takes to transfer Your total **policy fund** assets in the General Account to **investment divisions** and, therefore, You should carefully consider whether investment in the General Account meets Your needs and investment criteria.

These limits do not apply to transfers made in a Dollar Cost Averaging program or Portfolio Rebalancing program that extends over a time period of 12 or more months.

Completed transfer requests received, in good order, at Our **Administrative Office** before the New York Stock Exchange closes for regular trading (usually, 3:00 p.m. Central Time) are priced at the unit value determined at the close of that regular trading session of the New York Stock Exchange. If We receive Your completed transfer request after the close of regular trading on the New York Stock Exchange, We will process the transfer request at the unit value determined at the close of the next regular trading session of the New York Stock Exchange. We may delay transfers under certain circumstances. See “WHEN WE PAY PROCEEDS FROM THIS POLICY” on page 71.

The minimum transfer amount is \$200. The minimum amount does not have to come from or be transferred to just one **investment division**. The only requirement is that the total amount transferred that day equals the minimum transfer amount.

### **Transfer Limitations**

Frequent, large, programmed or short-term transfers among **investment divisions**, such as those associated with “market timing” transactions, can adversely affect the portfolios and the returns achieved by policy owners. In particular, such transfers may dilute the value of the portfolios’ shares, interfere with the efficient management of the portfolios’ investments, and increase brokerage and administrative costs of the portfolios. In order to try to protect Our policy owners and the portfolios from potentially harmful trading activity, We have implemented certain market timing policies and procedures (the “market timing procedures”). Our market timing procedures are designed to detect and prevent frequent or short-term transfer activity among the **investment divisions** of the **Separate Account** that may adversely affect other policy owners or portfolio shareholders.

More specifically, currently Our market timing procedures are intended to detect potentially harmful trading or transfer activity by monitoring for any two interfund transfer requests on a policy within a five **business day** period, in which the requests are moving to and from identical subaccounts (for example, a transfer from MFS VIT New Discovery Series to Fidelity VIP Money Market portfolio, followed by a transfer from Fidelity VIP Money Market back to MFS VIT New Discovery within five **business days**).

We will review transfer requests, daily blotters, and transaction logs in an attempt to identify transfers that exceed these transfer parameters. When We identify a second trade within five days of the first, We will review those transfers (and other transfers in the same policy) to determine if, in Our judgment, the transfers are part of a market timing strategy or otherwise have the potential to be harmful. We will honor and process the second transfer request, but if We believe that the activity is potentially harmful, We will suspend that policy's transfer privileges and We will not accept another transfer request for 14 **business days**. We will attempt to inform the policy owner (or registered representative) by telephone that their transfers have been deemed potentially harmful to others and that their transfer privilege is suspended for 14 days. If We do not succeed in reaching the policy owner or registered representative by phone, We will send a letter by first class mail to the policy owner's address of record.

We apply Our market timing procedures to all of the **investment divisions** available under the policy, including those **investment divisions** that invest in portfolios that affirmatively permit frequent and short-term trading (such as the ProFunds portfolios). Other insurance companies offer variable life insurance and annuity contracts that may permit short-term and frequent trading in those portfolios. Therefore, if You allocate premiums or Your **policy fund** to **investment divisions** that invest in the ProFunds portfolios, You may indirectly bear the effects of market timing or other frequent trading. These portfolios might not be appropriate for long-term investors.

In addition to Our own market timing procedures, managers of the investment portfolios might contact Us if they believe or suspect that there is market timing or other potentially harmful trading, and, if so, We will take appropriate action to protect others. In particular, We may, and We reserve the right to, reverse a potentially harmful transfer. If so, We will inform the policy owner and/or registered representative. The policy owner will bear any investment loss involved in a reversal.

To the extent permitted by applicable law, We reserve the right to delay or reject a transfer request at any time that We are unable to purchase or redeem shares of any of the portfolios available through **Separate Account A**, because of any refusal or restriction on purchases or redemptions of their shares on the part of the managers of the investment portfolios as a result of their own policies and procedures on market timing activities or other potentially abusive transfers. If this occurs, We will attempt to contact You by telephone for further instructions. If We are unable to contact You within 5 business days after We have been advised that Your transfer request has been refused or delayed by the investment portfolio manager, the amount intended for transfer will be retained in or returned to the originating **investment division**.

You should be aware that, as required by SEC regulation, We have entered into a written agreement with each underlying **fund** or principal underwriter that obligates Us to provide the **fund**, upon written request, with information about You and Your trading activities in the **investment divisions** investing in the **fund's** portfolios. In addition, We are obligated to execute instructions from the **funds** that may require Us to restrict or prohibit Your investment in a specific **investment division** investing in a **fund** portfolio if the corresponding **fund** identifies You as violating the frequent trading policies that the **fund** has established for that

portfolio. You should read the prospectuses of the portfolios for more details on their ability to refuse or restrict purchases or transfers of their shares.

If We receive a premium payment from You with instructions to allocate it into a portfolio of a **fund** that has directed Us to restrict or prohibit Your trades into the **investment division** investing in the same portfolio, then We will request new allocation instructions from You. If You request a transfer into an **investment division** investing in a portfolio of a **fund** that has directed Us to restrict or prohibit Your trades, then We will not effect the transfer.

In Our sole discretion, We may revise Our market timing procedures at any time without prior notice as We deem necessary or appropriate to better detect and deter frequent, programmed, large, or short-term transfers that may adversely affect other policy owners or portfolio shareholders, to comply with state or federal regulatory requirements, or to impose additional or alternate restrictions on market timers (such as dollar or percentage limits on transfers). We may change Our parameters to monitor for a different number of transfers with different time periods, and We may include other factors, such as the size of transfers made by policy owners within given periods of time, as well as the number of “round trip” transfers into and out of particular **investment divisions**. For purposes of applying the parameters used to detect potential market timing and other potentially harmful activity, We may aggregate transfers made in two or more policies that We believe are connected (for example, two policies with the same owner, or owned by spouses, or owned by different partnerships or corporations that are under common control, etc.).

We do not include transfers made pursuant to the dollar cost averaging program, enhanced dollar cost averaging program, and portfolio rebalancing program in these limitations. We may vary Our market timing procedures from **investment division** to **investment division**, and may be more restrictive with regard to certain **investment divisions** than others. We may not always apply these detection methods to **investment divisions** investing in portfolios that, in Our judgment, would not be particularly attractive to market timers or otherwise susceptible to harm by frequent transfers.

We reserve the right to place restrictions on the methods of implementing transfers for all policy owners that We believe might otherwise engage in trading activity that is harmful to others. For example, We might only accept transfers by original “wet” policy owner signature conveyed through the U.S. mail (that is, We can refuse transfer requests submitted by phone, facsimile, e-mail or by any other electronic means). We also reserve the right to implement and administer liquidity and redemption fees imposed by one or more of the portfolios in the future.

Policy owners seeking to engage in frequent, programmed, large, or short-term transfer activity may deploy a variety of strategies to avoid detection. Our ability to detect and deter such transfer activity is limited by operational systems and technological limitations. In addition, the terms of the policy may also limit Our ability to restrict or deter harmful transfers. Furthermore, the identification of policy owners determined to be engaged in transfer activity that may adversely affect other policy owners or portfolios’ shareholders involves judgments that are inherently subjective. Accordingly, despite Our best efforts, We cannot guarantee that Our market timing procedures will detect every potential market timer. Some market timers may get through Our controls undetected and may cause dilution in unit value for others. We apply Our market timing procedures consistently to all policy owners without special arrangement, waiver, or exception. We may vary Our market timing procedures among Our other variable insurance products to account for differences in various factors, such as operational systems and contract provisions. In addition, because other insurance companies and/or retirement plans may invest in the portfolios, We cannot guarantee that the portfolios

will not suffer harm from frequent, programmed, large, or short-term transfers among **investment divisions** of variable contracts issued by other insurance companies or among investment options available to retirement plan participants.

### **Dollar Cost Averaging**

The Dollar Cost Averaging (DCA) program enables You to make monthly transfers of a predetermined dollar amount from the DCA source account (any **investment division** or the General Account) into one or more of the **investment divisions**. By allocating monthly, as opposed to allocating the total dollar amount at one time, You may reduce the impact of market fluctuations. This plan of investing does not insure a profit or protect against a loss in declining markets. The minimum monthly amount to be transferred using DCA is \$200.

You can elect the DCA program at any time. You must complete the proper request form, and send it to Us at Our **Administrative Office**, and there must be a sufficient amount in the DCA source account. The minimum amount required in the DCA source account for DCA to begin is a sum of \$2,400 and the minimum premium. You can get a sufficient amount by paying a premium with the DCA request form, allocating **net premiums**, or transferring amounts to the DCA source account. The DCA election will specify:

- a. The DCA source account from which DCA transfers will be made,
- b. That any money received with the form is to be placed into the DCA source account,
- c. The total monthly amount to be transferred to the other **investment divisions**, and
- d. How that monthly amount is to be allocated among the **investment divisions**.

The DCA request form must be received, in good order, with any premium payments You intend to apply to DCA.

Once DCA is elected, additional **net premiums** can be deposited into the DCA source account by sending them in with a DCA request form. All amounts in the DCA source account will be available for transfer under the DCA program.

Any **net premium** payments received while the DCA program is in effect will be allocated using the allocation percentages from the DCA request form, unless You specify otherwise. You may change the DCA allocation percentages or DCA transfer amounts twice during a **policy year**.

If it is requested when the policy is issued, then DCA will start at the beginning of the 2<sup>nd</sup> **policy month**. If it is requested after issue, then DCA will start at the beginning of the 1<sup>st</sup> **policy month** which occurs at least 30 days after the request is received in good order.

DCA will last until the value in the DCA source account is exhausted or until We receive Your written termination request in good order. DCA automatically terminates on the maturity date.

We do not charge any specific fees for You to participate in a DCA program. However, transfers made through a DCA program which only extends for fewer than 12 months will be included in counting the number of transfers of **policy fund**. While We currently allow an unlimited number of free transfers, We reserve the right to charge for each transfer after the 12<sup>th</sup> one in any **policy year**.

We reserve the right to end the DCA program by sending You one month's notice.

### **Enhanced Dollar Cost Averaging (EDCA)**

By Midland National's current Company practice, if the source account is the General Account, We will pay an effective annual interest rate of 9% on the declining balance in the General Account until the end of the first **policy year** on monies allocated into the EDCA

program during the first four **policy months**. Neither the EDCA program nor the 9% annual effective rate is guaranteed and both are subject to change without notice. There is no charge for this feature.

### **Portfolio Rebalancing**

The Portfolio Rebalancing Option allows policy owners, who are not participating in a Dollar Cost Averaging program, to have Midland National automatically reset the percentage of **policy fund** allocated to each **investment division** to a pre-set level. You can select rebalancing to occur, quarterly, semi-annually or annually. For example, You may wish to specify that 30% of Your **policy fund** be allocated to the Fidelity VIP Growth **investment division**, 40% in the Fidelity VIP High Income **investment division** and 30% in the Fidelity VIP Overseas **investment division**. Over time, the variations in the **investment division's** investment results will shift the percentage allocations of Your **policy fund**. If You elect this option, then at each **policy anniversary**, We will transfer amounts needed to "re-balance" the **policy fund** to the specified percentages selected by You. Rebalancing is not available to amounts in the General Account. Rebalancing may result in transferring amounts from an **investment division** earning a relatively high return to one earning a relatively low return.

Even with a Portfolio Rebalancing Option, You can only allocate Your total **policy fund** in up to at most 15 **investment divisions**. Portfolio Rebalancing will remain in effect until We receive Your written termination request in good order. We reserve the right to end the Portfolio Rebalancing Option by sending You one month's notice. Contact Us at Our **Administrative Office** to elect the Portfolio Rebalancing Option.

Midland National does not charge any specific fees for You to participate in a portfolio rebalancing program. However, transfers made through a portfolio rebalancing program which only extends for fewer than 12 months will be included in counting the number of transfers of **policy fund**. While We currently allow an unlimited number of free transfers, We do reserve the right to charge for each transfer after the 12<sup>th</sup> one in any **policy year**.

### **Automatic Distribution Option**

You may choose to receive automatic distributions of Your **net cash surrender value** on a monthly, quarterly, semi-annual, or annual basis at any time by completing the Request for Automatic Distributions form and sending it to Us. This option allows You to receive periodic income from Your policy's **net cash surrender value** by simply filling out one form and allowing Us to process the necessary loans and partial withdrawals. While this option is available at any time during the life of Your policy, it is best to delay distributions from Your life insurance policy for as long as possible. Any distributions that You take from Your policy result in reductions to the policy proceeds payable at the time of the Insured's death and cash value (**policy fund**) of the policy. This automatic distribution option is mainly intended for distributions after Your **surrender charge** period has expired and is often used during retirement years.

When We receive the completed Automatic Distribution form in good order, We will begin processing partial withdrawals on the following **monthly anniversary**. Such partial withdrawals will be taken from the **net cash surrender value** in the amount and frequency You selected until We have distributed an amount equal to all premiums paid. Partial withdrawals processed under the automatic distribution option will not be subject to the \$25 fee that We normally charge when there is more than one partial withdrawal in a **policy year**. When the amount distributed equals the amount of all premiums paid, We will begin processing loans in the amount and frequency You selected for as long as the policy's **net cash surrender value** will support these loans.

The automatic distributions will continue until You send Us, in good order, a written request to discontinue the distributions or until the policy's **net cash surrender value** is insufficient to support additional withdrawals or loans. There is not a separate charge for the automatic distribution option. Any policy loans or partial withdrawals will result in a reduction to the policy proceeds from what would otherwise be payable to Your **beneficiary** at the Insured's death and the policy's **policy fund**. There may be tax consequences in taking automatic distributions from Your policy if it is or becomes a **modified endowment contract**. Please consult a tax advisor prior to beginning an automatic distribution program so that You are knowledgeable about the tax impact of any partial withdrawals and policy loans.

### **Policy Loans**

Using only Your policy as security, You may borrow up to 92% of the **cash surrender value** (the **policy fund** less the **surrender charge**) minus any **policy debt**. If You request an additional loan, then the outstanding loan and loan interest will be added to the additional loan amount and the original loan will be canceled. Thus, You will only have one outstanding loan. A loan taken from, or secured by, a policy may have federal income tax consequences. See "Tax Effects" on page 60.

*Interest Credited on Policy Loan.* The portion of the General Account that is equal to the policy loan will be credited with interest at a rate of 3.0% per year.

*Policy Loan Interest Charged.* Currently, the annual interest rate We charge on standard loans is 5.0%. We guarantee that the rate charged on standard loans will not exceed 8% per year.

Interest is due on each **policy anniversary** or if earlier, the date of loan repayment, policy lapse, surrender, policy termination or the Insured's death. If You do not pay the interest when it is due, then it will be added to Your outstanding loan and allocated based on the deduction allocation percentages for Your **policy fund**. This means We make an additional loan to pay the interest and will transfer amounts from the General Account or the **investment divisions** to make the loan. If We cannot allocate the interest based on these percentages, then We will allocate it as described below.

After the 5<sup>th</sup> **policy year**, We guarantee that We will offer zero cost loans on the full loan value. The annual interest rate charged on zero cost loans is guaranteed to be 3.0% (which is the same rate We guarantee to credit on zero cost loans). We guarantee this rate unless a higher interest rate is required by the Internal Revenue Service. If the Internal Revenue Service requires a higher policy loan interest rate, We will charge the minimum interest rate allowed. A zero cost loan may have tax consequences. See "Tax Effects" on page 60.

You may request a loan by writing to Our **Administrative Office**. You may also request a policy loan by faxing Us at Our **Administrative Office** at (605) 373-8557 or toll-free (877) 841-6709. Any requests sent to another number will not be considered received in Our **Administrative Office**. You should tell Us how much of the loan You want taken from Your unloaned amount in the General Account or from the **Separate Account investment divisions**. If You do not tell Us how to allocate Your loan, the loan will be allocated according to Your deduction allocation percentages as described under "How Policy Fund Charges Are Allocated" on page 58. If the loan cannot be allocated this way, then We will allocate it in proportion to the unloaned amounts of Your **policy fund** in the General Account and each **investment division**. We will redeem units from each **investment division** equal in value to the amount of the loan allocated to that **investment division** (and transfer these amounts to the General Account).

*Repaying The Loan.* You may repay all or part of a policy loan while Your policy is **inforce**. While You have a policy loan, We assume that any money You send Us is meant to repay the loan. If You wish to have any of these payments serve as premium payments, then You must tell Us in writing.

You may choose how You want Us to allocate Your repayments. If You do not give Us instructions, We will allocate Your repayments based on Your premium allocation percentages.

*The Effects Of A Policy Loan On Your Policy Fund.* A loan against Your policy will have a permanent effect on Your **policy fund** and benefits, even if the loan is repaid. When You borrow on Your policy, We transfer Your loan amount into Our General Account where it earns a declared rate of interest. You cannot invest that loan amount in any **Separate Account investment divisions**. You may earn more or less on the loan amount, depending on the performance of the **investment divisions** and whether they are better or worse than the 3.0% annual interest We credit on the portion of the General Account securing the loan. A policy loan will reduce the policy's ultimate **death benefit** and **net cash surrender value**.

*Your Policy May Lapse.* Your loan may affect the amount of time that Your policy remains **inforce**. For example, Your policy may lapse because the loaned amount cannot be used to cover the monthly deductions that are taken from Your **policy fund**. If these deductions are more than the **net cash surrender value** of Your policy, then the policy's lapse provisions may apply. Since the policy permits loans up to 92% of the **cash surrender value** (the **policy fund** less the **surrender charge**) minus any **policy debt**, loan repayments or additional premium payments may be required to keep the policy **inforce**, especially if You borrow the maximum. We may withhold two months of anticipated policy costs from the total amount available for loan to help prevent your policy from immediately entering a grace period.

Policy loans could also negatively affect whether the **Premium Guarantee Rider** will prevent Your policy from lapsing.

### **Withdrawing Money From Your Policy Fund**

You may request a partial withdrawal of Your **net cash surrender value** by writing to Our **Administrative Office**. You may also request a partial withdrawal by faxing Us at Our **Administrative Office** at (605) 373-8557 or toll-free (877) 841-6709. Any requests sent to another number will not be considered received in Our **Administrative Office**. If You make more than one partial withdrawal in a **policy year**, We will impose a partial withdrawal charge as explained in the paragraph entitled "Withdrawal Charges" listed below. Partial withdrawals are subject to certain conditions. They must:

- be at least \$200;
- in the first **policy year**, total no more than 50% of the **net cash surrender value** (the limit is 90% of the **net cash surrender value** in subsequent **policy years**);
- allow the **death benefit** to remain above the minimum for which We would issue the policy at that time; and
- allow the policy to still qualify as life insurance under applicable tax law.

You may specify how much of the withdrawal You want taken from each **investment division** and Our General Account. If You do not tell Us, then We will make the withdrawal as described in "Deductions and Charges – How Policy Fund Charges Are Allocated" on page 58.

Completed partial withdrawal requests received in good order at Our **Administrative Office** before the New York Stock Exchange closes for regular trading (usually, 3:00 p.m. Central Time) are priced at the unit value determined at the close of that regular trading session of the New York Stock Exchange. If We receive Your completed partial withdrawal request after the

close of regular trading on the New York Stock Exchange, We will process the partial withdrawal request at the unit value determined at the close of the next regular trading session of the New York Stock Exchange.

In general, We do not permit You to make a withdrawal on monies for which Your premium check has not cleared Your bank.

*Withdrawal Charges.* When You make a partial withdrawal more than once in a **policy year**, a charge of \$25, will be deducted from Your **policy fund**. If You do not give Us instructions for deducting the charge, then it will be deducted as described under “Deductions and Charges - How Policy Fund Charges Are Allocated” on page 58. This charge does not apply to withdrawals under the Automatic Distribution Option.

*The Effects Of A Partial Withdrawal.* A partial withdrawal reduces the amount in Your **policy fund**, the **cash surrender value** and generally the **death benefit** on a dollar-for-dollar basis. However if, the **death benefit** is based on the corridor percentage multiple, then the **death benefit** reduction could be greater. If You have elected **death benefit** option 1, then We will also reduce the **face amount** of Your policy so that there will be no change in the net amount at risk. Both the withdrawal and any reductions will be effective as of the **business day** We receive Your request in good order at Our **Administrative Office** if it is received before 3:00 p.m. Central Time. If We receive Your request in good order at Our **Administrative Office** after 3:00 p.m. Central Time, then it will be effective on the following **business day**.

Depending on individual circumstances, a policy loan might be better than a partial withdrawal if You need temporary cash. A withdrawal may have income tax consequences. See “Tax Effects” on page 60.

A partial withdrawal could negatively affect whether the **Premium Guarantee Rider** will prevent Your policy from lapsing.

### **Surrendering Your Policy**

You may surrender Your policy for its **net cash surrender value** while the Insured person is living. You do this by sending both a written request and the policy to Our **Administrative Office**. If You surrender Your policy or allow it to lapse during the surrender charge period, We will assess a **surrender charge**. The **net cash surrender value** equals the **cash surrender value** (Your **policy fund** minus any **surrender charge**) minus any **policy debt**. The **net cash surrender value** may be very low, especially during the early **policy years**. During the first 14 **policy years** after the date of policy issue or an increase in **face amount**, the **cash surrender value** is the **policy fund** minus the **surrender charge**. After 14 years, the **cash surrender value** equals the **policy fund**. We will compute the **net cash surrender value** as of the **business day** We receive Your request in good order and policy at Our **Administrative Office**. All of Your insurance coverage will end on that date.

Completed surrender requests received in good order at Our **Administrative Office** before the New York Stock Exchange closes for regular trading (usually, 3:00 p.m. Central Time) are priced at the unit value determined at the close of that regular trading session of the New York Stock Exchange. If We receive Your completed surrender request in good order after the close of regular trading on the New York Stock Exchange, We will process the surrender request at the unit value determined at the close of the next regular trading session of the New York Stock Exchange.

A surrender may have income tax consequences. See “Tax Effects” on page 60.

## THE GENERAL ACCOUNT

You may allocate all or some of Your **policy fund** to the General Account. The General Account pays interest at a declared rate. We guarantee the principal after deductions. The General Account supports Our insurance and annuity obligations. Any amounts in the General Account are subject to Our financial strength and claims-paying ability and Our long-term ability to make such payments. We issue other types of insurance policies as well, and We also pay Our obligations under those products from Our assets in the General Account.

**Because of applicable exemptive and exclusionary provisions, interests in the General Account have not been registered under the Securities Act of 1933, and the General Account has not been registered as an investment company under the Investment Company Act of 1940. Accordingly, neither the General Account nor any interests therein are generally subject to regulation under the 1933 Act or the 1940 Act.**

You may accumulate amounts in the General Account by:

- allocating **net premium** and loan payments,
- transferring amounts from the **investment divisions**,
- obtaining any policy loans, or
- earning interest on amounts You already have in the General Account.

This amount is reduced by transfers, withdrawals and allocated deductions.

We pay interest on all Your amounts in the General Account. The annual interest rates will never be less than 3.0%. We may, at Our sole discretion, credit interest in excess of 3.0% per year. **You assume the risk that interest credited may not exceed 3.0% per year.** We may pay different rates on unloaned and loaned amounts in the General Account. Interest compounds daily at an effective annual rate that equals the annual rate We declare.

You may request a transfer between the General Account and one or more of the **investment divisions**, within limits. See “Transfers Of Policy Fund” on page 46.

The General Account may not be available in all states. Your state of issue will determine if the General Account is available on Your policy. Please check Your policy form to see if the General Account is available on Your policy.

## DEDUCTIONS AND CHARGES

### Deductions From Your Premiums

We deduct a premium charge, and in some cases a service charge from each premium upon receipt. The rest of each premium (called the **net premium**) is placed in Your **policy fund**.

Since this charge is a percentage of paid premiums, the amount of the charge will vary with the amount of premium.

*Premium Charge.* We deduct a 5.0% premium charge from each premium payment. We currently intend to eliminate this charge after the 15<sup>th</sup> **policy year**, but this is not guaranteed. This charge partially reimburses Us for premium taxes We incur, and for the selling and distribution costs of this policy. The percentage We estimate to be paid for premium taxes is an average of what We anticipate owing, and therefore, may exceed that actual rate imposed by Your state. This is a tax to Midland National so You cannot deduct it on Your income tax return.

Our selling and distribution costs include commissions and the costs of preparing sales literature and printing prospectuses. (We also deduct a **surrender charge** if You surrender Your policy for its **net cash surrender value** or let Your policy lapse in the first 14 years. See “Surrender Charge” on page 59.)

*Civil Service Allotment Service Charge.* If You have chosen the Civil Service Allotment Mode, then We deduct \$.46 (forty-six cents) from each premium payment. The \$.46 covers the extra expenses We incur in processing bi-weekly premium payments.

### **Charges Against The Separate Account and General Account**

Fees and charges assessed to the **General Account** and **investment divisions** reduce the amount in Your **policy fund**.

*Tax Reserve.* We reserve the right to charge for taxes or tax reserves, which may reduce the investment performance of the **investment divisions**. Currently, no such charge is made.

### **Monthly Deductions From Your Policy Fund**

At the beginning of each **policy month** (including the **policy date**), the following five deductions are taken from Your **policy fund**.

1. **Per Policy Expense Charge:** This charge is \$8.00 per month in all years. This charge helps to cover Our administrative costs such as premium billing and collections.
2. **Per Unit Expense Charge:** This charge is currently assessed in **policy years** 1-10, and We intend to eliminate it in **policy years** 11+. We reserve the right to charge it in all **policy years**. The per unit expense charge varies based on the insured’s sex, **policy age** and premium class and it is printed on the policy specifications page. The per unit expense charge is based on the current **face amount** of insurance. This charge helps to cover Our sales costs.
3. **Percent of Fund Value Charge** – This charge is 0.075% per month of the total **Policy Fund Value** on a monthly basis in **policy years** 1-10, and 0.0042% per month of the total **Policy Fund Value** in **policy years** 11+ (these roughly equate to annual rates of 0.90% and 0.05%, respectively). This charge helps to cover Our administrative costs such as communicating with owners.
4. **Charges for Additional Benefits:** Monthly deductions are made for the cost of certain additional benefits. With the exception of the Accelerated Benefit Riders – Terminal Illness and Chronic Illness, the charges for any additional benefits You select will be deducted on the **rider date** and each **monthly anniversary** thereafter. See the “Fee Table” on page 9 and “Additional Benefits” starting on page 29. We may change these charges, but Your policy contains tables showing the guaranteed maximum rates for all of these insurance costs.
5. **Cost of Insurance Deduction:** The cost of insurance deduction is Our current monthly cost of insurance rate times the net amount at risk at the beginning of the **policy month**. The net amount at risk is the difference between Your **death benefit** and Your **policy fund**. If the current **death benefit** for the month is increased due to the requirements of federal tax law, then Your net amount at risk for the month will also increase. For this purpose, Your **policy fund** amount is determined before deduction of the cost of insurance deduction, but after all of the other deductions due on that date. The amount of the cost of insurance deduction will vary from month to month with changes in the net amount at risk. This charge is for the cost of insurance. We may profit from this charge.

The cost of insurance rate is based on a number of factors, including, but not limited to, the sex, **attained age**, **face amount** of insurance, and rating class of the Insured person at the time

of the charge. (In Montana, there are no distinctions based on sex, and for guaranteed rates, there is no distinction for premium class.) We place the Insured person that is a standard risk in the following rate classes: preferred plus non-tobacco, preferred non-tobacco, non-tobacco, preferred tobacco and tobacco. The Insured person may also be placed in a rate class involving a higher mortality risk, known as a substandard class. We may change the cost of insurance rates, but they will never be more than the guaranteed maximum rates set forth in Your policy. The maximum charges are based on the charges specified in the 2001 sex-distinct, composite smoker, ALB, Commissioner's Standard Ordinary Mortality Table. The table below shows the current and guaranteed maximum monthly cost of insurance rates per \$1,000 of amount at risk for a male, standard, non-tobacco, standard risk at various ages, with an initial **face amount** of insurance of \$400,000, for the first **policy year**.

**Illustrative Table of Monthly Cost of Insurance Rates  
(Rounded) per \$1,000 of Amount at Risk**

Male Attained	Guaranteed Maximum	Current (Male Standard Non- Tobacco)
Age	Rate	Rate
25	0.09	0.04
35	0.10	0.03
45	0.23	0.05
55	0.54	0.09
65	1.48	0.18

For example, for a male standard non-tobacco, **age 35** with a \$400,000 **face amount death benefit** option 1 policy and an initial monthly premium of \$1,000, the first monthly deduction (taken on the date the policy is issued) is \$76.68. This example assumes the monthly expense charge of \$8.00, the current unit per expense charge of \$33.00, **Premium Guarantee Rider** charge of \$23.00, current percent of **policy fund** charge of \$0.71, and the current cost of insurance deduction of \$11.97. The \$11.97 is calculated by multiplying the current monthly cost of insurance rate per \$1,000 (\$0.03) times the amount at risk (\$400,000 face less the initial Cash Value of \$950.00, which is \$1,000 of premium less the \$50 for the premium charge). This example assumes that there are no charges for riders or other additional benefits. This charge generally increases as the Insured person gets older. However, this charge is not deducted after the insured person reaches **age 100**.

The non-tobacco cost of insurance rates are lower than the preferred tobacco cost of insurance rates and the preferred tobacco rates are less than the tobacco rates. To qualify, an Insured must be a standard risk and must meet additional requirements that relate to tobacco habits. The reduced cost of insurance rates depends on such variables as the **attained age** and sex of the Insured.

The preferred plus non-tobacco cost of insurance rates are lower than the preferred non-tobacco cost of insurance rates, and the preferred non-tobacco rates are lower than the non-tobacco rates. To qualify for the preferred plus and preferred non-tobacco class, the Insured person must be **age 20** or over and meet certain underwriting requirements.

If the policy is purchased in connection with an employment-related insurance or benefit plan, employers and employee organizations should consider, in consultation with counsel, the impact of Title VII of the Civil Rights Act of 1964. In 1983, the United States Supreme Court held that under Title VII, optional annuity benefits under a deferred compensation plan could not vary on the basis of sex.

*Changes in Monthly deductions.* Any changes in the cost of insurance, charges for additional benefits or expense charges will be by class of Insured and will be based on changes in future expectations of investment earnings, mortality, the length of time policies will remain in effect, expenses and taxes.

### **Transaction Charges**

In addition to the deductions described above, We charge fees for certain policy transactions:

- Partial Withdrawal of **net cash surrender value**. You may make one partial withdrawal during each **policy year** without a charge. There is an administrative charge of \$25 each time You make a partial withdrawal if more than one withdrawal is made during a year. This charge does not apply to withdrawals under the Automatic Distribution Option. This charge is to cover Our administrative expenses for processing the withdrawal.
- Transfers. Currently, We do not charge when You make transfers of **policy fund** among **investment divisions**. We reserve the right to assess a \$25 charge for each transfer after the twelfth in a **policy year**.

### **How Policy Fund Charges Are Allocated**

Generally, deductions from Your **policy fund** for monthly or partial withdrawal charges are made from the **investment divisions** and the unloaned portion of the General Account. Unless the **Premium Guarantee Rider** is part of Your policy, deductions are made in accordance with Your specified deduction allocation percentages unless You instruct Us otherwise; special allocation rules apply if the **Premium Guarantee Rider** is part of Your policy (see “Premium Guarantee Rider” on page 26). Your deduction allocation percentages may be any whole number (from 0 to 100) which add up to 100. You may change Your deduction allocation percentages by writing to Our **Administrative Office**. Changes will be effective as of the date We receive them in good order.

If We cannot make a deduction in accordance with these percentages, then we will make deductions from any unloaned portion of the General Account and any amounts in **investment divisions** (in Your **policy fund**) on a pro rata basis. If there is no unloaned portion of the General Account in Your **policy fund**, then we will make all deductions (on a pro rata basis) from amounts You have allocated to **investment divisions**.

Deductions for transfer charges are made equally between the **investment divisions** from which the transfer was made. For example, if the transfer is made from two **investment divisions**, then the transfer charge assessed to each of the **investment divisions** will be \$12.50.

### **Loan Charge**

Loan interest is charged in arrears on the outstanding loan. Loan interest that is unpaid when due will be added to the outstanding loan on each **policy anniversary** (or, if earlier, on the date of loan repayment, policy lapse, surrender, policy termination, or the Insured’s death) and will bear interest at the same rate as the loan. We currently charge an annual interest rate of 5.0% on loans.

After offsetting the 3.0% annual interest rate that We guarantee We will credit to the portion of Our General Account securing the loan against the maximum loan interest rate of 8.0%, the maximum guaranteed net cost of the loans is 5.0% annually in **policy years** 1-5. However, the current net cost of the loans is 2.0% annually in **policy years** 1-5. The current net cost of 2.0% for **policy years** 1-5 is derived by taking the 5.0% annual interest rate that We currently charge on loans and reducing it by the 3.0% annual interest rate We credit to the portion of the General Account securing the standard loan. If You take a loan after the 5<sup>th</sup> **policy year**, We guarantee that the net cost of the loan will be 0%. See “Policy Loans” on page 52.

## **Surrender Charge**

The **surrender charge** is the difference between the amount in Your **policy fund** and Your policy's **cash surrender value** for the first 14 **policy years** after the date of policy issue or increase in **face amount**. It is a contingent charge designed to partially recover Our expenses in distributing and issuing policies which are terminated by surrender in their early years (the premium charge is also designed to partially reimburse Us for these expenses). It is a contingent load because You pay it only if You surrender Your policy (or let it lapse) during the first 14 **policy years** after the date of issue or increase in **face amount**. The amount of the charge in a **policy year** is not necessarily related to Our actual sales expenses in that year. We anticipate that the premium charge and **surrender charge** will not fully cover Our sales expenses. If sales expenses are not covered by the premium charge and **surrender charge**, We will cover them with other assets. The **net cash surrender value**, the amount We pay You if You surrender Your policy for cash, equals the **cash surrender value** minus any **policy debt**. The **cash surrender value** is the **policy fund** minus the **surrender charge**. See "Surrendering Your Policy" on page 54.

The first year **surrender charge** varies by the issue **age**, sex and class of the Insured at the time the policy is issued. The maximum charge for Your policy per \$1,000 of **face amount** is the first year charge. The first year charge, on a per \$1,000 of **face amount** basis, gradually decreases over the 14 year surrender charge period and is \$0.00 after the 14<sup>th</sup> **policy year**.

The following table provides some examples of the first year **surrender charge**. The maximum first year **surrender charge** for all issue ages, sexes, and classes is \$52.50 per \$1,000. The \$52.50 per \$1,000 of **face amount surrender charge** occurs for all male classes with issue ages at 63 or older. Your policy will specify the actual **surrender charge** rate at issue, per \$1,000 of **face amount**, for all durations in the 14 year surrender charge period. The table below is only intended to give You an idea of the level of first year **surrender charge** for a few sample issue ages, sexes and classes.

**Table of First Year Surrender Charges  
Per \$1,000 of Face Amount**

<u>Issue Age</u>	<u>Sex</u>	<u>Class</u>	<u>Surrender Charge Per \$1,000 of Face Amount</u>
35	Male	Non-Tobacco or Tobacco	\$21.00
55	Female	Non-Tobacco or Tobacco	\$31.00
65	Male	Non-Tobacco or Tobacco	\$52.50

A **face amount** decrease will not reduce the **surrender charge**. If the **face amount** is increased, the **surrender charge** will increase. The **surrender charge** for the **face amount** increase will equal the **surrender charge** for a new policy with:

- The initial **face amount** set equal to the **face amount** increase
- The Insured's policy **age** on the **policy date** equal to the policy **age** on the date of the **face amount** increase; and
- The premium class for the **face amount** increase

Suppose You bought Your policy at issue **age** 35 under a male standard non-tobacco class with a **face amount** of \$400,000. During the 10<sup>th</sup> **policy year**, You decided to increase Your **face amount** by \$100,000 to obtain a total **face amount** of \$500,000. If the **face amount** increase was determined to be acceptable to Us under the non-tobacco class, the **surrender charge** for

Your \$100,000 of increase would be the same as a new policy with the following **surrender charge** criteria:

- a) **face amount** of \$100,000
- b) a policy **age** of 44 (the increase was effective during the 10<sup>th</sup> **policy year** before the **policy anniversary** at which You **attained age** 45).
- c) a premium class of male non-tobacco

The original \$400,000 of **face amount** would continue to fall under the **surrender charge** schedule established at the issue date of the policy, but the \$100,000 of **face amount** increase would begin a new **surrender charge** schedule with the criteria stated in (a) through (c) above. At the time a **face amount** increase becomes effective We will send You an endorsement to Your policy which states the **surrender charge** criteria and **surrender charge** amounts.

### **Portfolio Expenses**

The value of the net assets of each **investment division** reflects the management fees and other expenses incurred by the corresponding portfolio in which the **investment divisions** invest. Some portfolios also deduct 12b-1 fees from portfolio assets. You pay these fees and expenses indirectly. Some portfolios may also impose liquidity and redemption fees (pursuant to SEC rules 2a-7 and 22c-2 under the Investment Company Act of 1940), which We would administer and deduct directly from Your **policy fund**. Any liquidity and redemption fee would be retained by or paid to the portfolio and not retained by Us. For further information, consult the portfolios' prospectuses.

## **TAX EFFECTS**

### **INTRODUCTION**

The following summary provides a general description of the federal income tax considerations associated with the policy and does not purport to be complete or to cover all tax situations. This discussion is not intended as tax advice. Counsel or other competent tax advisors should be consulted for more complete information. This discussion is based upon Our understanding of the present federal income tax laws. No representation is made as to the likelihood of continuation of the present federal income tax laws or as to how they may be interpreted by the Internal Revenue Service.

### **TAX STATUS OF THE POLICY**

In order to qualify as a life insurance policy for federal income tax purposes and to receive the tax treatment normally accorded life insurance policies under federal tax law, a policy must satisfy certain requirements which are set forth in the Internal Revenue Code. Guidance as to how these requirements are to be applied is limited. Nevertheless, We believe that a policy issued on a standard rate class basis should satisfy the applicable requirements. There is less guidance, however, with respect to policies issued on a substandard basis and it is not clear whether such policies will in all cases satisfy the applicable requirements, particularly if You pay the full amount of premiums under the policy. If it is subsequently determined that a policy does not satisfy the applicable requirements, We may take appropriate steps to bring the policy into compliance with such requirements and We reserve the right to restrict policy transactions in order to do so.

In some circumstances, owners of variable policies who retain excessive control over the investment of the underlying **Separate Account** assets may be treated as the owners of those assets and may be subject to tax on income produced by those assets. Although published

guidance in this area does not address certain aspects of the policies, We believe that the owner of a policy should not be treated as the owner of the **Separate Account** assets. We reserve the right to modify the policies to bring them into conformity with applicable standards should such modification be necessary to prevent owners of the policies from being treated as the owners of the underlying **Separate Account** assets.

In addition, the Code requires that the investments of the **Separate Account** be “adequately diversified” in order for the policies to be treated as life insurance policies for federal income tax purposes. It is intended that the **Separate Account**, through the **funds**, will satisfy these diversification requirements.

The following discussion assumes that the policy will qualify as a life insurance policy for federal income tax purposes.

## **TAX TREATMENT OF POLICY BENEFITS**

### **In General**

We believe that the **death benefit** under a policy should be generally excludible from the gross income of the **beneficiary**. Federal, state and local transfer, and other tax consequences of ownership or receipt of policy proceeds depend on the circumstances of each policy owner or **beneficiary**. A tax advisor should be consulted on these consequences.

Generally, the policy owner will not be deemed to be in constructive receipt of the policy cash value until there is a distribution. When distributions from a policy occur, or when loans are taken out from or secured by a policy, the tax consequences depend on whether the policy is classified as a “**modified endowment contract**.”

### **Modified Endowment Contracts (MEC)**

Under the Internal Revenue Code, certain life insurance policies are classified as “**Modified Endowment Contracts**,” with less favorable tax treatment than other life insurance policies. Due to the flexibility of the policies as to premiums and benefits, the individual circumstances of each policy will determine whether it is classified as a **MEC**. In general a policy will be classified as a **MEC** if the amount of premiums paid into the policy causes the policy to fail the “7-pay test.” A policy will fail the 7-pay test if at any time in the first seven **policy years**, the amount paid into the policy exceeds the sum of the level premiums that would have been paid at that point under a policy that provided for paid-up future benefits after the payment of seven level annual payments. A policy received in a tax-free exchange for a life insurance policy that was a **MEC** will also be classified as a **MEC**.

If there is a reduction in the benefits under the policy during the first seven years, for example, as a result of a partial surrender, the 7-pay test will have to be reapplied as if the policy had originally been issued at the reduced **face amount**. If there is a “material change” in the policy’s benefits or other terms, the policy may have to be retested as if it were a newly issued policy. A material change may occur, for example, when there is an increase in the **death benefit** which is due to the payment of an unnecessary premium. Unnecessary premiums are premiums paid into the policy which are not needed in order to provide a **death benefit** equal to the lowest **death benefit** that was payable in the first seven **policy years**. To prevent Your policy from becoming a **MEC**, it may be necessary to limit premium payments or to limit reductions in benefits. A current or prospective policy owner should consult a tax advisor to determine whether a policy transaction will cause the policy to be classified as a **MEC**.

### **Distributions Other Than Death Benefits from Modified Endowment Contracts**

Policies classified as **modified endowment contracts** are subject to the following tax rules:

- (1) All distributions other than **death benefits**, including distributions upon surrender and withdrawals, from a **modified endowment contract** will be treated first as distributions of gain taxable as ordinary income and as tax-free recovery of the policy owner's investment in the policy only after all gain has been distributed.
- (2) Loans taken from or secured by a policy classified as a **modified endowment contract** are treated as distributions and taxed accordingly.
- (3) A 10 percent additional income tax is imposed on the amount subject to tax except where the distribution or loan is made when the policy owner has **attained age 59½** or is disabled, or where the distribution is part of a series of substantially equal periodic payments for the life (or life expectancy) of the policy owner or the joint lives (or joint life expectancies) of the policy owner and the policy owner's **beneficiary** or designated **beneficiary**.

If a policy becomes a **modified endowment contract**, distributions that occur during the **policy year** will be taxed as distributions from a **modified endowment contract**. In addition, distributions from a policy within two years before it becomes a **modified endowment contract** may be taxed in this manner. This means that a distribution made from a policy that is not a **modified endowment contract** could later become taxable as a distribution from a **modified endowment contract**.

### **Distributions Other Than Death Benefits from Policies that are not Modified Endowment Contracts**

Distributions other than **death benefits** from a policy that is not classified as a **modified endowment contract** are generally treated first as a recovery of the policy owner's investment in the policy and only after the recovery of all investment in the policy as taxable income. However, certain distributions which must be made in order to enable the policy to continue to qualify as a life insurance policy for federal income tax purposes if policy benefits are reduced during the first 15 **policy years** may be treated in whole or in part as ordinary income subject to tax.

Loans from or secured by a policy that is not a **modified endowment contract** are generally not treated as distributions. However, the tax consequences associated with zero cost loans, are less clear and a tax advisor should be consulted about such loans.

Finally, neither distributions from nor loans from or secured by a policy that is not a **modified endowment contract** are subject to the 10 percent additional income tax.

### **Investment in the Policy**

Your investment in the policy is generally Your aggregate premiums. When a distribution is taken from the policy, Your investment in the policy is reduced by the amount of the distribution that is tax-free.

### **Policy Loans and the Overloan Protection Benefit**

In general, interest on a policy loan will not be deductible. If a policy loan is outstanding when a policy is canceled or lapses, the amount of the outstanding indebtedness will be added to the amount distributed and will be taxed accordingly. Before taking out a policy loan, You should consult a tax advisor as to the tax consequences. There is uncertainty regarding the tax treatment of loans where the policy has not lapsed due to operation of a lapse protection feature, including the Protected Flexibility Rider. Anyone contemplating the purchase of the

policy with the Protected Flexibility Rider should be aware that the tax consequences of the Protected Flexibility Rider have not been ruled on by the IRS or the courts and it is possible that the IRS could assert that the outstanding loan balance should be treated as a taxable distribution when the Protected Flexibility Rider causes the policy to be converted into a fixed policy. You should consult with and rely on a tax advisor as to the tax risks associated with the Protected Flexibility Rider.

### **Treatment of the Overloan Protection Benefit**

This policy may be purchased with the intention of accumulating cash value on a tax-free basis for some period (such as, until retirement) and then periodically borrowing from the policy without allowing the policy to lapse. The aim of this strategy is to continue borrowing from the policy until its **policy fund** is just enough to pay off the policy loans that have been taken out and then relying on the Overloan Protection Benefit to keep the policy in force until the death of the insured. Anyone contemplating taking advantage of this strategy should be aware that it involves several risks. First, if the Overloan Protection Benefit provided is lower than the policy's original **death benefit** the policy might fail to qualify as a life insurance contract under the Internal Revenue Code or might become a **MEC** either of which could result in a significant tax liability attributable to the balance of any outstanding loan. Second, this strategy will fail to achieve its goal if the policy is a **MEC** or becomes a **MEC** after the periodic borrowing begins. Third, this strategy has not been ruled on by the Internal Revenue Service (the "IRS") or the courts and it may be subject to challenge by the IRS, since it is possible that loans under this policy may be treated as taxable distributions when the rider causes the policy to be converted to a fixed policy. In that event, assuming policy loans have not already been subject to tax as distributions, a significant tax liability could arise. Anyone considering using the policy as a source of tax-free income by taking out policy loans should consult with and rely on a competent tax advisor, before purchasing the policy, about the tax risks inherent in such a strategy.

### **Withholding**

To the extent that policy distributions are taxable, they are generally subject to withholding for the recipient's federal income tax liability. Recipients can generally elect however, not to have tax withheld from distributions.

### **Life Insurance Purchases by Residents of Puerto Rico**

In Rev. Rul. 2004-75, 2004-31 I.R.B. 109, the Internal Revenue Service announced that income received by residents of Puerto Rico under life insurance or annuity contracts issued by a Puerto Rico branch of a United States life insurance company is U.S.-source income that is generally subject to United States Federal income tax.

### **Life Insurance Purchases by Nonresident Aliens and Foreign Corporations**

The discussion above provides general information regarding U.S. federal income tax consequences to life insurance purchasers that are U.S. citizens or residents. Purchasers that are not U.S. citizens or residents will generally be subject to U.S. federal withholding tax on taxable distributions from life insurance policies at a 30% rate, unless a lower treaty rate applies. In addition, purchasers may be subject to state and/or municipal taxes and taxes that may be imposed by the purchaser's country of citizenship or residence. Prospective purchasers are advised to consult with a qualified tax adviser regarding U.S. state, and foreign taxation with respect to a life insurance policy purchase.

### **Multiple Policies**

All **modified endowment contracts** that are issued by Us (or Our affiliates) to the same policy owner during any calendar year are treated as one **modified endowment contract** for purposes of determining the amount includible in the policy owner's income when a taxable distribution occurs.

### **Continuation of Policy Beyond Age 121**

The tax consequences of continuing the policy beyond the Insured's 121<sup>st</sup> year are unclear. You should consult a tax advisor if You intend to keep the policy **inforce** beyond the Insured's 121<sup>st</sup> year.

### **Section 1035 Exchanges**

Generally, there are no tax consequences when You exchange one life insurance policy for another, so long as the same person is being insured (a change of the insured is a taxable event). Paying additional premiums under the new policy may cause it to be treated as a **modified endowment contract**. The new policy may also lose any "grandfathering" privilege, where You would be exempt from certain legislative or regulatory changes made after Your original policy was issued, if You exchange Your policy. You should consult with a tax advisor if You are considering exchanging any life insurance policy.

### **Accelerated Benefit Rider—Terminal Illness**

We believe that payments received under the Accelerated Benefit Rider—Terminal Illness should be fully excludable from the gross income of the recipient if the recipient is the Insured under the policy (except in certain business contexts) and the insured person's life expectancy is 24 months or less. However, tax consequences associated with reducing Your **death benefit** after We pay an accelerated benefit under this rider are uncertain. You should consult a qualified tax advisor about the consequences of adding this rider to a policy or requesting payment under this rider.

### **Accelerated Benefit Rider—Chronic Illness**

The tax consequences associated with receiving an accelerated benefit payment under the Accelerated Benefit Rider—Chronic Illness are unclear. It is possible that such distribution may be treated as taxable withdrawals. Moreover, the tax consequences associated with reducing the **death benefit** after We pay an accelerated **death benefit** are also unclear. You should consult a qualified tax advisor about the consequences of adding this rider to a policy or requesting an advanced sum payment under this rider.

### **Business Uses of Policy**

Businesses can use the policies in various arrangements, including nonqualified deferred compensation or salary continuance plans, split dollar insurance plans, executive bonus plans, tax exempt and nonexempt welfare benefit plans, retiree medical benefit plans and others. The tax consequences of such plans may vary depending on the particular facts and circumstances. If You are purchasing the policy for any arrangement the value of which depends in part on its tax consequences, You should consult a qualified tax advisor.

### **Employer-Owned Life Insurance Policies**

Pursuant to section 101(j) of the Code, unless certain eligibility, notice and consent requirements are satisfied, the amount excludible as a **death benefit** payment under an employer-owned life insurance policy will generally be limited to the premiums paid for such policy (although certain exceptions may apply in specific circumstances). An employer-owned life insurance policy is a life insurance policy owned by an employer that insures an employee of the employer and where the employer is a direct or indirect **beneficiary** under such policy.

It is the employer's responsibility to verify the eligibility of the intended Insured under employer-owned life insurance policies and to provide the notices and obtain the consents required by section 101(j). These requirements generally apply to employer-owned life insurance policies issued or materially modified after August 17, 2006. A tax adviser should be consulted by anyone considering the purchase or modification of an employer-owned life insurance policy.

### **Non-Individual Owners and Business Beneficiaries of Policies**

If a policy is owned or held by a corporation, trust or other non-natural person, this could jeopardize some (or all) of such entity's interest deduction under Code Section 264, even where such entity's indebtedness is in no way connected to the policy. In addition, under Section 264(f)(5), if a business (other than a sole proprietorship) is directly or indirectly a **beneficiary** of a policy, this policy could be treated as held by the business for purposes of the Section 264(f) entity-holder rules. Therefore, it would be advisable to consult with a qualified tax advisor before any non-natural person is made an owner or holder of a policy, or before a business (other than a sole proprietorship) is made a **beneficiary** of a policy.

### **Split-Dollar Arrangements**

The IRS and the Treasury Department have issued guidance that substantially affects split-dollar arrangements. Consult a qualified tax advisor before entering into or paying additional premiums with respect to such arrangements.

The Sarbanes-Oxley Act of 2002 prohibits, with limited exceptions, publicly-traded companies, including non-U.S. companies that have securities listed on exchanges in the United States, from extending, directly or through a subsidiary, many types of personal loans to their directors or executive officers. It is possible that this prohibition may be interpreted as applying to split-dollar life insurance policies for directors and executive officers of such companies, since such insurance arguably can be viewed as involving a loan from the employer for at least some purposes.

Although the prohibition on loans is generally effective as of July 30, 2002, there is an exception for loans outstanding as of the date of enactment, so long as there is no material modification to the loan terms and the loan is not renewed after July 30, 2002. Any affected business contemplating the purchase of a new policy in connection with a split-dollar life insurance arrangement should consult legal counsel.

### **Tax Shelter Regulations**

Prospective owners that are corporations should consult a tax advisor about the treatment of the policy under the Treasury Regulations applicable to corporate tax shelters.

### **Alternative Minimum Tax**

There may also be an indirect tax upon the income in the policy or the proceeds of a policy under the federal corporate alternative minimum tax, if the owner is subject to that tax.

### **Estate, Gift, and Generation-Skipping Transfer Tax Considerations**

The transfer of the policy or designation of a **beneficiary** may have federal, state, and/or local transfer and inheritance tax consequences, including the imposition of gift, estate, and generation-skipping transfer ("GST") taxes. For example, when the insured dies, the death proceeds will generally be includable in the owner's estate for purposes of federal estate tax if the insured owned the policy. If the owner was not the insured, the fair market value of the policy would be included in the owner's estate upon the owner's death. The policy would not be includable in the insured's estate if the insured neither retained incidents of ownership at death nor had given up ownership within three years before death.

Moreover, under certain circumstances, the Code may impose a “generation skipping transfer tax” when all or part of a life insurance policy is transferred to, or a **death benefit** is paid to, an individual two or more generations younger than the owner. Regulations issued under the Code may require Us to deduct the tax from Your policy, or from any applicable payment, and pay it directly to the IRS.

Qualified tax advisors should be consulted concerning the estate and gift tax consequences of policy ownership and distributions under federal, state and local law. The individual situation of each owner or **beneficiary** will determine the extent, if any, to which federal, state, and local transfer and inheritance taxes may be imposed and how ownership or receipt of policy proceeds will be treated for purposes of federal, state and local estate, inheritance, generation-skipping and other taxes.

For 2015, the federal estate tax, gift tax, and GST tax exemptions and maximum rates are \$5,430,000 and 40%, respectively.

The potential application of these taxes underscores the importance of seeking guidance from a qualified adviser to help ensure that your estate plan adequately addresses your needs and those of your beneficiaries under all possible scenarios.

### **Medicare Tax on Investment Income**

Beginning in 2013, a 3.8% tax may be applied to some or all of the taxable portion of some distributions (such as payments under certain settlement options) from life insurance contracts to individuals whose income exceeds certain threshold amounts (\$200,000 for filing single, \$250,000 for married filing jointly and \$125,000 for married filing separately.) Please consult a tax advisor for more information.

### **Foreign Tax Credits**

We may benefit from any foreign tax credits attributable to taxes paid by certain **funds** to foreign jurisdictions to the extent permitted under federal tax law.

### **Possible Tax Law Changes**

Although the likelihood of legislative changes is uncertain, there is always the possibility that the tax treatment of the policy could change by legislation or otherwise. Consult a tax advisor with respect to legislative developments and their effect on the policy.

### **Our Income Taxes**

Under current federal income tax law, We are not taxed on the **Separate Account’s** operations. Thus, currently We do not deduct a charge from the **Separate Account** for federal income taxes. We reserve the right to charge the **Separate Account** for any future federal income taxes We may incur.

Under current laws in several states, We may incur state and local taxes (in addition to premium taxes). These taxes are not now significant and We are not currently charging for them. If they increase, We may deduct charges for such taxes.

## ADDITIONAL INFORMATION ABOUT THE POLICIES

### YOUR RIGHT TO EXAMINE THIS POLICY

For a limited period of time, as specified in Your policy, You have the right to examine the policy. If for any reason You are not satisfied with it, then You may cancel the policy. You cancel the policy by sending it to Our **Administrative Office** along with a written cancellation request. Generally, Your cancellation request must be **postmarked** by the latest of the following dates:

- 10 days after You receive Your policy,
- 10 days after We mail You a written notice telling You about Your rights to cancel (Notice of Withdrawal Right), or
- 45 days after You sign Part 1 of the policy application.

If state law requires a longer right to examine period, it will be noted on the cover page of Your policy.

In all cases, We allocate Your premiums according to Your instructions on the policy's **record date**. Generally, if You cancel Your policy during the right to examine period, then We will return all of the charges deducted from Your paid premiums and **policy fund**, plus the **policy fund**. The **policy fund** will reflect both the positive and negative investment performance of the **investment divisions** chosen by You in the policy application. Where required by state law, We will refund the sum of all premiums paid.

Insurance coverage ends when You **send** Your request.

### YOUR POLICY CAN LAPSE

Your Variable Universal Life - DB insurance coverage continues as long as the **net cash surrender value** of Your policy is enough to pay the monthly deductions that are taken out of Your **policy fund**. During the **no lapse guarantee period**, coverage continues if Your paid premiums (less loans and withdrawals) equal or exceed the schedule of required no lapse guarantee premiums. If neither of these conditions is true at the beginning of any **policy month**, then We will send written notification to You and any assignees on Our records that a 61-day grace period has begun and that a specified amount of current premium is due.

If We receive payment of this amount before the end of the grace period, then We will use that amount to pay the overdue deductions. We will put any remaining balance in Your **policy fund** and allocate it in the same manner as Your previous premium payments.

If We do not receive payment within 61 days, then Your policy will lapse without value. We will withdraw any amount left in Your **policy fund**. We will apply this amount to the deductions owed to Us, including any applicable **surrender charge**. We will inform You and any assignee that Your policy has ended without value.

If the **Premium Guarantee Rider** is part of Your policy, We guarantee that on any **monthly anniversary** after the **no lapse guarantee period**, if the **premium guarantee account** is greater than the **policy debt**, then the policy will not enter the grace period or lapse, even if the **net cash surrender value** is insufficient to pay the monthly deduction. This rider does not prevent the policy from entering the grace period and lapsing during the **no lapse guarantee period**. The tax consequences associated with outstanding loans are unclear in the situation where Your policy remains **inforce** and Your base policy value is less than Your policy loans. A tax advisor should be consulted in such circumstances.

If the Insured person dies during the grace period, We will pay the insurance benefits to the **beneficiary**, minus any loan, loan interest, and overdue deductions.

## **YOU MAY REINSTATE YOUR POLICY**

You may reinstate the policy within 5 years after lapse. To reinstate the policy, You must:

- fully complete an application for reinstatement,
- provide satisfactory **evidence of insurability** for the person or persons to be Insured,
- pay enough premium to cover all overdue monthly deductions or minimum premium depending on the duration of the policy and the **no lapse guarantee period**,
- increase the **policy fund** so that the **policy fund** minus any **policy debt** equals or exceeds the **surrender charges**, and
- pay or restore any **policy debt**.

The effective date of the reinstated policy will be the beginning of the **policy month** that coincides with or follows the date that We approve Your reinstatement application. Previous loans will be reinstated.

If the policy lapses and is reinstated, then the **Premium Guarantee Rider** can be reinstated with the policy when all required premium amounts, account expense, and required rider amounts are paid (with interest).

You may not reinstate a **policy** once it is surrendered.

## **POLICY PERIODS AND ANNIVERSARIES**

We measure **policy years**, **policy months**, and policy anniversaries from the **policy date** shown on Your Schedule of Benefits page. Each **policy month** begins on the same day in each calendar month. The calendar days of 29, 30, and 31 are not used. Our right to challenge a policy and the suicide exclusion are measured from the **policy date**. See “Limits On Our Right To Challenge The Policy” on page 69.

## **MATURITY DATE**

The maturity date is the first **policy anniversary** after the Insured’s 120<sup>th</sup> birthday. The policy ends on that date if the Insured is still alive and the maturity benefit is paid.

If the Insured survives to the maturity date and You would like to continue the policy, We will extend the maturity date as long as this policy still qualifies as life insurance according to the Internal Revenue Service and Your state.

In order to extend the maturity date, all of the following conditions must be satisfied:

- (a) The policy cannot be in the grace period;
- (b) All of the **policy fund** must be transferred to either the General Account or the Fidelity VIP Money Market **investment division**; and
- (c) **Death Benefit** option 1 must be elected.

If the maturity date is extended, the policy may not qualify as life insurance and there may be tax consequences. A tax advisor should be consulted before You elect to extend the maturity date. See “Tax Effects” on page 60. In order to continue the policy beyond the original maturity date, We require that the **death benefit** not exceed the **policy fund** on the original maturity date.

## WE OWN THE ASSETS OF OUR SEPARATE ACCOUNT

We own the assets of Our **Separate Account** and use them to support Your policy and other variable life policies. We may permit charges owed to Us to stay in the **Separate Account**. Thus, We may also participate proportionately in the **Separate Account**. These accumulated amounts belong to Us and We may transfer them from the **Separate Account** to Our General Account. The assets in the **Separate Account** generally are not chargeable with liabilities arising out of any other business We conduct. Your **policy fund** values and the assets supporting them in the **Separate Account** are protected from and against any claims arising out of Our other businesses not involving the **Separate Account**. Under certain unlikely circumstances, one **investment division** of the **Separate Account** may be liable for claims relating to the operations of another division.

## CHANGING THE SEPARATE ACCOUNT

We have the right to modify how We operate Our **Separate Account**. We have the right to:

- add **investment divisions** to, or remove **investment divisions** from, Our **Separate Account**;
- combine two or more **investment divisions** within Our **Separate Account**;
- withdraw assets relating to the policy from one **investment division** and put them into another;
- eliminate the shares of a portfolio and substitute shares of another portfolio of the **funds** or another open-end investment company. This may happen if the shares of the portfolio are no longer available for investment or, if in Our judgment, further investment in the portfolio is inappropriate in view of the purposes of the **Separate Account A**;
- register or end the registration of Our **Separate Account** under the 1940 Act;
- operate Our **Separate Account** under the direction of a committee or discharge such a committee at any time (the committee may be composed entirely of interested parties of Midland National);
- disregard instructions from policy owners regarding a change in the investment objectives of the portfolio or the approval or disapproval of an investment advisory policy. (We would do so only if required by state insurance regulatory authorities or otherwise pursuant to insurance law or regulation); and
- operate Our **Separate Account** or one or more of the **investment divisions** in any other form the law allows, including a form that allows Us to make direct investments. In choosing these investments, We will rely on Our own judgment or that of an outside adviser for advice. In addition, We may disapprove of any change in investment advisors or in investment policies unless a law or regulation provides differently.

If automatic allocations (such as premiums automatically deducted from Your paycheck or bank account, or dollar cost averaging or automatic rebalancing) are being made into an **investment division** that is removed or no longer available, and if You do not give Us other instructions, then any amounts that would have gone into the removed or closed **investment division** will be allocated to the Fidelity VIP Money Market **investment division** until You tell Us otherwise.

## LIMITS ON OUR RIGHT TO CHALLENGE THE POLICY

We can challenge the validity of Your insurance policy (based on material misstatements in the application) if it appears that the Insured person is not actually covered by the policy under Our rules. There are limits on how and when We can challenge the policy:

- We cannot challenge the policy after it has been in effect, during the Insured person's lifetime, for two years from the date the policy was issued or reinstated. (Some states may require Us to measure this in some other way.)
- We cannot challenge any policy change that requires **evidence of insurability** (such as an increase in **face amount**) after the change has been in effect for two years during the Insured's lifetime.
- We **can** challenge at any time (and require proof of continuing disability) an additional benefit that provides benefits to the Insured person in the event that the Insured person becomes totally disabled.
- If the Insured person dies during the time that We may challenge the validity of the policy, then We may delay payment until We decide whether to challenge the policy.
- If the Insured person's **age** or sex is misstated on any application, then the **death benefit** and any additional benefits will be changed. They will be those which would be purchased by the most recent deduction for the cost of insurance and the cost of any additional benefits at the Insured person's correct **age** and sex.
- If the Insured person commits suicide within two years after the date on which the policy was issued, then the **death benefit** will be limited to the total of all paid premiums minus the **policy debt**, minus any partial withdrawals of **net cash surrender value**. If the Insured person commits suicide within two years after the effective date of Your requested **face amount** increase, then We will pay the **face amount** which was in effect before the increase, plus the monthly cost of insurance deductions for the increase (Some states require Us to measure this time by some other date).

## YOUR PAYMENT OPTIONS

You may choose for policy benefits and other payments (such as the **net cash surrender value** or **death benefit**) to be paid immediately in one lump sum payment. Payments under these options are not affected by the investment performance of any **investment division**. Instead, interest accrues pursuant to the option chosen. If You do not arrange for a specific form of payment before the Insured person dies, then the **beneficiary** will have this choice. However, if You do make an arrangement with Us for how the money will be paid, then the **beneficiary** cannot change Your choice. Payment options will also be subject to Our rules at the time of selection.

### Lump Sum Payments

When a **death benefit** is paid in a lump sum the **beneficiary** has two options available to them. The first option is payment in a lump sum by check or by electronic funds transfer in the amount of the **death benefit** proceeds. The other option is payment of the **death benefit** by establishing an interest bearing draft account, called the "Midland National Access Account," for the **beneficiary**, in the amount of the **death benefit** proceeds. We will send the **beneficiary** a draft account book and the **beneficiary** will have access to the account simply by writing a draft for all or any part of the amount of the **death benefit**. We do not guarantee to credit a minimum interest rate on amounts left in the Midland National Access Account. Any interest credited to amounts in the Midland National Access Account is taxable as income to the **beneficiary**. The Midland National Access Account is not available in all jurisdictions.

The Midland National Access Account is a draft account and is part of Our General Account. It is not a bank account or a checking account and it is not insured by the FDIC or any government agency. As part of Our General Account, it is subject to the claims of Our creditors. We receive a benefit from all amounts left in the Midland National Access Account.

## YOUR BENEFICIARY

You name Your **beneficiary** in Your policy application. The **beneficiary** is entitled to the **death benefits** of the policy. You may change the **beneficiary** during the Insured's lifetime by writing to Our **Administrative Office**. If no **beneficiary** is living when the Insured dies, We will pay the **death benefit** to the owner or the owner's estate.

## ASSIGNING YOUR POLICY

You may assign Your rights to this policy. You must send a copy of the assignment to Our **Administrative Office**. We are not responsible for the validity of the assignment or for any payment We make or any action We take before We receive notice of the assignment. An absolute assignment is a change of ownership. There may be tax consequences.

The assignment does not take effect until We accept and approve it. We reserve the right, except to the extent prohibited by applicable laws, regulations, or actions of the State insurance commissioner, to refuse assignments or transfers at any time on a non-discriminatory basis.

This policy, or any of its riders, is not designed for resale, speculation, arbitrage, viatical settlements or any type of collective investment scheme. This policy may not be traded on any stock exchange or secondary market. By purchasing this policy, You represent and warrant that You are not purchasing or intending to use this policy, or any of its riders, for resale, speculation, arbitrage, viatical settlements or any type of collective investment scheme.

## WHEN WE PAY PROCEEDS FROM THIS POLICY

We will generally pay any **death benefits**, **net cash surrender value**, or loan proceeds within seven days after receiving the required form(s) in good order at Our **Administrative Office**. **Death benefits** are determined as of the date of the Insured person's death and will not be affected by subsequent changes in the **accumulation unit** values of the **investment divisions**. We pay interest from the date of death to the date of payment.

We may delay payment and transfers for one or more of the following reasons:

- (1) We are investigating the claim, contesting the policy, determining that the **beneficiary** is qualified to receive the proceeds (e.g., is not a minor or responsible for causing the death), or resolving other issues that must be determined before payment (e.g., conflicting claims to the proceeds).
- (2) We cannot determine the amount of the payment because the New York Stock Exchange is closed, the SEC has restricted trading in securities, or an emergency exists or disposal of the **investment division's** securities or determination of the net asset value of the **investment division's** securities is not reasonably practicable.
- (3) The SEC permits Us to delay payment to protect Our policy **owners**.

If, pursuant to SEC rules, the Fidelity VIP Money Market Fund suspends payment of redemption proceeds, then We will delay payment of any transfer, partial withdrawal, surrender, loan, or **death benefit** from the corresponding **investment division** until the suspension of redemptions is lifted of the **fund** is liquidated, as applicable.

We may also delay any payment until Your premium checks have cleared Your bank. We may defer payment of any loan amount, withdrawal, or surrender from the General Account for up to six months after We receive Your request. We will not defer payment if it is used to pay premiums on policies with Us.

Federal laws designed to counter terrorism and prevent money laundering by criminals might, in certain circumstances, require Us to reject a premium payment and/or “freeze” or block Your **policy fund**. If these laws apply in a particular situation, We would not be allowed to process any request for withdrawals, loans, surrenders, or **death benefits**, make transfers, or continue making payments under Your payment option. If a **policy fund** were frozen, the **policy fund** would be moved to a special segregated interest bearing account and held in that account until We receive instructions from the appropriate federal regulator. We may also be required to provide information about You and Your policy to government agencies and departments.

Every state has unclaimed property laws which generally declare life insurance policies to be abandoned after a period of inactivity of 3 to 5 years from the policy’s **maturity date** or date the **death benefit** is due and payable. For example, if the payment of a **death benefit** has been triggered, but, if after a thorough search, We are still unable to locate the **beneficiary** of the **death benefit**, or the **beneficiary** does not come forward to claim the **death benefit** in a timely manner, the **death benefit** will be paid to the abandoned property division or unclaimed property office of the state in which the **beneficiary** or the policy **owner** last resided, as shown on Our books and records, or to Our state of domicile. This “escheatment” is revocable, however, and the state is obligated to pay the **death benefit** (without interest) if Your **beneficiary** steps forward to claim the **death benefit** with the proper documentation. To prevent such escheatment, it is important that You update your **beneficiary** designations, including full names and complete addresses, if and as they change. Such updates should be communicated in writing, by telephone, or other approved electronic means at Our **Administrative Office**.

## **CHANGE OF ADDRESS NOTIFICATION**

To protect You from fraud or theft, We may verify any changes in address You request by sending a confirmation of the change of address to Your old address.

## **YOUR VOTING RIGHTS AS AN OWNER**

We invest the assets of Our **Separate Account** divisions in shares of the **funds’** portfolios. Midland National is the legal owner of the shares and has the right to vote on certain matters. Among other things, We may vote:

- to elect the **funds’** Boards of Directors,
- to ratify the selection of independent auditors for the **funds**, and
- on any other matters described in the **funds’** current prospectuses or requiring a vote by shareholders under the 1940 Act.

Even though We own the shares, We give You the opportunity to tell Us how to vote the number of shares that are allocated to Your policy. We will vote at shareholder meetings according to Your instructions.

The **funds** will determine how often shareholder meetings are held. As We receive notice of these meetings, We will ask for Your voting instructions. The **funds** are not required to hold a meeting in any given year.

If We do not receive instructions in time from all policy owners, then We will vote those shares in the same proportion as We vote shares for which We have received instructions in that portfolio. We will also vote any fund shares that We alone are entitled to vote in the same proportions that policy owners vote. The effect of this proportional voting is that a small number of policy owners may control the outcome of a vote. If the federal securities laws or

regulations or interpretations of them change so that We are permitted to vote shares of the fund in Our own right or to restrict policy owner voting, then We may do so.

You may participate in voting only on matters concerning the fund portfolios in which Your **policy fund** has been invested. We determine Your voting shares in each division by dividing the amount of Your **policy fund** allocated to that division by the net asset value of one share of the corresponding fund portfolio. This is determined as of the **record date** set by the **funds'** Boards for the shareholders meeting. We count fractional shares.

If You have a voting interest, We will provide You proxy material and a form for giving Us voting instructions. In certain cases, We may disregard instructions relating to changes in the **funds'** adviser or the investment policies of its portfolios. We will advise You if We do.

Other insurance companies own shares in the **funds** to support their variable insurance products. We do not foresee any disadvantage to this. Nevertheless, the **funds'** Boards of Directors will monitor events to identify conflicts that may arise and determine appropriate action. If We disagree with any fund action, then We will see that appropriate action is taken to protect Our policy owners.

## **DISTRIBUTION OF THE POLICIES**

We have entered into a distribution agreement with Our affiliate, Sammons Financial Network, LLC (“Sammons Financial Network”) for the distribution and sale of the policies. Sammons Financial Network is an indirect wholly owned subsidiary of Sammons Enterprises, Inc., of Dallas, Texas, the ultimate parent company of Midland National Life Insurance Company. Sammons Financial Network enters into written sales agreements with other broker-dealers (“selling firms”) for the sale of the policies. We pay commissions to Sammons Financial Network for sales of the Policies as well as by selling firms.

Sales commissions may vary, but the maximum commission payable for policy sales is 95% of premiums during **policy year** 1, 1% during **policy years** 2-15, and 0% following **policy year** 15. We may also pay additional commissions calculated as a percentage of Your **policy fund** value at specified times (e.g., at the end of the fifth **policy year**). Further, for each premium received following an increase in base **face amount**, a commission on that premium will be paid up to the target premium for the increase in each year. The commission for the increase in **face amount** will be calculated using the commission rates for the corresponding **policy year**. We pay commissions for policies sold to policy owners in the substandard risk underwriting class and for rider premiums based on Our rules at the time of payment. We may also pay additional amounts and reimburse additional expenses of Sammons Financial Network based on various factors.

We also pay for some of Sammons Financial Network’s expenses, including the following sales expenses: registered representative training allowances; compensation and bonuses for the Sammons Financial Network’s management team; advertising expenses; and all other expenses of distributing the policies.

Non-cash items that We and Sammons Financial Network may provide include conferences, seminars and trips (including travel, lodging and meals in connection therewith), entertainment, merchandise and other similar items.

A portion of the payments made to selling firms may be passed on to their registered representatives in accordance with their internal compensation programs. Those programs may also include other types of cash and non-cash compensation and other benefits. You should be

aware that a selling firm or its sales representatives may receive different compensation or incentives for selling one product over another. In some cases, these payments may create an incentive for the selling firm or its sales representatives to recommend or sell this policy to You. You may wish to take such payments into account when considering and evaluating any recommendations relating to the policy. Ask Your registered representative for further information about what Your registered representative and the selling firm for which he or she works may receive in connection with Your purchase of a policy.

We intend to recoup commissions and other sales expenses indirectly through the following fees and charges deducted under the policy: (a) deductions from Your premiums; (b) the **surrender charge**; (c) the percent of fund value; (d) the cost of insurance deduction; (e) payments, if any, received from the **funds** or their managers; and (f) investment earnings on amounts allocated under policies to the General Account. Commissions and other incentives or payments described above are not charged directly to You or the **Separate Account** but they are reflected in the fees and charges that You do pay directly or indirectly.

The Statement of Additional Information (SAI) can provide You with more detailed information about distribution expenses, commissions, and compensation than is contained in this prospectus. A free copy of the SAI can be obtained by calling (800) 272-1642 or by contacting Your registered representative.

## **CYBER-SECURITY**

Our variable product business is highly dependent upon the effective operation of Our computer systems and those of Our business partners, so that Our business is potentially susceptible to operational and information security risks resulting from a cyber-attack. These risks include, among other things, the theft, misuse, corruption and destruction of data maintained online or digitally, denial of service attacks on websites and other operational disruption, and unauthorized release of confidential customer information. Cyber-attacks affecting Us, Sammons Financial Network, LLC, the underlying **funds**, intermediaries and other affiliated or third-party service providers may adversely affect Us and Your policy. For instance, cyber-attacks may interfere with Our processing of policy transactions, including the processing internet transactions or with the underlying **funds**, impact Our ability to calculate **accumulation unit** values, cause the release and possible destruction of confidential customer or business information, impede order processing, subject Us and/or our service providers and intermediaries to regulatory fines and financial losses and/or cause reputational damage. Cyber-security risks may also impact the issuers of securities in which the underlying **funds** invest, which may cause the funds underlying Your policy to lose value. There can be no assurance that We or the underlying **funds** or Our service providers will avoid losses affecting Your policy due to cyber-attacks or information security breaches in the future.

## **LEGAL PROCEEDINGS**

Midland National Life Insurance Company and its subsidiaries, like other life insurance companies, may be involved in lawsuits, including class action lawsuits. In some class action and other lawsuits involving insurers, substantial damages have been sought and/or material settlement payments have been made. Although the outcome of any litigation cannot be predicted with certainty, Midland National Life Insurance Company believes that, as of the date of this prospectus, there are no pending or threatened lawsuits that will have a materially adverse impact on the **Separate Account**, on the ability of Sammons Financial Network, LLC to perform under its distribution agreement, or on the ability of the Company to meet its obligations under the policy.

## FINANCIAL STATEMENTS

Our financial statements and the financial statements of the **Separate Account** are contained in the Statement of Additional Information. Our financial statements should be distinguished from the **Separate Account's** financial statements and You should consider Our financial statements only as bearing upon Our ability to meet Our obligations under the policies. For a free copy of these financial statements and/or the Statement of Additional Information, please call or write to Us at Our **Administrative Office**.

## ILLUSTRATIONS

Following are a series of tables that illustrate how the **policy funds, cash surrender values, and death benefits** of a hypothetical policy change with the investment performance of the **funds**. The tables show how the **policy funds, cash surrender values, and death benefits** of the hypothetical policy issued to a representative Insured of a given **age** and given premium would vary over time if the return on the assets held in each portfolio of the **funds** were a constant gross, after tax annual rate of 0%, 6%, or 12%. All values labeled as current reflect the current level of product charges that are being assessed at the date of this prospectus, and the values labeled as guaranteed reflect the maximum level of product charges that can ever be assessed for the sample policy shown. Both current and guaranteed values use the arithmetic average of the fund manager expenses.

The tables on pages starting on page 78 illustrate a hypothetical policy issued to a male, **age** 35, under a standard non-tobacco underwriting risk classification. The payment amount used in the table represents the typical premium payment We expect a representative policy owner to make. We expect that the hypothetical policy owner will buy a policy with an initial **face amount** of \$400,000 and make monthly payments of \$277.33 on each **monthly anniversary**. The **policy funds, cash surrender values, and death benefits** would be different from those shown if the returns averaged 0%, 6%, and 12% over a period of years, but fluctuated above or below those averages for individual **policy years**.

The amount by which the **policy fund** exceeds the **cash surrender value** during the surrender charge period is equal to the **surrender charge**. For **policy years** eleven and after, the **policy fund** and **cash surrender value** are equal, since the **surrender charge** has reduced to zero.

Zero values in the **death benefit** column of the illustration indicate the policy would lapse under the stated assumptions unless additional premium payments are made.

The second column shows the accumulation value of the premiums paid at the stated interest rate. The third and sixth columns illustrate the **policy funds** and the fourth and seventh columns illustrate the **cash surrender values** of the policy over the designated period. The **policy funds** shown in the third column and the **cash surrender values** shown in the fourth column assume the monthly deduction for the cost of insurance is based upon the current cost of insurance rates. The **policy funds** shown in the sixth column and the **cash surrender values** shown in the seventh column assume the monthly deduction for cost of insurance is based upon the cost of insurance rates that We guarantee. The maximum monthly deduction for cost of insurance rates allowable under the policy is based on the 2001 sex-distinct, smoker composite, ALB Commissioner's Standard ordinary Mortality Table. The fifth and eighth columns illustrate the **death benefit** of the policy over the designated period. The illustrations of the **death benefits** reflect the same assumptions as the **policy fund** and **cash surrender values**. The amounts shown for the **death benefit, policy funds, and cash surrender values** reflect the fact that the net investment return of the divisions of Our **Separate Account** is

lower than the gross, after-tax return on the assets in the **funds**, as a result of expenses paid by the **funds** and charges levied against the divisions of Our **Separate Account**. The illustrations also reflect the 5.0% premium load (for the first 15 years on a current basis) deducted from each premium, the current per unit expense charge of \$33.00 per month deducted in all years on a guaranteed basis (years 1-10 on a current basis), the **Premium Guarantee Rider** charge of \$23.00 per month in all years on a guaranteed basis (years 1-20 on a current basis), the percent of fund value charge of 0.05% per month in years 1-10 and 0.0042% per month in years 11+, and the \$8.00 per month expense charge as well as current and guaranteed cost of insurance deductions.

The **policy funds** shown assume the deductions of the portfolios' daily investment advisory fees and operating expenses equivalent to an annual rate of 0.75% of the aggregate average daily net assets of the Portfolios of the **funds** (the average rate of the Portfolios for the period ending December 31, 2014) for each **investment division**. We have assumed that the values are allocated across all **investment divisions** equally. Voluntary waivers and reimbursements of portfolio expenses are not reflected in the illustrated tables. The actual fees and expenses associated with the **funds** may be more or less than 0.75% and will depend on how allocations are made to each **investment division**. After reductions for the average portfolio expenses, the assumed gross investment rates of 0%, 6%, and 12% correspond to approximate net annual rates -0.75%, 5.25%, and 11.25%, respectively.

The approximate net annual rates do not include the percent of fund value charge, premium charges, cost of insurance deductions, **surrender charges**, expense charges nor any charges for additional benefits.

The hypothetical values shown in the tables do not reflect any charges for federal income taxes against **Separate Account A** since Midland National is not currently making such charges. However, if, in the future, such charges are made, the gross annual investment rate of return would have to exceed the stated investment rates by a sufficient amount to cover the tax charges in order to produce the **policy funds**, cash surrenders values, and **death benefits** illustrated.

The tables illustrate the **policy funds** that would result based on hypothetical investment rates of return if premiums are paid in full at the beginning of each year and if no policy loans have been made. The values would vary from those shown if the assumed annual premium payments were paid in installments during a year. The values would also vary if the policy owner varied the amount or frequency of premium payments. The tables also assume that the policy owner has not requested an increase or decrease in **face amount**, that no withdrawals have been made and no withdrawal charges imposed, that no policy loans have been taken, and that no transfers have been made and no transfer charges imposed.

The hypothetical investment rates of return are provided only to illustrate the mechanics of a hypothetical policy and do not represent past or future investment rates of return. Actual rates of return for a particular policy may be more or less than the hypothetical rates of return. The actual return on Your **policy fund** will depend on many factors - some of which are the amounts You allocate to particular **investment divisions**, the amounts deducted for the policy's monthly deductions, the portfolio's fees and expenses, and Your loan and withdrawal history - in addition to the actual investment performance of the portfolios.

Depending on the timing and degree of fluctuation in actual investment returns and the actual investment returns, the actual **policy fund** could be substantially less than those shown, and may, under circumstances, result in the lapse of the policy unless You make more than the stated premium payment.

Personalized illustrations of **death benefits**, **cash surrender values**, and **policy funds** are available upon request, the cost of insurance and other charges may differ significantly from the values in the hypothetical shown in the tables below. You can obtain a personalized illustration or make other policy inquiries by contacting Our **Administrative Office** at:

Midland National Life Insurance Company  
One Sammons Plaza  
Sioux Falls, SD 57193  
Phone: (800) 272-1642 (toll-free)  
Fax: (605) 335-3621 or toll-free (877) 208-6136

**MIDLAND NATIONAL LIFE INSURANCE COMPANY – VUL - DB  
FLEXIBLE PREMIUM VARIABLE LIFE INSURANCE POLICY**

DEATH BENEFIT OPTION 1  
MALE STANDARD NON-TOBACCO ISSUE AGE 35  
\$400,000 INITIAL FACE AMOUNT

ASSUMED HYPOTHETICAL GROSS  
MONTHLY RATE OF RETURN: 0%  
ASSUMED MONTHLY PREMIUM (1): \$277.33

End of Year	Assuming Current Costs				Assuming Guaranteed Costs			
	Premiums Accumulated at 5% Interest Per Year	Policy Fund	Cash Surrender Value	Death Benefit	Policy Fund	Cash Surrender Value	Death Benefit	
	1	3,417	2,229	0	400,000	1,896	0	400,000
2	7,006	4,375	0	400,000	3,717	0	400,000	
3	10,773	6,440	0	400,000	5,463	0	400,000	
4	14,730	8,426	866	400,000	7,183	0	400,000	
5	18,883	10,334	3,194	400,000	8,831	1,691	400,000	
6	23,245	12,213	5,493	400,000	10,408	3,688	400,000	
7	27,825	14,016	7,716	400,000	11,869	5,569	400,000	
8	32,633	15,791	9,911	400,000	13,262	7,382	400,000	
9	37,682	17,448	11,988	400,000	14,544	9,084	400,000	
10	42,984	19,034	13,994	400,000	15,715	10,675	400,000	
15	73,743	28,860	28,860	400,000	20,813	20,813	400,000	
20	113,000	36,816	36,816	400,000	22,786	22,786	400,000	
25	163,104	43,125	43,125	400,000	18,819	18,819	400,000	
30	227,049	42,409	42,409	400,000	4,757	4,757	400,000	
35	308,662	32,472	32,472	400,000	0	0	400,000	
40	412,824	7,026	7,026	400,000	0	0	400,000	
45	545,763	0	0	400,000	0	0	400,000	
50	715,430	0	0	400,000	0	0	400,000	
55	931,974	0	0	400,000	0	0	400,000	
60	1,208,344	0	0	400,000	0	0	400,000	
65	1,561,071	0	0	400,000	0	0	400,000	

1. ASSUMES A \$277.33 PREMIUM IS PAID AT THE BEGINNING OF EACH MONTHLY ANNIVERSARY. VALUES WOULD BE DIFFERENT IF PREMIUMS ARE PAID WITH A DIFFERENT FREQUENCY OR IN DIFFERENT AMOUNTS.
2. ASSUMES THAT NO POLICY LOANS OR WITHDRAWALS HAVE BEEN MADE. ZERO VALUES INDICATE LAPSE IN THE ABSENCE OF AN ADDITIONAL PREMIUM PAYMENT.

**THE HYPOTHETICAL INVESTMENT RATES OF RETURN SHOWN ABOVE ARE ILLUSTRATIVE ONLY AND SHOULD NOT BE DEEMED A REPRESENTATION OF PAST OR FUTURE INVESTMENT RATES OF RETURN. ACTUAL INVESTMENT RATES OF RETURN MAY BE MORE OR LESS THAN THOSE SHOWN AND WILL DEPEND ON A NUMBER OF FACTORS, INCLUDING THE INVESTMENT ALLOCATIONS BY THE OWNER AND DIFFERENT INVESTMENT RATES OF RETURN FOR THE FUND SERIES. THE POLICY FUND, CASH SURRENDER VALUE AND DEATH BENEFIT FOR A POLICY WOULD BE DIFFERENT FROM THOSE SHOWN IF THE ACTUAL INVESTMENT RATES OF RETURN AVERAGED THE RATES SHOWN OVER A PERIOD OF YEARS, BUT FLUCTUATED ABOVE OR BELOW THOSE AVERAGES DURING THE INDIVIDUAL POLICY YEARS. NO REPRESENTATION CAN BE MADE BY MIDLAND, THE SEPARATE ACCOUNT, OR THE FUNDS THAT THIS ASSUMED INVESTMENT RATE OF RETURN CAN BE ACHIEVED FOR ANY ONE YEAR OR SUSTAINED OVER ANY PERIOD OF TIME.**

**MIDLAND NATIONAL LIFE INSURANCE COMPANY – VUL - DB  
FLEXIBLE PREMIUM VARIABLE LIFE INSURANCE POLICY**

DEATH BENEFIT OPTION 1  
MALE STANDARD NON-TOBACCO ISSUE AGE 35  
\$400,000 INITIAL FACE AMOUNT

ASSUMED HYPOTHETICAL GROSS  
ANNUAL RATE OF RETURN: 6%  
ASSUMED MONTHLY PREMIUM (1): \$277.33

End of Year	Assuming Current Costs				Assuming Guaranteed Costs			
	Premiums Accumulated at 5% Interest Per Year	Policy Fund	Cash Surrender Value	Death Benefit	Policy Fund	Cash Surrender Value	Death Benefit	
1	3,417	2,301	0	400,000	1,958	0	400,000	
2	7,006	4,654	0	400,000	3,954	0	400,000	
3	10,773	7,060	0	400,000	5,991	0	400,000	
4	14,730	9,524	1,964	400,000	8,118	558	400,000	
5	18,883	12,048	4,908	400,000	10,292	3,152	400,000	
6	23,245	14,683	7,963	400,000	12,515	5,795	400,000	
7	27,825	17,387	11,087	400,000	14,744	8,444	400,000	
8	32,633	20,209	14,329	400,000	17,025	11,145	400,000	
9	37,682	23,063	17,603	400,000	19,315	13,855	400,000	
10	42,984	25,998	20,958	400,000	21,617	16,577	400,000	
15	73,743	45,963	45,963	400,000	34,730	34,730	400,000	
20	113,000	70,295	70,295	400,000	48,651	48,651	400,000	
25	163,104	100,883	100,883	400,000	60,816	60,816	400,000	
30	227,049	134,917	134,917	400,000	67,123	67,123	400,000	
35	308,662	173,369	173,369	400,000	59,876	59,876	400,000	
40	412,824	216,995	216,995	400,000	23,295	23,295	400,000	
45	545,763	266,168	266,168	400,000	0	0	400,000	
50	715,430	325,830	325,830	400,000	0	0	400,000	
55	931,974	417,232	417,232	438,094	0	0	400,000	
60	1,208,344	544,392	544,392	549,837	0	0	400,000	
65	1,561,071	719,853	719,853	719,853	0	0	400,000	

1. ASSUMES A \$277.33 PREMIUM IS PAID AT THE BEGINNING OF EACH MONTHLY ANNIVERSARY. VALUES WOULD BE DIFFERENT IF PREMIUMS ARE PAID WITH A DIFFERENT FREQUENCY OR IN DIFFERENT AMOUNTS.
2. ASSUMES THAT NO POLICY LOANS OR WITHDRAWALS HAVE BEEN MADE. ZERO VALUES INDICATE LAPSE IN THE ABSENCE OF AN ADDITIONAL PREMIUM PAYMENT.

**THE HYPOTHETICAL INVESTMENT RATES OF RETURN SHOWN ABOVE ARE ILLUSTRATIVE ONLY AND SHOULD NOT BE DEEMED A REPRESENTATION OF PAST OR FUTURE INVESTMENT RATES OF RETURN. ACTUAL INVESTMENT RATES OF RETURN MAY BE MORE OR LESS THAN THOSE SHOWN AND WILL DEPEND ON A NUMBER OF FACTORS, INCLUDING THE INVESTMENT ALLOCATIONS BY THE OWNER AND DIFFERENT INVESTMENT RATES OF RETURN FOR THE FUND SERIES. THE POLICY FUND, CASH SURRENDER VALUE AND DEATH BENEFIT FOR A POLICY WOULD BE DIFFERENT FROM THOSE SHOWN IF THE ACTUAL INVESTMENT RATES OF RETURN AVERAGED THE RATES SHOWN OVER A PERIOD OF YEARS, BUT FLUCTUATED ABOVE OR BELOW THOSE AVERAGES DURING THE INDIVIDUAL POLICY YEARS. NO REPRESENTATION CAN BE MADE BY MIDLAND, THE SEPARATE ACCOUNT, OR THE FUNDS THAT THIS ASSUMED INVESTMENT RATE OF RETURN CAN BE ACHIEVED FOR ANY ONE YEAR OR SUSTAINED OVER ANY PERIOD OF TIME.**

**MIDLAND NATIONAL LIFE INSURANCE COMPANY – VUL - DB  
FLEXIBLE PREMIUM VARIABLE LIFE INSURANCE POLICY**

DEATH BENEFIT OPTION 1  
MALE STANDARD NON-TOBACCO ISSUE AGE 35  
\$400,000 INITIAL FACE AMOUNT

ASSUMED HYPOTHETICAL GROSS  
ANNUAL RATE OF RETURN: 12%  
ASSUMED MONTHLY PREMIUM (1): \$277.33

End of Year	Assuming Current Costs				Assuming Guaranteed Costs			
	Premiums Accumulated at 5% Interest Per Year	Policy Fund	Cash Surrender Value	Death Benefit	Policy Fund	Cash Surrender Value	Death Benefit	
1	3,417	2,372	0	400,000	2,018	0	400,000	
2	7,006	4,938	0	400,000	4,196	0	400,000	
3	10,773	7,719	0	400,000	6,551	0	400,000	
4	14,730	10,738	3,178	400,000	9,150	1,590	400,000	
5	18,883	14,019	6,879	400,000	11,971	4,831	400,000	
6	23,245	17,639	10,919	400,000	15,038	8,318	400,000	
7	27,825	21,586	15,286	400,000	18,327	12,027	400,000	
8	32,633	25,942	20,062	400,000	21,912	16,032	400,000	
9	37,682	30,655	25,195	400,000	25,777	20,317	400,000	
10	42,984	35,811	30,771	400,000	29,954	24,914	400,000	
15	73,743	75,610	75,610	400,000	59,282	59,282	400,000	
20	113,000	142,404	142,404	400,000	106,648	106,648	400,000	
25	163,104	257,397	257,397	400,000	183,754	183,754	400,000	
30	227,049	453,498	453,498	553,269	314,803	314,803	400,000	
35	308,662	782,944	782,944	908,215	540,617	540,617	627,117	
40	412,824	1,337,242	1,337,242	1,430,849	918,506	918,506	982,802	
45	545,763	2,274,445	2,274,445	2,388,168	1,555,535	1,555,535	1,633,312	
50	715,430	3,830,163	3,830,163	4,021,671	2,597,520	2,597,520	2,727,396	
55	931,974	6,373,856	6,373,856	6,692,549	4,256,572	4,256,572	4,469,401	
60	1,208,344	10,626,082	10,626,082	10,732,343	6,995,991	6,995,991	7,065,951	
65	1,561,071	18,086,092	18,086,092	18,086,093	11,909,265	11,909,265	11,909,266	

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## DEFINITIONS

**Accumulation Unit** means the units credited to each **investment division** in the **Separate Account**.

**Administrative Office** means where You can write to Us to make transaction requests or service requests. The address is:

Midland National Life Insurance Company  
One Sammons Plaza  
Sioux Falls, SD 57193

You may also call Us at Our **Administrative Office** toll-free at (800) 272-1642. We have different fax (facsimile) numbers for different types of services. To send Us transaction requests by fax (facsimile), You should use the following fax numbers: (605) 373-8557 or (877) 841-6709 (toll-free). To send Us service requests by fax (facsimile), You should use the following fax numbers: (605) 335-3621 or (877) 208-6136 (toll-free).

**Age** means the **age** of the Insured person on his/her last birthday preceding the **policy date**.

**Attained Age** means the **age** of the Insured person on his/her birthday preceding a **policy anniversary** date.

**Beneficiary** means the person or persons to whom the policy's **death benefit** is paid when the Insured dies.

**Business Day** means any day the New York Stock Exchange is open for regular trading. Our **business day** ends when the New York Stock Exchange closes for regular trading (generally 3:00 p.m. Central Time).

**Cash Surrender Value** means the **policy fund** on the date of surrender, less any **surrender charge**.

**Death Benefit** means the amount payable under Your policy when the Insured dies.

**Evidence of Insurability** means evidence, satisfactory to Us, that the Insured person is insurable and meets Our underwriting standards.

**Face Amount** means the amount stated on the face of Your policy that will be paid either upon the death of the Insured or the policy maturity, whichever is earlier.

**Funds** means the investment companies, commonly called mutual funds, available for investment by **Separate Account A** on the **policy date** or as later changed by Us.

**Inforce** means the Insured's life remains Insured under the terms of the policy.

**Investment Division** means a division of **Separate Account A** which invests exclusively in the shares of a specified portfolio of the fund.

**Modified Endowment Contract (MEC)** is a policy where premiums are paid more rapidly than the rate defined by a 7-pay test.

**Monthly Anniversary** means the day of each month that has the same numerical date as the **policy date**.

**Net Cash Surrender Value** means the **cash surrender value** less any outstanding **policy debt**.

**Net Premium** means the premium paid less a deduction for the premium load and less any applicable service charge. **Note:** The first monthly deduction is also taken from the initial premium.

**No Lapse Guarantee Period** means the amount of time this policy is guaranteed to remain **inforce** if the sum of the premiums paid, less any **policy debt** and withdrawals, is equal to or greater than the no lapse guarantee premium requirement.

**Policy Anniversary** means the same month and day of the **policy date** in each year following the **policy date**.

**Policy Date** means the date insurance coverage is effective and from which policy anniversaries and **policy years** are determined.

**Policy Debt** means the total loan on the policy on that date plus the interest that has accrued, but has not been paid as of that date.

**Policy Fund** means the sum of monies in Our **Separate Account A** attributable to Your **inforce** policy plus any monies in Our General Account for Your policy.

**Policy Month** means a month that starts on a **monthly anniversary** and ends on the following **monthly anniversary**.

**Policy Year** means a year that starts on the **policy date** or on each anniversary thereafter.

**Premium Guarantee Account** means a reference value used to determine whether the **Premium Guarantee Rider** is in effect and the policy will stay **inforce** beyond the **no lapse guarantee period**.

**Record Date** means the date the policy is recorded on Our books as an **inforce** policy.

**Rider Date** means the date the rider takes effect.

**Separate Account** means Our **Separate Account A** which receives and invests Your **net premiums** under the policy.

**Specified Amount** means the **face amount** of the policy. The term “**specified amount**” used in Your policy has the same meaning as the term “**face amount**” used in this prospectus.

**Surrender Charge** means a charge made only upon surrender of the policy.

The Statement of Additional Information (SAI) can provide You with more detailed information about Midland National Life Insurance Company and the Midland National Life Separate Account A, including more information about distribution expenses, commissions and compensation than is contained in this prospectus. The SAI is incorporated by reference into this prospectus and is legally a part of this prospectus. A free copy of the SAI can be obtained by calling (800) 272-1642 or by contacting Your registered representative. We will send You a copy of the SAI within 3 business days of Your request.

Personalized illustrations of death benefits, cash surrender values, and cash values are also available free of charge upon request. You can obtain a personalized illustration or make other policy inquiries by contacting Our Administrative Office at:

Midland National Life Insurance Company  
One Sammons Plaza  
Sioux Falls, SD 57193  
(800) 272-1642

Information about the Separate Account can be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the public reference room may be obtained by calling the SEC at 202-551-8090. Reports and other information about the Separate Account are also available on the SEC's Internet site at <http://www.sec.gov>. Copies of this information may be obtained, upon payment of a duplicating fee, by writing the Public Reference Section of the SEC, 100 F Street, NE, Washington, DC 20549-0102.

SEC File No. 811-05271



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