

Annuity



Past. Present. Future...

Midland National[®] Life Insurance Company



Growth and experience

Midland National® is one of the leading insurance companies in the country. The Company has enjoyed steady growth, stability of leadership, and industry success over the course of its history. With Life Operations located in Sioux Falls, South Dakota; and the Annuity Division located in West Des Moines, Iowa; Midland National operates in 49 states, and the District of Columbia.

Midland National was founded in 1906 under the name of Dakota Mutual Life Insurance Company. The Company grew steadily during the early years, even as it faced the economic challenges of World War I, the Great Depression, the Dust Bowl and World War II. In 1925, the Company assumed its current name – Midland National Life Insurance Company.

In 2006, Midland National celebrated its 100th year of providing quality service, financial strength and life insurance and annuity products that perform. With its continued emphasis on providing sound products and excellent service, the Company looks forward to celebrating many more milestones in the years to come.

Midland National corporate objectives lead to success

Two major corporate objectives guide operations at Midland National. One is to be a provider of affordable life insurance and annuity products by keeping administrative costs low and maintaining a high-quality investment portfolio. The second objective is to remain a leader in developing new and innovative products that meet consumer needs throughout the ever-changing insurance industry and economic environment.

Financial strength

Midland National is a stock company with a sound management team and investment philosophy. Midland National has consistently experienced profitable operations. As of Dec. 31, 2019, Midland National has over \$165.8 billion in life insurance and over \$60.4 billion in assets.

Experienced management

Experienced management is very important from the standpoint of the customer, as it is an indicator of the company's ability to meet long-term commitments. Midland National's officers have expertise that is respected throughout the insurance industry.

Company timeline

- **1906** Company founded
- **1908** First death claim
- **1909** Reorganized as a “stock” company
- **1925** Changed the name to “Midland National Life Insurance Company”
- **1970** First billion dollars of life insurance in force
- **1982** Ten billion dollars of life insurance in force
- **1992** Fifty billion dollars of life insurance in force
- **1999** Midland National Annuity Division was created
- **2004** One hundred billion dollars of life insurance in force
- **2006** Company celebrated its centennial anniversary

At year-end 2019, Midland National and its affiliated life insurance companies (all members of Sammons Financial) reached more than \$287 billion of individual insurance in force on over 1 million life insurance policies. The life insurance companies of Sammons Financial have approximately \$51 billion of annuity reserves for over 604,000 contract owners. Today Midland National is one of the leading insurance companies in the country.

Sammons Enterprises, Inc. Midland National's parent company

Midland National's parent company, Sammons Enterprises, Inc., is a multi-faceted holding corporation that owns and operates businesses across a diverse range of industries. Such businesses include: Briggs International and its Briggs subsidiaries - Briggs Equipment in the United States, Mexico and the United Kingdom, Compatriot Capital, and Sammons Financial, including its insurance subsidiaries - Midland National Life Insurance Company and North American Company for Life and Health Insurance®. Headquartered in Dallas, Texas with more than 3,400 employees in the United States, Mexico and the United Kingdom, Sammons ranks among the largest privately-owned companies in the world.

Sammons' mission is to build the world's premier ESOP-owned company committed to industry-leading businesses, high ethical standards, solid financial performance and a true values based culture, where every person makes a difference.

Midland National Life Insurance Company

Balance sheet as of Dec. 31, 2019 (in thousands)

Assets

Bonds	\$44,434,060
Stocks	875,779
Cash and short-term investments	494,409
Mortgage loans	4,538,436
Loans to policyholders	395,058
Other invested assets	2,322,270
Accrued investment income	411,378
Separate account assets	5,316,107
All other assets	1,628,753

Total assets **\$60,416,250**

Liabilities, capital, and surplus

Life and annuity reserves	\$39,645,070
Interest maintenance reserve (IMR)	41,232
Asset valuation reserve (AVR)	496,408
Funds withheld under coinsurance	4,224,140
Accounts payable and other liabilities	7,066,172
Separate account liabilities	5,090,796

Total liabilities **\$56,563,818**

Capital and surplus **\$3,852,432**

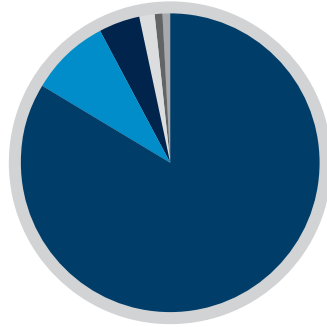
Total liabilities, capital, and surplus **\$60,416,250**

High quality investments

Midland National's asset quality is excellent. Overall net investment income provides ample margins to cover contractual obligations to all policyholders.

Investments by type¹

- 83.7% Bonds
- 8.6% Mortgage loans
- 4.4% Other investments
- 1.7% Stocks
- 0.9% Cash and short term investments
- 0.7% Policy loans

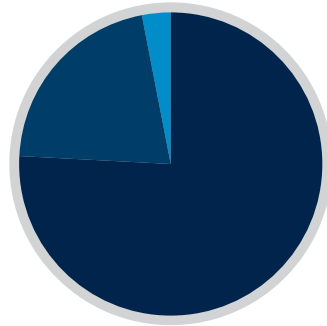


Bonds by NAIC quality rating

97% Investment grade

- 76% NAIC class 1
- 21% NAIC class 2

- 3% Non-investment grade



1. Stated as a percent of total invested assets.



Midland National[®] is a proud member company of Sammons Financial.

The strength of Sammons Financial is our unwavering commitment to our customers, employees and communities – and the deeply rooted belief that we grow stronger together.

With so much change happening in the world, people are looking for companies that can stand the test of time. They need a partner that can weather life’s storms. That’s us. For over a century, we have been here for our customers and communities. And because we’re privately owned, we don’t measure our impact by the number of years we’ve been in business, investor goals or wall street gains. We measure our impact by the financial futures we help secure and the legacies we help establish.

We believe that we aren’t here to serve just today’s customers, but customers for generations to come. As we look ahead to our next hundred years, that fundamental principle remains rich in its vision. No matter how much change happens in the world around us, we will find new ways to create value for our customers.

Just like always.

Midland National has continued to earn high ratings, based on our financial strength, operating performance, and ability to meet obligations to our policyholders and contract holders. Midland National currently holds the following ratings:

“A+”

A.M. Best^{A,B} (Superior) (Second category of 15)
S&P Global Ratings^{B,C} (Strong) (Fifth category of 22)
Fitch Ratings^D (Stable) (Fifth category of 19)

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

A.M. Best is a large, third-party independent reporting and rating company that rates an insurance company on the basis of the company’s financial strength, operating performance, and ability to meet its obligations to policyholders. S&P Global Ratings is an independent, third-party rating firm that rates on the basis of financial strength. Ratings shown reflect the opinions of the rating agencies and are not implied warranties of the company’s ability to meet its financial obligations. The ratings above apply to Midland National’s financial strength and claims-paying ability. **a)** A.M. Best rating affirmed on Aug. 7, 2019. For the latest rating, access ambest.com. **b)** Awarded to Midland National[®] as part of Sammons[®] Financial Group Inc., which consists of Midland National[®] Life Insurance Company and North American Company for Life and Health Insurance[®]. **c)** Standard & Poor’s rating assigned Feb. 26, 2009 and affirmed on Aug. 14, 2019. **d)** Fitch Ratings, a global leader in financial information services and credit ratings, on April 17, 2019, affirmed an Insurer Financial Strength rating of A+ Stable for Midland National. This rating is the fifth highest of 19 possible rating categories. The rating reflects the organization’s strong business profile, low financial leverage, very strong statutory capitalization, and strong operating profitability supported by strong investment performance. For more information access fitchratings.com.

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