Annuity

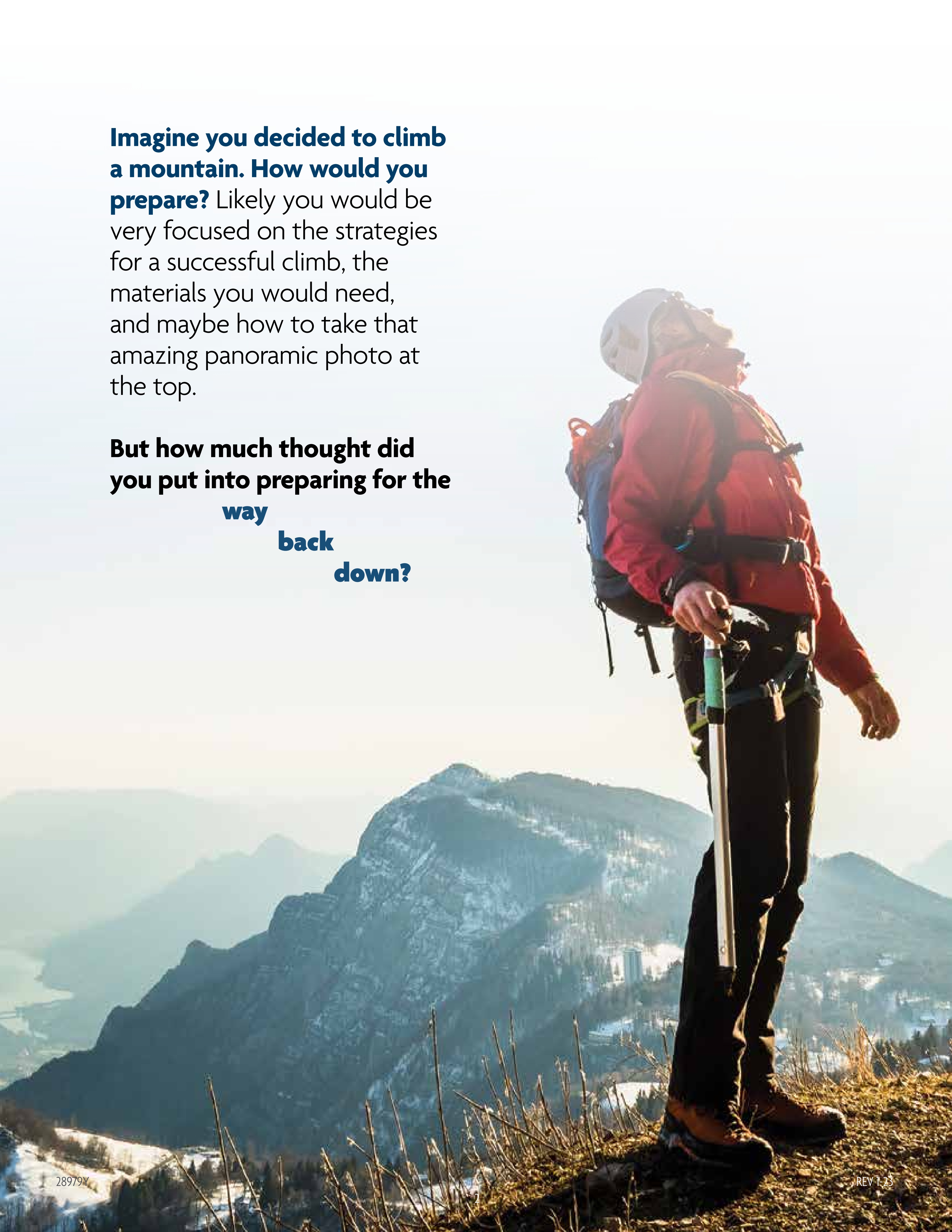
Income EXPEDITION

Issued by Midland National® Life Insurance Company

MIDLAND NATIONAL®
A Sammons Financial Company

Imagine you decided to climb a mountain. How would you prepare? Likely you would be very focused on the strategies for a successful climb, the materials you would need, and maybe how to take that amazing panoramic photo at the top.

But how much thought did you put into preparing for the way back down?



The road to retirement is a similar adventure. Many consumers are focused on **accumulating** money for retirement, but may not have planned for the **decumulation** phase of retirement. Have you put as much planning into the descent as you did on the ascent?

If you feel like you need to prepare more for the climb down, you're not alone. This is a great time to start your income expedition.

Income EXPEDITION

What are the risks on your journey?

Setbacks in life are almost inevitable, ranging from job-loss and market recessions to health events and major unexpected expenses. While working through the accumulation phase of retirement planning, you can typically adapt to these roadblocks and setbacks with time.

On the way down the mountain, however, it can be more difficult to overcome some of the risks you may face. Let's take a look at two of the most common risks you may encounter on your income expedition.

Market volatility risk

"The drawdown dilemma"

Ensuring your retirement assets still have growth potential is a smart choice as inflation and other factors can erode the purchasing power of your money. However, if all of your assets are subject to market volatility, you can run into the drawdown dilemma. In this scenario, you can run out of money sooner than anticipated simply based on the timing of when you begin withdrawing retirement income.

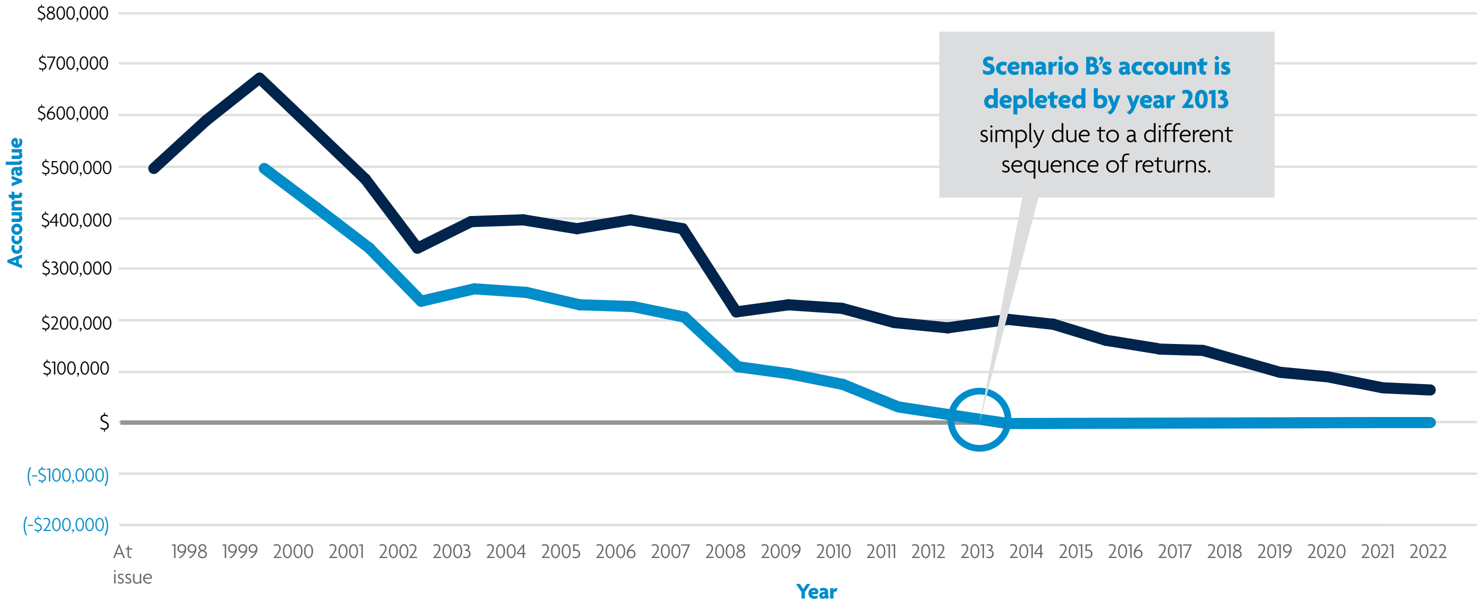
Longevity risk

"Outliving your money"

It's no secret people are living longer, which means retirement is often longer, too. Regardless of whether your retirement assets have a high, medium, or low growth potential, can you guarantee that you won't outlive your money?

The drawdown dilemma
Could a sequence of returns deplete your savings?

When it comes to generating sustainable retirement income, many people only think of an average rate of return needed on their assets. However, what might be more important is not the "average" return but the order of the returns. Let's take a look at two different hypothetical scenarios, in which one begins taking withdrawals in 1998, and another that begins taking withdrawals just two years later in 2000. Both have $500,000 at the time they begin withdrawals. 21 years later, with just a difference of two years from when withdrawals started, one scenario still has over $100,000 while the other's account is depleted by year 14.



	Scenario A Withdrawals begin in 1998		Scenario B Withdrawals begin in 2000	
Year	**Gain/Loss**	**Account value**	**Gain/Loss**	**Account value**
At issue	-	$500,000	-	-
1998	26.67%	$595,342	-	
1999	19.53%	$675,731	-	$500,000
2000	-10.14%	$580,259	-10.14%	$422,346
2001	-13.04%	$478,491	-13.04%	$341,173
2002	-23.37%	$343,697	-23.37%	$238,465
2003	26.38%	$396,451	26.38%	$263,459
2004	8.99%	$399,408	8.99%	$254,455
2005	3.00%	$380,494	3.00%	$231,190
2006	13.62%	$398,229	13.62%	$228,591
2007	3.53%	$381,226	3.53%	$205,601
2008	-38.49%	$216,054	-38.49%	$108,019
2009	23.45%	$229,691	23.45%	$96,318
2010	12.78%	$225,217	12.78%	$74,796
2011	0.00%	$195,211	0.00%	$44,794
2012	13.41%	$187,359	13.41%	$16,777
2013	29.60%	$203,939	29.60%	**$0**
2014	11.39%	$193,751	11.39%	**$0**
2015	-0.73%	$162,562	-0.73%	**$0**
2016	9.54%	$145,201	9.54%	**$0**
2017	19.42%	$137,573	19.42%	**$0**
2018	-6.24%	$100,864	-6.24%	**$0**
2019	28.88%	$91,328	28.88%	**$0**
2020	16.26%	$71,299	16.26%	**$0**
2021	26.89%	$52,406	26.89%	**$0**
2022	-19.44%	$18,049	-19.44%	**$0**

Assumptions: Initial account value $500,000, annual withdrawal $30,000, S&P 500® index. The gain/loss column is the annual percentage change of the S&P 500 index. The performance is calculated as the percentage change from the last trading day of each year from the last trading date of the previous year.

Source: https://www.macrotrends.net/2526/sp-500-historical-annual-returns

Longevity risk
Outliving your money

Consumers who hope to avoid market volatility might be tempted to put their retirement assets in a vehicle with little risk of loss, but also little growth, possibly missing out on any upside potential. In our hypothetical example, a person retires at age 65 with $500,000. Their money continues to grow at 3%, and they withdraw an annual income of $30,000, Even with a sturdy starting balance of $500,000, this person's assets run out by age 87. If they live until age 95, they will go almost 8 years without a retirement paycheck.

Assumptions:
Initial value $500,000, 3% annual growth rate, $30,000 annual withdrawal

Year	Age	Retirement assets
		$500,000
1	65	$485,000
2	66	$469,550
3	67	$453,637
4	68	$437,246
5	69	$420,363
6	70	$402,974
7	71	$385,063
8	72	$366,615
9	73	$347,613
10	74	$328,042
11	75	$307,883
12	76	$287,120
13	77	$265,733
14	78	$243,705
15	79	$221,016
16	80	$197,647
17	81	$173,576
18	82	$148,783
19	83	$123,247
20	84	$96,944
21	85	$69,853
22	86	$41,948
23	87	$13,207
24	88	$0
25	89	$0
26	90	$0
27	91	$0
28	92	$0
29	93	$0
30	94	$0
31	95	$0
32	96	$0
33	97	$0
34	98	$0
35	99	$0
36	100	$0

Will you or your spouse outlive your retirement paycheck?

Source: www.macrotrends.net/2526/sp-500-historical-annual-returns

Income needs review

A critical step in building a retirement strategy is an assessment of your anticipated expenses and income. The following exercise will give us an idea of potential gaps you may have.

This list reflects common expenses (needs and wants) you may encounter during retirement.

Monthly expenses					
Housing expenses	**Needs**	**Wants**	**Health care expenses**	**Needs**	**Wants**
Mortgage/rent	$	$	Health insurance premiums	$	$
Home insurance	$	$	Prescriptions	$	$
Utilities (phone, electric, water, gas, etc.)	$	$	Long-term care insurance	$	$
Other housing expenses	$	$	Other health expenses	$	$
Living expenses	**Needs**	**Wants**	**Living expenses**	**Needs**	**Wants**
Groceries	$	$	Taxes	$	$
Clothing	$	$	Life insurance premiums	$	$
Auto payments	$	$	Charitable contributions	$	$
Auto insurance	$	$	Recreation (hobbies, dining out, movies, etc.)	$	$
Additional car expenses (gas, registration, etc.)	$	$	Gifts to family and others	$	$
Travel	$	$	Other living expenses (home improvements, pets, etc.)	$	$
A) Total monthly expenses (needs + wants)				$	

Monthly income	
Predictable income sources	**Estimated monthly income**
Pension plan	$
Social Security	$
Guaranteed income	$
Other ______________________________	$
B) Estimated monthly income	$

Compare your total monthly expenses to your potential sources of retirement income to identify potential gaps in your retirement income.

Total monthly expenses (A)	$
Total estimated monthly income (B)	$
Monthly retirement income gap (A—B)	**$**

Income EXPEDITION

Prepare for the descent

Now that you've determined what your guaranteed income needs might be, you may be wondering 'what's next?'
We understand retirement planning can feel overwhelming, so we have two options to help put you on the right path.

1

Visit the Income Expedition digital experience

MNLIncomeExpedition.com

Scan with your phone camera.

Follow the guided tour to discover your specific needs and discover guaranteed income potential with the **MNL Income Planning Annuity calculator**

2

Talk to your financial professional about your personalized income needs worksheet to determine if the **MNL Income Planning Annuity**SM fixed index annuity is a good fit for you

MIDLAND NATIONAL®
A Sammons Financial Company

West Des Moines, IA
MidlandNational.com

Scan with your phone camera.

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

The term financial professional is not intended to imply engagement in an advisory business in which compensation is not related to sales. Financial professionals that are insurance licensed will be paid a commission on the sale of an insurance product.

Insurance products issued by Midland National® Life Insurance Company, West Des Moines, Iowa. Product and features/options may not be available in all states or appropriate for all clients. See product materials for further details, specific features/options, and limitations by product and state. The MNL Income Planning Annuity℠ 10 is issued on base contract form AS200A/ICC19-AS200A or appropriate state variation including all applicable endorsements and riders.

Fixed index annuities are not a direct investment in the stock market. They are long term insurance products with guarantees backed by the issuing company. They provide the potential for interest to be credited based in part on the performance of specific indices, without the risk of loss of premium due to market downturns or fluctuation. Although fixed index annuities guarantee no loss of premium due to market downturns, deductions from the accumulation value for optional benefit riders or strategy fees or charges associated with allocations to enhanced crediting methods could exceed interest credited to the accumulation value, which would result in loss of premium. They may not be appropriate for all clients. Interest credits to a fixed index annuity will not mirror the actual performance of the relevant index.

This information is provided for general reference purposes and should not be viewed as investment advice or as a recommendation for a specific allocation. Neither Midland National, nor any agents acting on its behalf should be viewed as providing legal, tax or investment advice. Always consult with and rely on a qualified advisor.

This allocation provides the potential for interest to be credited based in part on the performance of the index without risk of loss of premium due to market fluctuations.

The "S&P 500®", "S&P Multi-Asset Risk Control 5% Excess Return Index", "S&P 500® Low Volatility Daily Risk Control 5% Index", and "S&P 500® Low Volatility Daily Risk Control 8% Index", ("the Indices") are products of S&P Dow Jones Indices LLC or its affiliates ("SPDJI") and have been licensed for use by Midland National® Life Insurance Company ("the Company"). S&P®, S&P 500®, US 500, The 500, iBoxx®, iTraxx® and CDX® are trademarks of S&P Global, Inc. or its affiliates ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). It is not possible to invest directly in an index. The Company's Product is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, or any of their respective affiliates (collectively, "S&P Dow Jones Indices"). S&P Dow Jones Indices does not make any representation or warranty, express or implied, to the owners of the Company's Product or any member of the public regarding the advisability of investing in securities generally or in the Company's Product particularly or the ability of the Indices to track general market performance. Past performance of an index is not an indication or guarantee of future results. S&P Dow Jones Indices' only relationship to the Company with respect to the Indices is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its licensors. The Indices are determined, composed and calculated by S&P Dow Jones Indices without regard to the Company or the Company's Product. S&P Dow Jones Indices has no obligation to take the needs of the Company or the owners of the Company's Product into consideration in determining, composing or calculating the Indices. S&P Dow Jones Indices has no obligation or liability in connection with the administration, marketing or trading of the Company's Product. There is no assurance that investment products based on the Indices will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment adviser, commodity trading advisory, commodity pool operator, broker dealer, fiduciary, "promoter" (as defined in the Investment Company Act of 1940, as amended), "expert" as enumerated within 15 U.S.C. § 77k(a) or tax advisor. Inclusion of a security, commodity, crypto currency or other asset within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, commodity, crypto currency or other asset, nor is it considered to be investment advice or commodity trading advice.

S&P DOW JONES INDICES DOES NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE INDICES OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY THE COMPANY, OWNERS OF THE COMPANY'S PRODUCT, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDICES OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. S&P DOW JONES INDICES HAS NOT REVIEWED, PREPARED AND/OR CERTIFIED ANY PORTION OF, NOR DOES S&P DOW JONES INDICES HAVE ANY CONTROL OVER, THE COMPANY'S PRODUCT REGISTRATION STATEMENT, PROSPECTUS OR OTHER OFFERING MATERIALS. THERE ARE NO THIRD-PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND THE COMPANY, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.