

Annuity



Issued by North American Company for Life and Health Insurance®

Writing 403(b) business



We have the tools
to help you grow.

Writing 403(b) business

A 403(b) tax-sheltered annuity (TSA) is a retirement program allowed by the Internal Revenue Code, allowing employees of most tax-exempt 501(c) (3) organizations to contribute pre-tax dollars for their retirement.

The 403(b) plan regulations clarify that a 403(b) plan is an employer sponsored defined contribution plan and that 403(b) plans will be subject to many of the same compliance requirements and rules of other employer sponsored retirement deferral plans (such as 401(k) and 457(b) plans). Briefly, this means that the employer plan sponsor is required to have a written plan document that describes all the material terms and conditions of the 403(b) plan (such as eligibility, benefits, contribution limits, available distributions, and products available under the plan) and the employer must follow the terms of the plan as it is written. The written plan must include a list of all authorized product providers (such as insurers who provide annuity products). If a provider is not listed with the plan documents, that provider's product is not an eligible product under the 403(b) plan.

Who's eligible for 403(b) TSAs

- Public/private schools
- Colleges/universities
- Nonprofit hospitals
- Charitable institutions
- Foundations
- Religious organizations
- Other tax-exempt 501(c) (3) organizations

Contact information

Sales Support – (866) 322-7066

New Business – (866) 322-7067

Licensing and Commissions – (866) 322-7068

Customer Service – (866) 322-7069

Salary reduction helpful tips

To help you get started, here are three helpful tips as you approach an eligible employer:

1. Is North American an approved vendor?

The first step in entering a school district (or other 403(b) eligible employer) is to get in touch with the employer's benefits department. The benefits department should be able to tell you this. Proceed to step two if North American is approved. If not, ask the employer if they are accepting new vendors and what their requirements are for new vendors. If they are accepting new vendors, have them complete the information sharing agreement (11916Z) and ask that North American be named as an approved vendor within their written plan document. If the employer uses its own version of the information sharing agreement form, this is acceptable, provided a copy is submitted to North American.

2. Complete a billing supplement.

A billing supplement (9099Z) should be completed and submitted if the employer would like to be billed for the salary reductions. Note: the billing process does not begin until the first salary reduction is received.

3. Submit new business forms.

Remember to complete an annuity application and all other appropriate forms for the product being selected.

Transfer or exchange of an existing 403(b)

The Internal Revenue Code (IRC) also allows clients with existing 403(b) accounts to roll over these funds into an IRA or other qualified retirement plan if they meet one of the applicable "triggering events" defined by the IRS. These "triggering events" include attainment of age 59 1/2, death, disability or separation from service.

An exchange will qualify as a non-taxable event if (1) the employer school district's 403(b) plan permits transfers or exchanges and (2) either the transfer or exchange is for an

eligible product under the employer's 403(b) plan, or the product provider receiving the transfer or exchange has an information sharing agreement with the employer school district to share information for compliance with the 403(b) rules. Accordingly, North American will continue to accept 403(b) transfers and exchanges provided the following requirements are met prior to or at the same time of the submission of any exchange:

1. The employer has named North American as an approved vendor within their written plan document.

2. The employer has signed an information sharing agreement with North American, or the employer has an active payroll relationship with North American.

3. A signed disclosure form (11907Z) from the 403(b) participant is received with the transfer or exchange request. The disclosure form will require the 403(b) participant to acknowledge and accept full liability, including any potential tax consequences, for Transfers or exchanges.

Tools to write 403(b) business

North American is dedicated to providing you with the necessary tools and support you need to effectively plant and grow your 403(b) business. Some of these tools are as follows:

403(b) plans brochure (12417Z) – This client brochure explains the benefits of a tax-deferred plan and the detailed tax rules that are associated with a 403(b) plan.

Billing supplement and salary reduction forms (9099Z and 6782Z) – North American provides these forms so that we can accurately and efficiently bill the eligible employers for the 403(b) salary reductions.

Loans – When an employee is in immediate need of funds and the employer's plan so permits, North American can provide a loan from his/her 403(b) annuity. Call North American for details on the loan provision. Note: loans can only be taken out of the fixed account.

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Neither North American, nor any financial professionals acting on its behalf, should be viewed as providing legal, tax or investment advice. Advise clients to consult with and rely on a qualified tax professional. Premium taxes: accumulation value will be reduced for premium taxes as required by the state of residence. The tax-deferred feature of annuities is not necessary for a tax-qualified plan. In such instances, your client should consider whether other features, such as the death benefit, lifetime annuity payments and optional riders make the contract appropriate for their needs.



North American is a Sammons Financial Group company.

We are committed to our customers, distribution partners, 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 honoring our commitments. 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 size of the company. We are proud of our impact of 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 strive to find new ways to create value for our customers.

Just like always.



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May Lose Value	Not Insured By Any Federal Government Agency	