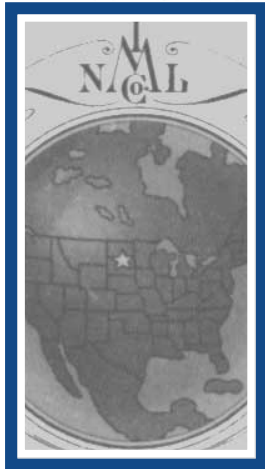


Life at its Best



COMPANY HISTORY

1906

First Board of Director's Meeting, August 31, 1906

The company that would eventually evolve into Midland National Life Insurance Company was born on a late summer evening in the Black Hills of South Dakota.

Meeting at the Smead Hotel in Lead, South Dakota, a group of six men (John Walsh, Joseph Moore, Charles Turney, Claude Sterling, Daniel Bannister, and Fred Smith) elected officers for a company to be known as Dakota Mutual Life Insurance Company. They also authorized the publishing of "legal notice of the company's intention to begin business."

This meeting culminated months of planning. Records show expenses dated from May 1906. Evidently the proposed company name was under debate until shortly before the August meeting since a draft of the Articles of Incorporation was submitted to the South Dakota Secretary of State under the name of "Western Mutual Life Insurance Company."

To capitalize the new company, the directors were required to apply for a \$1,000 life insurance policy, and to pay an assessment of \$300.

Watertown home office



1906

Relocation to Watertown

Less than a month after their first official meeting, the directors of Dakota Mutual Life gathered again to reconsider the company's home office location. Noting the "necessity of locating the home office of this corporation in a city larger and of more importance than Hecla," the board authorized secretary Fred Smith "to negotiate with the cities of Watertown and Sioux Falls and learn what inducements they are willing to grant to secure the location of the home office..."

Evidently, Watertown offered more attractive "inducements" because the next meeting of Dakota Mutual Life was held in Watertown on November 17, 1906. The board scheduled a meeting for December 8, at which time Watertown would be named the official home office of the company.

Also of interest at this meeting, the board approved a surety bond through Western Surety Company of Sioux Falls, which eventually grew into the nation's largest bonding company and remains a prominent part of the Sioux Falls business community. The offices of Midland National Life and Western Surety are now only a block apart in downtown Sioux Falls.

1906

Watertown Founders

Among the new officers elected at the December 8 meeting were two men who would help shape the company's growth for decades to come.

John B. Hanten was elected the company's second president, a position he held for 19 years, relinquishing it only to move up to Chairman of the Board. Originally a homesteader and farmer near Kranzburg, Mr. Hanten accumulated large landholdings in the area. He moved to Watertown, studied law and was admitted to the bar in 1892. His business and community activities were numerous: recipient of the United States land office of



Watertown, state senator, founder and president of Security National Bank and Hanten Bond company, and organizer of the Watertown Business Men's Union (now known as the Chamber of Commerce). In 1917, he was appointed to the commission that revised the state's laws into what is now known as the 1919 Code of South Dakota. He was the state's Rural Credit Commissioner and South Dakota's delegate to the Democratic national convention. In his personal life, Mr. Hanten was the father of nine children. He raised fine horses and was a talented musician who directed one of the first bands in the Dakota Territory.

Another prominent individual elected to the board at the December meeting was **Frank L. Bramble**, whose association with the company would eventually span six decades.

1908

First death claim

When the first death claim came early in 1908, it was necessary for Frank L. Bramble and John B. Hanten to borrow the funds needed to pay the claim. Ironically, the company's first recorded death claim was on the life of Nettie Smith, wife of the company's original secretary-treasurer, Fred Smith. She died of appendicitis at age 38. Compared to today, death came early to people. Many of these people died from a variety of infections and illnesses that are virtually unknown today.

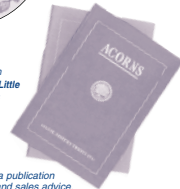
1909

Reorganized as a "stock" company

To make it easier to raise capital for continued growth, the company reorganized as a stock company.



Symbolizing the philosophy of its founders, the slogan "Great Oaks from Little Acorns Grow" was adopted in 1920.



Acorns, a publication of news and sales advice, debuted in 1920.

1915

Dropped Mutual from name – Dakota Life Insurance Company

After operating for six years as a stock company, Dakota Life Insurance Company officially dropped "Mutual" from its name.

1918-1919

Influenza Outbreak – Claims increased dramatically

Dakota Life's death claim register illustrates the local impact of the worst epidemic to strike the world during the 20th century: the Spanish Flu outbreak of 1918-1919.

First appearing in crowded U.S. Army training camps in the spring of 1918, the influenza virus soon spread to Europe and the rest of the world as American troops were shipped to the World War I battlefields of France.

Named the Spanish Flu because it claimed the lives of eight million Spaniards, this strain of flu eventually killed between 20 and 30 million people worldwide – far more than the number of people who died in battle in World War I.

In the United States, the dead numbered 500,000. Symptoms frequently developed into pneumonia, and with no antibiotics available to fight the pneumonia, death often quickly followed.

Two-thirds of Dakota Life's death claims received during 1918 were attributed to influenza and pneumonia.

1925

Changed name to Midland National Life Insurance Company

1925 marked the company's final name change. Noting that the company's marketing efforts were now national in scope, the stockholders voted unanimously to change the name to "Midland National Life Insurance Company."

Claims Register shows dramatic increase in death claims due to influenza and pneumonia in 1918-1919.



1930s

Pig Policies

The '30s brought drought and a major depression. Among the steps taken to promote business, a plan was initiated to furnish brood sows to farmers on the condition that each farmer renew or take out a life insurance policy. When the farmer sold the pigs, he paid back the loan and at the same time started paying on his life insurance premiums. The agreement signed was called a "Hog Contract." This plan not only made it possible for farmers to buy insurance, but also did much to rehabilitate a depleted swine industry in South Dakota, Minnesota and Iowa. At one time, the company had \$90,000 invested in pigs.



Many farmers were able to get back on their feet during the economic hardship of the '30s because of Midland National Life's pig program.

1934

Midland National survives Depression and Dust Bowl

The economic condition that beset the United States in the 1930s was unique in its magnitude and consequences. The Depression and the Dust Bowl of 1933 and 1934 put South Dakota into a financial crisis.

One American worker in every four was out of a job; one farm in every 10 was lost to foreclosure or tax sale. Not surprisingly, insurance sales showed a dramatic decline. Midland National Life, however, weathered the adverse conditions and remained optimistic about the future: "...Old 1933 with its depression, its 'hard times,' its sorrows and its tragedies, is now gone forever. In its stead we have a new year..." (Acorns, January 1934, EE Kneedy, Sales Manager)

Insurance in force drops to a temporary low

1934 \$21,431,796⁰⁰

Insurance In Force

1911 \$6,530,588⁰⁰

1925 \$28,626,603⁰⁰

1947

Frank L. Bramble is named company president.

Frank L. Bramble, a native of South Dakota, was one of the founders of the company and remained a part of Midland National Life until his death in 1966 at age 94. He was the secretary-treasurer until 1947, when he was named president for four years. Thereafter, Mr. Bramble served as Chairman of the Board. His dedication and steadfast influence contributed greatly to the success of the company.



Frank L. Bramble

1956

Fiftieth Anniversary

The company's 50th Anniversary was celebrated with a banquet held in Watertown on May 23, 1956, which also was Mr. Bramble's birthday.

The banquet was the highlight of a two-day 50th Anniversary Celebration, during which a public open house was held at the home office. As part of the celebration, a "Big Boost for Bramble" sales contest was held. Midland National Life representatives submitted nearly three times as much business as normal during this seven-day sales contest.



Midland National Life celebrated its 50th Anniversary in conjunction with Mr. Bramble's 85th birthday on May 23, 1956.

1950

New Home Office in Watertown

The ground breaking ceremony for a new home office was held on August 9, 1949, and the building was dedicated on January 11, 1951. Constructed as a steel skeleton structure, with an exterior of polished granite, buff colored brick and Indiana limestone, the building consisted of three floors and a full basement. Initially, the company occupied the basement, first floor, and most of the second floor. The third floor was leased to professional tenants. The building still stands in Watertown and is now known as "Midland Plaza."

Secretarial pool in the new home office building in Watertown.

1958

Company purchased by C.A. Sammons & Associates of Dallas, Texas.

In January 1958, C.A. Sammons & Associates of Dallas, Texas, acquired the majority of the Midland National Life stock. Charles A. Sammons, president of Reserve Life, owned eight other life companies and had been active in the business for 30 years. He had long admired the rapid growth of Midland National Life, which had doubled its life insurance in force during the prior five years.

Over the years, Sammons Enterprises, Inc. (SEI) has grown into one of the 100 largest privately held organizations operating in the United States. In addition to life insurance, Sammons has controlling or substantial stock interests in various industrial fabrication, distribution, and bottled-water businesses. The affairs of Midland National Life are conducted independently under its own experienced management.

1961

William A. Rigsbee named President

In November 1961, William A. Rigsbee was named President of Midland National Life. For the next 31 years, Mr. Rigsbee, as President and Chief Executive Officer, set Midland National Life on a course of unparalleled growth, stability and financial strength. He established the Regional Sales Director (RSD) program and set in motion a belief that he carried with him through his entire career with Midland National Life - give the agent three things:

- 1) Excellent products.
- 2) A contract that rewards the agent for superior performance.
- 3) Service, with the company philosophy that "The most important person is the one who makes the sale."

Under his leadership, the company increased life insurance in force from \$275 million to \$50 billion, increased assets from \$29 million to \$4.1 billion, and achieved a compound annual growth rate of 15 percent while maintaining superior industry ratings and a high quality investment portfolio.

1970

First billion dollars of life insurance in force.

1977

Midland moves from Watertown to Sioux Falls.

Gating concerns that Watertown could no longer support the company's rapid growth, Midland National Life announced plans to move its home office to Sioux Falls, South Dakota.

Relocating to Sioux Falls offered Midland National Life several advantages, including a larger population from which to recruit personnel, better air travel connections, and access to a larger postal processing center.

Within a year, all departments had migrated to temporary quarters in Sioux Falls while a new, five-story building was under construction.

1979

Home Office in Sioux Falls Opens

Midland National Life occupied its new 89,000 square-foot gold-glass home office building in June 1979. After operating for 71 years in Watertown, the move to a new home office in Sioux Falls would mark the beginning of a new era in Midland National Life's history - a period of unprecedented growth.



ALL THAT GLITTERS is gold. 22,000 square feet of gold-toned glass helps reduce heating and cooling costs, saves fuel, and makes optimum use of daylight illumination.

1981

Midland celebrates 75 years in the insurance industry



Midland National Life's 75th Anniversary Celebration kicked off with newspaper ads and radio spots proclaiming, "As we look forward to our 75th Anniversary, we salute our people...more than three hundred reasons why Midland National Life is a great insurance company. We wish you could meet all of them because these are the people with the talent, the skill, the ideas that make us a strong, successful, growing company."

1982

Ten Billion In Force



Plaque commemorating ten billion dollars of life insurance in force.

1989

Twenty-five Billion In Force

1992

William A. Rigsbee retires. John C. "Jack" Watson, FLMI, CLU, named President, CEO, and Chairman

Upon his retirement, Mr. Rigsbee said, "To survive and prosper, a company must provide an adequate return to its shareholders, good products reasonably priced to its customers and the incentive for growth to its field force and employees. My job as Chief Executive Officer has been to balance all of these sometime conflicting objectives."

After 35 years and serving as its President, Mr. Watson left another insurance company to become President, CEO and Chairman of Midland National Life. His positive message began, "Now is the time to get highly excited about the Midland National Life opportunity and share it with your clients, business associates, teammates and potential customers."

William A. Rigsbee and Jack C. Watson



1992

Fifty Billion In Force



Bronze medalion commemorating fifty billion dollars of life insurance in force.

1996

Midland National Life celebrates 90 years

1996 marked Midland National Life's 90th Anniversary in the life insurance industry. The celebration, which took place all year long, was highlighted by a special birthday party September 5 through 8. As a key part of Midland National Life's 90th Anniversary, the historic Rock Island Depot was fully restored. The refurbished Depot houses Midland National Life's Hall of Fame and provides additional office space to handle expanded business operations. Charter members of the Hall of Fame were inducted at a ribbon-cutting ceremony on September 6, 1996.



1999

Michael M. Masterson, CLU, ChFC, named Chairman and CEO

On January 1, 1999, Mr. Masterson became Chairman and CEO of both Midland National Life and the acquired North American Companies based in Chicago, Illinois.

2000

Midland Moves into the New Millennium

Midland National Life moved into the millennium with unsurpassed strength and momentum. Between 1996 and 2000, the company worked hard to expand its distribution and increase its market share. The company, for example, acquired and formed a strategic relationship with North American Companies, based in Chicago, Illinois; it began an Annuity Division specializing solely in annuity marketing and distribution; and it made several acquisitions

to build its market share. Because of these efforts, Direct Ordinary Life Premium grew from \$276.2 million in 1996 to \$376.9 million in 2000; Capital and Surplus grew from \$321 million in 1996 to \$416 million in 2000; and admitted assets grew from \$2.9 billion in 1996 to \$4.1 billion in 2000. These figures continue to rise as Midland National Life continues to increase its presence and strength throughout the industry.