

Fixed Indexed Annuities

ANNUITY TRAINING

The following is an overview of the different indexed annuities offered by National Life Group and issued by Life Insurance Company of the Southwest. Products are not available in all states or all sales situations – please see NationalLife.com for current product availability. Product details, any applicable bonus, and availability are subject to change without notice.

The fixed annuity products issued by Life Insurance Company of the Southwest have the following common features:

- No administrative fees for the base policy
- Tax-deferred growth, death benefit, and annuitization options
- 10% of accumulation value available after the first policy year (penalty-free withdrawal), as permitted by law
- Choice of multiple index crediting strategies without direct investments in the market
- Guaranteed Lifetime Income Rider to provide a lifetime income while leaving your client in control of their money – available on income products

Products issued by

National Life Insurance Company® | Life Insurance Company of the Southwest®

National Life Group® is a trade name of National Life Insurance Company (NLIC), Montpelier, VT, Life Insurance Company of the Southwest (LSW), Addison, TX and their affiliates. Each company of National Life Group is solely responsible for its own financial condition and contractual obligations. Life Insurance Company of the Southwest is not an authorized insurer in New York and does not conduct insurance business in New York.

No bank or credit union guarantee | Not a deposit | Not FDIC/NCUA insured | May lose value | Not insured by any federal or state government agency

Guarantees are dependent upon the claims-paying ability of the issuing company.

Flexible Premium Indexed Annuities

FIT Retirement Series

Premium Requirements

- Minimum to Issue: Monthly Salary Reduction/Deduction or PACP: \$100, or Lump Sum: \$5,000
- Only salary reduction/deduction or auto backdraft accepted after 5th policy year, subject to \$50,000 annual limit

Cumulative Maximum Premium

See NationalLife.com for current limits

Loans

- Available for 403(b)/457(b) policies, if plan permits, in most states
- Riders not available in all states

FIT Secure Growth

Ideal for policyowners with a savings horizon of 10 years or more.

- Issue Age 0–85
- 9 year declining surrender
- Market Value Adjustment – see Additional Information section
- Available Riders
 - Nursing Care Rider at no additional cost
 - Terminal Illness Rider at no additional cost
 - Emergency Access Waiver for 403(b)/457(b) policies at no additional cost

FIT Rewards Growth (not currently offered)

Offers a 2% Immediate Interest Credit on premiums paid for the first 8 policy years.

- Issue Age 0–75
- 9 year declining surrender
- Market Value Adjustment – see Additional Information section
- Immediate Interest Credit recapture in years 1–8
- Available Riders
 - Nursing Care Rider at no additional cost
 - Terminal Illness Rider at no additional cost
 - Emergency Access Waiver for 403(b)/457(b) policies at no additional cost

FIT Select Income

Income-focused solution.

- Issue Age 25–75
- 9 year declining surrender
- Market Value Adjustment – see Additional Information section
- Available Riders
 - Guaranteed Lifetime Income Rider required at issue
 - Nursing Care Rider at no additional cost
 - Terminal Illness Rider at no additional cost
 - Emergency Access Waiver for 403(b)/457(b) policies at no additional cost

FIT Certain Income (not currently offered)

Income-focused solution.

- Issue Age 0–80
- 9 year declining surrender
- Market Value Adjustment – see Additional Information section
- Available Riders
 - Guaranteed Lifetime Income Rider required at issue
 - Nursing Care Rider at no additional cost
 - Terminal Illness Rider at no additional cost
 - Emergency Access Waiver for 403(b)/457(b) policies at no additional cost

Flexible Premium Deferred Annuities (not currently offered)

Flexible Premium Requirements

- \$100 per month bank draft (PACP) or salary reduction/deduction
- Lump sum payments only permitted for policies with active flex premium

Cumulative Maximum Premium

- See NationalLife.com for current limits

Loans

- Available for 403(b)/457(b) policies, if plan permits, in most states

SecurePlus® Paramount 5

Offers a 5% immediate interest credit on flexible premiums paid in the first 7 years and on lump sum premiums for the first 5 years.

- Issue Ages 0–80
- 10 Year Declining Surrender
- Available Riders:
 - Guaranteed Lifetime Income Rider (optional) for an additional cost
 - Nursing Care Benefit Rider at no additional cost

SecurePlus® Reliance

Ideal for policyowners looking for a benefit responsive option with waiver of withdrawal charges based on certain criteria.

- Issue Ages 0–75
- 10 Year Declining Surrender
- Available Riders:
 - Guaranteed Lifetime Income Rider (optional) for an additional cost
 - Terminal Illness Benefit Rider at no additional cost
- Benefit Responsive (Waiver of Withdrawal Charge) Feature:
 - Withdrawal charges will be waived if the annuitant is age 55 or older, the policy has been in force for 5 policy years, no outstanding loans, and one of the following qualifications is met: (1) separation from service; (2) disability; or (3) qualified reservist called to active duty.
 - Guaranteed Lifetime Income Rider (optional) at an additional cost (max issue age 75)

SecurePlus® Gold

Ideal for policyowners with a savings horizon of 10 years or more.

- Issue Ages 0–85
- 10 Year Declining Surrender
- Available Riders:
 - Guaranteed Lifetime Income Rider (optional) for an additional cost
 - Nursing Care Benefit Rider at no additional cost

Single Premium Deferred Annuities

Premium Requirements

- See NationalLife.com for current requirements

Loans

- Available for 403(b)/457(b) policies, if plan permits, in most states

Growth Driver 7 & 10

Accumulation-focused solution. Features a 7% or 10% premium bonus on all deposits.

- Issue Ages 0–75
- 90 days to receive all deposits
- Dollar Cost Averaging Account
- 7 or 10 year declining surrender
- 1 and 2 year indexing options
- Bonus Recapture 7 or 10 years
- Market Value Adjustment applies – see Additional Information section
- Available Riders:
 - Nursing Care Rider at no additional cost
 - Terminal Illness Benefit Rider at no additional cost

Zenith Growth 5, 7, & 10

Accumulation-focused solution.

- Issue Ages 0–85
- 90 days to receive all deposits
- 5, 7, or 10 year declining surrender
- 1 and 2 year indexing options
- Market Value Adjustment applies – see Additional Information section
- Available Riders:
 - Nursing Care Rider at no additional cost
 - Terminal Illness Benefit Rider at no additional cost

Income Driver 7 & 10

Income-focused solution with a predictable lifetime income.

- Issue Ages 45–85
- Guaranteed Lifetime Income Riders (GLIR) required at issue. Standard GLIR with 25% Benefit Calculation Bonus at 1% annual charge or No-Charge GLIR
- 90 days to receive all deposits
- Dollar Cost Averaging Account
- 7 or 10 year declining surrender
- 1 and 2 year indexing options
- Market Value Adjustment applies – see Additional Information section
- Available Riders:
 - Nursing Care Rider at no additional cost
 - Terminal Illness Benefit Rider at no additional cost

Zenith Income 7 & 10

Income-focused solution driven by accumulation value.

- Issue Ages 35–75
- Guaranteed Lifetime Income Riders (GLIR) required at issue. Max Bonus GLIR or Split Bonus GLIR
- 90 days to receive all deposits
- Dollar Cost Averaging Account
- 7 or 10 year declining surrender
- 1 and 2 year indexing options
- Split Bonus Recapture 7 Years
- Market Value Adjustment applies – see Additional Information section
- Available Riders:
 - Nursing Care Rider at no additional cost
 - Terminal Illness Benefit Rider at no additional cost

FIT Focus Growth (not currently offered)

Features a 5% immediate interest credit on the net initial premium.

- Issue Ages 0–75
- 9 Year Declining Surrender
- Market Value Adjustment applies – see Additional Information section
- Immediate Interest Credit Recapture for 8 years
- Available Riders:
 - Nursing Care Rider at no additional cost
 - Terminal Illness Benefit Rider at no additional cost
 - Required Legacy Death Benefit Rider at an additional charge

FIT Horizon Growth (not currently offered)

Accumulation-focused solution.

- Issue Ages 0–85
- 9 Year Declining Surrender
- Market Value Adjustment applies – see Additional Information section
- Available Riders:
 - Nursing Care Rider at no additional cost
 - Terminal Illness Benefit Rider at no additional cost
 - Required Legacy Death Benefit Rider at an additional charge

FIT Focus Income (not currently offered)

Income-focused solution. Must have a Guaranteed Lifetime Income Rider elected for policy issue.

- Issue Ages 45–85
- 9 Year Declining Surrender
- Market Value Adjustment applies – see Additional Information section
- Available Riders:
 - Nursing Care Rider at no additional cost
 - Terminal Illness Benefit Rider at no additional cost

FIT Horizon Income (not currently offered)

Income-focused solution. Must have a Guaranteed Lifetime Income Rider elected for policy issue.

- Issue Ages 35–85
- 9 Year Declining Surrender
- Market Value Adjustment applies – see Additional Information section
- Available Riders:
 - Nursing Care Rider at no additional cost
 - Terminal Illness Benefit Rider at no additional cost

Balanced Opportunity Platform Products Only

FIT Select Income

Income-focused solution.

- Issue Ages 25–75
- 9 Year Declining Surrender
- Market Value Adjustment applies – see Additional Information section
- Available Riders:
 - Guaranteed Lifetime Income Rider required at issue at an additional cost
 - Nursing Care Rider at no additional cost
 - Terminal Illness Rider at no additional cost
 - Emergency Access Waiver for 403(b)/457(b) policies at no additional cost

FIT Secure Growth

Ideal for policyowners with a savings horizon of 10 years or more. Income-focused solution.

- Issue Ages 0–85
- 9 Year Declining Surrender
- Market Value Adjustment applies – see Additional Information section
- Available Riders:
 - Nursing Care Rider at no additional cost
 - Terminal Illness Rider at no additional cost
 - Emergency Access Waiver for 403(b)/457(b) policies at no additional cost

SecurePlus® Flexura 5 (not currently offered)

Offers a 5% immediate interest credit on flexible premiums paid in the first 7 years and on lump sum premiums for the first 5 years.

- Issue Ages 0–85
- 10 Year Declining Surrender
- Available Riders:
 - Guaranteed Lifetime Income Rider required at issue at an additional cost
 - Nursing Care Rider at no additional cost

SecurePlus® Forte 5 (not currently offered)

Offers a 5% accumulation value that transfers in years 11-15.

- Issue Ages 0–55 (54 in OH)
- 12 Year Declining Surrender
- Available Riders:
 - Guaranteed Lifetime Income Rider (optional) for an additional cost
 - Terminal Illness Benefit Rider at no additional cost
- For 403(b)/457(b) markets only

SecurePlus® Flexura Plus (not currently offered)

Ideal for policyowners looking for a benefit responsive option with waiver of withdrawal charges based on certain criteria.

- Issue Ages 0–75
- 10 Year Declining Surrender
- Available Riders:
 - Guaranteed Lifetime Income Rider (optional) for an additional cost
 - Terminal Illness Benefit Rider at no additional cost
- Benefit Responsive (Waiver of Withdrawal Charge) Feature:
 - Withdrawal charges will be waived if the annuitant is age 55 or older, the policy has been in force for 5 policy years, no outstanding loans, and one of the following happens to the Annuitant:
 - > Becomes disabled based on the Social Security definition
 - > Separates from service from the employer sponsoring the plan
 - > Annuitant is as a reservist in the U.S. military or National Guard, is called to active duty and is eligible for a distribution that is exempt from any IRS penalty tax

SecurePlus® Fortitude 10/Fidelis 8 (Single Premium)(not currently offered)

Features a 10% (Fortitude 10) or 8% (Fidelis 8) Bonus Accumulation Value vested in years 11-15. Offers an enhanced death benefit that allows the policyowner to leave their beneficiaries their Benefit Calculation Base (GLIR) if the policy owner does not activate their lifetime income.

- Issue Ages 0–80 (54 in OH)
- 10 Year Declining Surrender
- Available Riders:
 - Nursing Care Rider at no additional cost
 - Terminal Illness Benefit Rider at no additional cost
 - Guaranteed Lifetime Income Rider (optional) at an additional cost (max issue age 75)

Guaranteed Lifetime Income Rider (GLIR) for Indexed Annuities

The following is an overview of the different GLIRs offered by National Life Group. Please review each product's disclosure and specification to see which GLIR is available on the policy, along with current GLIR Rollup information*, any applicable bonus, withdrawal percentage, rider charge, and other rider guidelines.

The GLIR provides for a lifetime income stream while leaving the policy owner in control of their money. On most products, the GLIR can be added at an additional cost – please note that for some policies the GLIR is required at policy issue. The GLIR provides for a calculation used solely to determine the lifetime income benefit (or death benefit on select policies). The Benefit Calculation Base or Income Calculation Base is not a value that can be withdrawn by the policy owner.

Guaranteed Lifetime Income Rider for Income Driver 7 & 10

- Benefit Calculation Base equals premium paid at issue
- Standard GLIR increases BCB by 25%. No-Charge GLIR does not apply a BCB bonus
- Benefit Calculation Base rolls up at an 10% simple roll-up rate in effect when premium is received for all roll-up years. (Rolls up until the earlier of election of income or the 10th policy anniversary.)
- Income Doubler may double lifetime income for up to 5 years if annuitant cannot perform 2 of 6 activities of daily living

Max Bonus Guaranteed Lifetime Income Rider for Zenith Income 7 & 10

- At election of income, the Accumulation Value is multiplied by an Activation Bonus based on how long the policy has been in force then is multiplied by the Guaranteed Withdrawal Percentage based on their attained age to determine the base lifetime income
- Increasing income option available at election of income
- Income Doubler may double lifetime income for up to 5 years if annuitant cannot perform 2 of 6 activities of daily living

Split Bonus Guaranteed Lifetime Income Rider for Zenith Income 7 & 10

- An Immediate Interest Credit is applied to the Accumulation Value of the Policy
- At election of income the Accumulation Value is multiplied by an Activation Bonus (lower than Max Bonus activation bonus) based on how long the policy has been in force then is multiplied by the Guaranteed Withdrawal Percentage based on their attained age to determine the base lifetime income
- Increasing income option available at election of income
- Income Doubler may double lifetime income for up to 5 years if annuitant cannot perform 2 of 6 activities of daily living

Guaranteed Lifetime Income Rider for FIT Certain Income (not currently offered)

- Benefit Calculation Base equals premium paid at issue and is increased by a bonus percentage
- Additional flexible premium payment during the first 30 years is increased by a bonus percentage and added to Benefit Calculation Base
- Benefit Calculation Base rolls up at a simple Rollup Rate in effect when first premium is received for all rollup years
- Rolls up until the earlier of election of income or the 30th policy anniversary
- At election of income the Benefit Calculation Base is multiplied by a Guaranteed Withdrawal Percentage based on attained age to determine lifetime income

Guaranteed Lifetime Income Rider for Flexible Premium Policies

- Income Calculation Base equals premium paid at issue and includes additional premium payments
- Income Calculation Base rolls up at a compound Rollup Rate in effect when the premium is received for a guaranteed number of years, renewing annually thereafter
- Rolls up until the earlier of election of income or the 30th policy anniversary
- At election of income, the Income Calculation Base is multiplied by a Guaranteed Withdrawal Percentage based on their attained age to determine their lifetime income

Bonus Guaranteed Lifetime Income Rider for Flexible Premium Policies

- Income calculation base equals premium paid at issue and includes additional premium payments
- The Income Calculation Base is credited with a bonus for each premium paid into the policy
- Income Calculation Base rolls up at a compound Rollup Rate in effect when the premium is received for a guaranteed number of years, renewing annually thereafter

- Rolls up until the earlier of election of income or the 30th policy anniversary
- At election of income, the Income Calculation Base is multiplied by a Guaranteed Withdrawal Percentage based on their attained age to determine their lifetime income

Simple Roll Up Guaranteed Lifetime Income Rider for FIT Focus Income

- Benefit Calculation Base equals premium paid at issue. Standard GLIR increases BCB by a bonus percentage. No Charge GLIR does not apply a BCB bonus.
- Benefit Calculation Base rolls up at a simple Roll up Rate in effect when premium is received for all roll up years
- Rolls up until the earlier of election of income or the 10th policy anniversary
- At election of income, the Benefit Calculation Base is multiplied by a Guaranteed Withdrawal Percentage based on their attained age to determine their lifetime income

Max Bonus Guaranteed Lifetime Income Rider for FIT Horizon Income and FIT Select Income

- At election of income, the Accumulation Value is multiplied by an Activation Bonus based on how long the policy has been in force, then is multiplied by the Guaranteed Withdrawal Percentage based on their attained age to determine the base lifetime income
- Increasing income option available at election of income
- Income Doubler may double lifetime income for up to 5 years if annuitant cannot perform 2 of 6 activities of daily living.

Split Bonus Guaranteed Lifetime Income Rider for FIT Horizon Income and FIT Select Income

- An Immediate Interest Credit is applied to the Accumulation Value of the Policy
- At election of income, the Accumulation Value is multiplied by an Activation Bonus (lower than Max Bonus activation bonus) based on how long the policy has been in force, then is multiplied by the Guaranteed Withdrawal Percentage based on their attained age to determine the base lifetime income
- Increasing income option available at election of income
- Income Doubler may double lifetime income for up to 5 years if annuitant cannot perform 2 of 6 activities of daily living.

Additional Information

Interest Credits, Bonuses, and Adjustments

Premium Bonus (Immediate Interest Credit)

For each premium and transfer received during a specific number of policy years (varies per product), NLG will credit the policy's premium account a percentage of the net premium. For example, if the product has a 5% premium bonus (known as an "immediate interest credit" in some products), a premium of \$100,000 would result in a credit of \$5,000 to the annuity's premium account. That premium account would continue to earn interest based on the crediting rate in effect at that time, based on the allocation selected by the policyowner. Please review the product disclosures and specification pages for detailed information.

Bonus Accumulation Value (BAV)

This is a vested accumulation value bonus (not an immediate, upfront bonus). During policy years 1 – 10, the BAV equals a specified percentage of the accumulation value. During policy years 11 – 15, a portion of the BAV is transferred to the accumulation value each policy year during this five-year period. For example, for an annuity with a BAV issued to a 50-year-old, they would not fully realize the BAV until age 65; for a 65-year-old, they would not fully realize the BAV until age 80. Please note specific restrictions apply in order for the policyowner to receive the full benefit of the BAV. If the annuitant dies, the death benefit is the greater of the accumulation value plus the BAV, or the policy value. Please review the product disclosures and specification pages for detailed information.

Market Value Adjustment

A Market Value Adjustment (MVA) is an upward or downward adjustment that may be applied to amounts withdrawn from an annuity in the first 5, 7 or 10 policy years. The MVA applies to amounts withdrawn in excess of any Free Withdrawal Amount, even if the applicable Withdrawal Charge Percentage is zero. The MVA does not apply to any death benefit. Please review the product disclosures and specification pages for detailed information.

Legacy Death Benefit Rider

Legacy Death Benefit Rider for FIT Focus Growth

- Benefit Calculation Base equals premium paid at issue plus Immediate Interest Credit.
- Benefit Calculation Base rolls up at a simple Roll up Rate in effect when premium is received for all roll up years
- Rolls up until the earlier of death or the 10th policy anniversary
- At death, the beneficiary has the option to receive 100% of the Benefit Calculation Base if paid out over 5 years or as a single payment the greater of 80% of the Benefit Calculation Base or the policy's actual death benefit
- Maximum death benefit payment limited by state regulation as outlined in the policy

Legacy Death Benefit Rider for FIT Horizon Growth

- Benefit Calculation Base equals premium paid at issue
- Benefit Calculation Base rolls up at a compound Roll up Rate in effect when premium is received for all roll up years plus an amount equal to the dollar amount of credited indexed interest
- Rolls up until the earlier of death, age 90 or the 20th policy anniversary
- At death the beneficiary has the option to receive 100% of the Benefit Calculation Base if paid out over 5 years or as a single payment the greater of 80% of the Benefit Calculation Base or the policy's actual death benefit
- Maximum death benefit payment limited by state regulation as outlined in the policy