

Life Insurance with the Lifetime Income Benefit Rider

A death benefit for your heirs and an option to receive income you cannot outlive - guaranteed

Life Insurance with the Lifetime Income Benefit Rider (LIBR) provides death benefit protection for your heirs, the potential for guaranteed income for life.

Life insurance with Living Benefits: Income tax-free death benefit for your family¹ with the option of a Lifetime Income Benefit.

Option 1: Death Benefit

Income tax-free death benefit¹ paid to your beneficiaries in the event of your premature death.

OR

Option 2: LIBR

Exercise your Lifetime Income Benefit Rider during retirement and receive income for the rest of your life guaranteed.²

Income you cannot outlive

Products issued by

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

Experience Life®

National Life Group® is a trade name of National Life Insurance Company, 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. LSW is not an authorized insurer in New York and does not conduct insurance business in New York.

¹ Internal Revenue Code § 101(a)(1). There are some exceptions to this rule. Please consult a qualified tax professional for advice concerning your individual situation.

² The Lifetime Income Benefit Rider provides a benefit for the life of the insured, if certain conditions are met. These conditions include, but are not limited to, the insured's attained age being between 60 and 85, and that the policy has been in-force at least 10 years (15 years for select policies). Insufficient policy values, outstanding policy loans and other considerations may also restrict exercising the rider. Exercising the rider and receiving an income benefit will reduce the policy's cash value and death benefit and may terminate other riders or reduce their benefits. Guarantees are dependent upon the claims-paying ability of the issuing company.



Your goal

You want a strategy that will not only protect your loved ones in the event of your premature death, but will also give you options to protect your retirement goals.



How it works

Exercising LIBR

If you decide to use your life insurance to supplement retirement income, you can exercise your Lifetime Income Benefit Rider, if certain conditions are met.²

Payment Options

Once qualifications are met and rider is exercised, LIBR will guarantee you income for the rest of your life. You may choose between a Level Payout Option or an Increasing Payout Option.

³ This information is not intended as tax or legal advice. For advice concerning your own situation, please consult with your appropriate professional advisor.

⁴ Policy loans and withdrawals will reduce the cash value and death benefit and may result in a taxable event. Surrender charges may reduce the policy's cash value in early years.

All products and/or riders are not available in all states. Riders are optional and may require additional premium. Riders are supplemental benefits that can be added to a life insurance policy and are not suitable unless you also have a need for life insurance.

NL FlexLife Indexed Universal Life Insurance, form series 8971/ICC11-8971(0911), NL LifeCycle Solution Survivorship Indexed Universal Life, form series 8918/ICC11-8918(0511), Ultra Select 8385/8385ID(0606) and Lifetime Income Benefit Rider, form series 20152/20235 are underwritten by National Life Insurance Company.

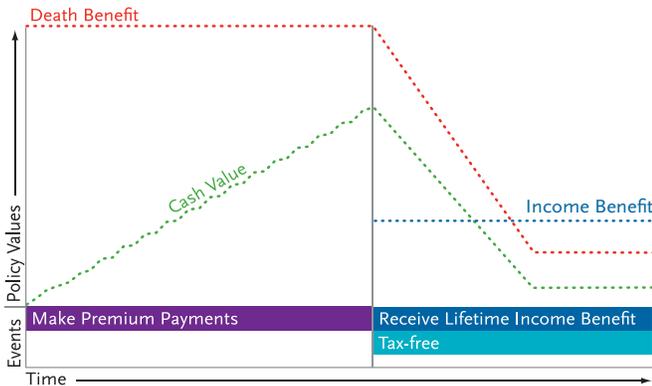
LSW FlexLife Indexed Universal Life Insurance, form series 8973/ICC11-8973(0911), LSW LifeCycle Solution Survivorship Indexed Universal Life, form series 8935/ICC11-8935(0511), LSW SecurePlus Advantage 79, form series 8593/8593ID(0708) and LSW Provider, form series 8212/8212ID(0305) and Lifetime Income Benefit Rider, form series 20153/20205 are underwritten by Life Insurance Company of the Southwest. LSW products and riders are not available in New York.

The Lifetime Income Benefit Rider is automatically added to the policy at issue and may be available on in-force policies if approved in your state. There is no additional charge to add the rider to your policy, but there is a monthly charge from the accumulated value during the income paying period. Benefit payments are funded via policy loans, which will reduce the policy's cash value and death benefit. The policyholder cannot make additional premium payments or request additional withdrawals or policy loans during the income benefit payment period or the rider will terminate.

Your LIBR benefits are taken as policy loans, and policy loans are income tax-free

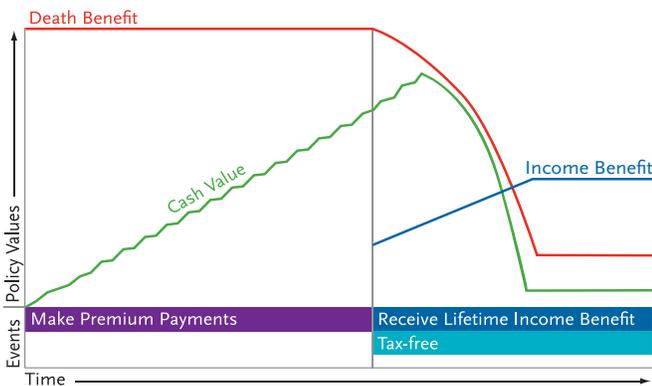
Option 1

The Level Option will start with higher payments, but they will not increase annually.



Option 2

The Increasing Option will start with lower premiums and will increase by 3% every year. This increase will continue until a minimum threshold of the cash surrender value is reached, after which the annual guaranteed income payment will remain level at the value of the payment at the last anniversary.



Once your benefit is calculated, it is guaranteed for your lifetime.⁵ With our Survivorship product, LifeCycle Solution, LIBR will guarantee income payments for the lives of both insureds.

Once the minimum threshold of the cash surrender value is met, the amount of each subsequent benefit payment will be credited into the policy as a bonus to the basic strategy, and the benefit payments will continue to be funded as fixed net cost loans for the life of the insured. Because the benefit payments are funded as fixed net cost loans, they will not be

taxable if the policy is not a Modified Endowment Contract. The death benefit will never be reduced to less than \$15,000 and the cash surrender value not less than \$1,000.³

Stopping and Starting Payments

Once income payments have begun, you can request to suspend your income payments. During this suspension period no rider charge will be deducted. You can make additional premium payments, increase or decrease your face amount, take partial withdrawals or loans⁴ and make loan repayments during the suspension period. You can resume income payments as long as the Minimum Threshold has not been reached and if certain conditions are met, including but not limited to, the insured's attained age being less than 85. Once benefits are restarted, they are guaranteed to be at least as much as your previous benefit payments as long as there have been no face amount increases, partial withdrawals or policy loans. At the point income payments are resumed, the rider charge will also resume. Please note that income payments may only be suspended or resumed once per policy year.

Death Benefit

If you elect the Lifetime Income Benefit Rider but die, your remaining death benefit will be paid to your beneficiaries. There will always be at least a minimum death benefit of \$15,000.

⁵ Guarantees are dependent on the claims paying ability of the issuing company.

The Participation Rate is the maximum percentage of the annual increase in the Index that will be credited. For example: The one year increase in the Index is 10%. If the Participation Rate is 90%, then 9% would be used to calculate the interest credit [$10\% \times 90\% = 9\%$]. The Cap is the maximum earnings percent that will be credited. For example: The Participation Rate is 100% and there is a Cap of 12%. If the one year increase in the Index is 14%, the earnings will be capped at 12%. Participation Rates and Caps are subject to change annually for a given indexed segment.

The minimum Guaranteed Participation and Cap Rates for LSW SecurePlus Advantage 79, NL & LSW LifeCycle Solution, NL & LSW FlexLife and NL Ultra Select:

- Indexed Strategy 1 - S&P 500 Point-to-Point Cap Focus: PR = 100%, Cap = 3.1%
- Indexed Strategy 2 - S&P 500 Point-to-Point Participation Rate Focus: PR = 110%, Cap = 3.0%
- Indexed Strategy 3 - S&P 500 Point-to-Point No Cap: PR = 25%, No Cap guarantee
- Indexed Strategy 4 - S&P 500 Point-to-Average: PR = 30%, No Cap guarantee
- Indexed Strategy 5 - MSCI Emerging Markets Point-to-Point: PR = 100%, Cap = 3.1%

The minimum Guaranteed Participation and Cap Rates for LSW SecurePlus Provider :

- Indexed Strategy 1 - S&P 500 Point-to-Point Cap Focus: PR = 100%, Cap = 3.0%
- Indexed Strategy 2 - S&P 500 Point-to-Average No Cap: PR = 30%, No Cap guarantee
- Indexed Strategy 3 - S&P 500 Point-to-Point Participation Rate Focus: PR = 110%, Cap = 3.0%
- Indexed Strategy 4 - MSCI Emerging Markets Point-to-Point: PR = 100%, Cap = 3.1%

In the event the market declines, FlexLife, Ultra Select, SecurePlus Provider, SecurePlus Advantage 79 and LifeCycle Solution IUL policies have a built-in 0% interest crediting floor. The Floor is the minimum earnings percent that will be credited. For FlexLife, Ultra Select, SecurePlus Advantage 79 and LifeCycle Solution IUL, the minimum annual rate of interest credited to funds in the fixed-interest strategy is 2.5% and the minimum interest credited in the indexed strategies is 2.5% upon death or full surrender. For SecurePlus Provider, the minimum annual rate of interest credited to funds in the fixed-interest strategy is 2% and the minimum interest credited in the indexed strategies is 0% while the policy is in-force and 2% upon death or full surrender. The premium applied to the account value is net of a percent of premium charge. Monthly deductions from the account value include a monthly policy fee, monthly expense charge, cost of insurance charge, and applicable rider charges. In addition there is a surrender charge if the policy is lapsed or surrendered in the first 10 years from issue (5 years from issue for SecurePlus Advantage 79) or following an increase. Surrender charges vary based on gender, rate classification, issue age, and policy year. Surrender charges may reduce the policy's cash value in early years. The policy's cash surrender value is the accumulated value less the surrender charges.

Failure to maintain the policy to maturity will result in no participation in the equity index. For FlexLife, Ultra Select, SecurePlus Advantage 79 and LifeCycle Solution IUL, each crediting period is 1 year in length. For SecurePlus Provider, the crediting period is 5 years in length. Index earnings are credited to each indexed segment at the end of the crediting period. Each indexed segment will have a participation rate and an index earnings cap, which are determined in advance for each crediting period. On each segment anniversary of an indexed segment, the index growth for that segment will be calculated, as a function of the index performance over the previous crediting period. Excess Interest Formula: Index earnings for each indexed segment are calculated at the end of the crediting period as follows: index growth is multiplied by the segment's participation rate, adjusted so that this rate is no greater than the segment's index earnings cap, and no less than 0%; multiplied by the value in the indexed segment value. Index earnings are not direct participation in any stock or equity investment.

The Owner may elect either of two Death Benefit Options, Option A or Option B. Under Option A, the Death Benefit is equal to the greater of:

1. the Face Amount of the policy on the date of the Insured's death; or
2. the Death Benefit Factor applicable on the date of the insured's death multiplied by the Accumulated Value on the date of the Insured's death; less the amount of any Monthly Deductions then due and any debt to us on this policy.

Under Option B, the Death Benefit is equal to the greater of:

1. the Face Amount plus the Accumulated Value of the policy on the date of the Insured's death; or
2. the Death Benefit Factor applicable on the date of the insured's death multiplied by the Accumulated Value on the date of the Insured's death; less the amount of any Monthly Deductions then due and any debt to us on this policy.

Upon death of the insured (or at the death of the second insured for LifeCycle Solution Survivorship IUL), a death benefit equivalent to the death benefit at the time of the insured's death less any policy debt and less other amounts owed to the insurance company will be paid to the beneficiary. If the death benefit is paid in one sum, it shall be increased by interest from the date of the insured's death to the date of payment. We will state the rate of interest for FlexLife, Ultra Select, SecurePlus Advantage 79 and LifeCycle Solution IUL at no less than 2.50% per year or as mandated by state law (2.00% for SecurePlus Provider). The policy will then be terminated and all rights including access to the cash surrender value shall cease.

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