



# FlexLife IUL

## Quick Reference Guide

Providing lifetime protection, flexibility and income distribution performance.

FlexLife IUL is the next generation of indexed universal life from the companies of National Life Insurance Company and Life Insurance Company of the Southwest. This flexible policy provides valuable lifetime protection through the death benefit, living benefits and the opportunity for cash value accumulation with strong income distribution performance.

### Product Focus:

- Flexible IUL providing lifetime protection, living benefits, cash value accumulation and strong income distribution with powerful distribution options such as LIBR.
- Ideal for emerging affluent individuals in their late 30's to early 50's with discretionary income to overfund their policy and who plan to use their policy for income needs later in life.
- Overfund IUL to take advantage of the Tax-Free Retirement Strategy.<sup>5</sup>

### Highlights:

- **Income Distribution Performance** – Upside Potential, Downside Protection with competitive income distribution

- **Income for Life** – Payments are taken as loans, and policy loans are income tax-free. With the Lifetime Income Benefit Rider,<sup>1</sup> your clients have the potential to receive a tax-free stream of income for life – guaranteed!<sup>2</sup>
- **Death Benefit Protection Rider** – Guaranteed death benefit protection for a limited period – up to 30 yrs
- **Overloan Protection Rider<sup>3</sup>**– Offers protection against policy lapse
- **Systematic Allocation Rider** – Available for large annual premiums to balance interest rate fluctuations
- **Accumulated Value Enhancement** – 0.35% starting in year 11.
- **Accelerated Benefits Riders<sup>4</sup>** – At no-additional cost
- **Interest Crediting Strategies**
  - Fixed Strategy – Fixed Interest Crediting Rate
  - Indexed Strategy 1 – Point -to-Point, Cap Focus, based on the S&P 500<sup>®</sup> Index
  - Indexed Strategy 2 – Point-to-Point, Participation Rate Focus, based on the S&P 500<sup>®</sup> Index
  - Indexed Strategy 3 – Point-to-Point, No Cap, based on the S&P 500<sup>®</sup> Index
  - Indexed Strategy 4 – Point-to-Average, based on the S&P 500<sup>®</sup> Index
  - Indexed Strategy 5 – Point-to-Point, Cap Focus, based on the MSCI Emerging Markets Index

Products issued by

**National Life Insurance Company<sup>®</sup> | Life Insurance Company of the Southwest<sup>®</sup>**

Experience Life<sup>®</sup>

<sup>1</sup> The Lifetime Income Benefit Rider provides a benefit for the life of the insured if certain conditions are met, including but not limited to the insured's attained age being between 60 and 85 and that the policy has been in force for at least 10 years. Insufficient policy values, outstanding policy loans and other considerations may also restrict exercising the rider. Receipt of income benefits will reduce the policy's death benefit and cash value and may terminate other riders or reduce their benefits. There is a charge for the rider during the income payment period.

<sup>2</sup> Guarantees are dependent on the claims paying ability of the issuing company.

<sup>3</sup> Substantial limitations apply to exercising the Overloan Protection Rider, including the policy be in force for at least 15 years and the insured having attained the age of 75. Exercising the rider results in a paid-up policy. There is no cost for this optional rider, however there is a fee charged when the rider is exercised.

<sup>4</sup> Receipt of accelerated benefits will reduce the policy's cash value and death, may be a taxable event and may affect a family's eligibility for public assistance programs.

<sup>5</sup> The use of cash value life insurance to provide a tax-free resource for retirement assumes that there is first a need for the death benefit protection. Policy loans and withdrawals reduce the policy's cash value and death benefit and may result in a taxable event. Except in the case of a Modified Endowment Contract (MEC), withdrawals up to the basis paid into the contract and loans thereafter will not create an immediate taxable event, but substantial tax ramifications could result upon contract lapse or surrender. For MECs, policy loans and withdrawals are considered withdrawals and treated as taxable income to the extent there is gain in the policy and may also be subject to a 10% penalty for early withdrawals. Surrender charges may reduce the policy's cash value in early years.

National Life Group<sup>®</sup> 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.

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## Details

<b>Issue Ages:</b>	0 to 85 (age nearest birthday)	
<b>Minimum Face Amount:</b>		
Initial Coverage:	LSW: \$100,000; NL: \$25,000	
Base or APB Increase:	\$25,000	
<b>Pension Minimum Face Amount:</b>		
Elite & Preferred:	Initial: \$25,000; Subsequent: \$2,000	
Standard:	Initial: \$5,000, \$25,000 in WA; Subsequent: \$2,000	
<b>Death Benefit Options:</b>	Both Option A and B available	
<b>Policy Protection Period:</b>	10 years	
<b>Minimum Premium:</b>	\$25.00	
<b>Maximum Premium:</b>	Both GPT or CVAT Tests allowed	
<b>Rate Classifications:</b>	Elite Non-Smoker/Non-Tobacco (issue ages 20-75) Preferred Non-Smoker/Non-Tobacco (issue ages 20-85) Standard Non-Smoker/Non-Tobacco (issue ages 0-85) Preferred Smoker/Tobacco (issue ages 20-85) Standard Smoker/Tobacco (issue ages 20-85) Note: Juveniles (0-19) will be issued in the Standard Non-Smoker rate class Known smokers will get a 200% rating except in the state of PA	
<b>Substandard:</b>	Table ratings and medical flat extras available with Standard rate classes. Temporary flat extras available with any rate class.	
<b>Banding:</b>		
Band 1	Minimum Face Amount - \$249,999	
Band 2	\$250,000 - \$999,999	
Band 3	\$1,000,000 - \$2,999,999	
Band 4	\$3,000,000 and up	
<b>Min. Interest Rate:</b>	2.5% Fixed Strategy	
<b>1035 Exchanges with Loans:</b>	Allowed – up to 50% of gross transferred amount	
<b>Surrender Schedule:</b>	10 years	
<b>Policy Loans:</b>	Available after the first policy year, both variable and fixed net cost – 1035 money available in year 1	
<b>Withdrawals:</b>	Available after the first policy year, \$500 min.	
<b>Expense Charges:</b>		
Monthly Policy fee	\$6	
Premium Load	6%	
<b>Riders:</b>	Accelerated Benefits Riders Accidental Death Benefit Rider Additional Protection Benefit Rider Balance Sheet Benefit Rider Children’s Term Rider Death Benefit Protection Rider Guaranteed Insurability Rider	Lifetime Income Benefit Rider Other Insured Rider Overloan Protection Rider Systematic Allocation Rider Qualified Plan Exchange Privilege Rider Waiver of Monthly Deductions Rider Waiver of Specified Premium Rider

Riders are optional, may require additional premium and may not be available in all states. The use of some riders may reduce or eliminate other policy or rider benefits.

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Certain features of this contract may be indexed to an MSCI Index. This contract is not sponsored, endorsed, sold or promoted by MSCI, Inc. and MSCI bears no liability with respect to any such contracts. A more detailed description of the limited relationship MSCI has with Life Insurance Company of the Southwest accompanies the contract. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

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