



A CLOSER LOOK

# FlexLife

INDEXED UNIVERSAL LIFE INSURANCE

## Meet Carlos\*

"Protecting companies is what I do, and even in the most perfect scenarios, you always have a plan for the worst. It's the same with my retirement. Since it's just around the corner, I want a financial product that will allow me the potential to leave a legacy for my family and grow my cash value while protecting it from market loss."

### Background:

- Age: 57
- Widowed, 2 Grown Children, 4 Grandchildren
- Occupation: Security Consultant
- Situation: Retiring Soon and in Good Health

### Goals:

- Leave behind a meaningful inheritance to his family and charity.
- Steadily accumulate assets for upcoming retirement.
- Secure his assets from market loss.
- Have the potential for a reliable income for the duration of his retirement.

Products issued by

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

\*This is a hypothetical example and is not the story of an actual client.

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

## Carlos' Needs:

Carlos measures success by what doesn't go wrong. After losing his wife 10 years ago in an accident, he devoted his career to helping others prevent mishaps. With his two boys raising their own families, he's gearing up to retire — and relax for a change. Years of hard work and his protective nature built a secure nest egg. He plans to keep it that way, but he'll have to increase what he's currently doing if he wants a comfortable retirement income.

Carlos needs a financial solution that can help him leave a legacy to his family but also be better prepared for retirement. He wants better interest crediting potential than current bank products can provide, but also wants to avoid the ups and downs of market volatility.

**One Insurance Policy Does All of These:**

FlexLife Indexed Universal Life



# Carlos' Solution:

## FlexLife indexed Universal Life Insurance

After several meetings with his financial professional, Carlos purchases a FlexLife policy with a \$250,000 death benefit. He likes predictability, so he's pleased that he has the option to choose the number of years his death benefit is guaranteed using the Death Benefit Protection Rider.<sup>1</sup>

FlexLife also gives Carlos another of his top needs: control. He can choose among several indexed crediting options to self-determine how his policy grows and protects against loss.

### Opportunities Using the Credit Suisse Index<sup>2</sup>

Considering his crediting options, Carlos really likes the Credit Suisse Balanced Trend Index strategy because the underlying index along with the features of the FlexLife product check all his boxes.

#### Diversification and Risk Control with Credit Suisse's Index

Comprised of a range of global equities, bonds, real estate, commodities, and cash, the index uses a systematic process that seeks to be nimble and responsive to sudden market fluctuations.

The Index uses a risk control mechanism that aims to limit the daily impact of market fluctuations by strategically adjusting the overall asset allocation depending on the realized volatility.

### FlexLife Features

The 0% Floor Guarantee protects Carlos from losing money no matter how low the market goes.<sup>3</sup>

The interest crediting method linked to the Credit Suisse Index provides upside potential that is appealing to Carlos.

### Potential for Tax-Free Income for Life with LIBR<sup>4</sup>

As retirement nears, Carlos needs a solid income strategy too. FlexLife also has the Lifetime Income Benefit Rider (LIBR) that guarantees him tax-free retirement income he can never outlive once he meets the conditions to exercise the rider.

With FlexLife, Carlos now has a combination of permanent life insurance coverage, growth potential protected from market losses, the potential for tax-free income for life, and other benefits, such as:

- Flexible coverage and premiums which allow him to make adjustments to his policy if his situation changes.<sup>5</sup>
- An accumulated value enhancement of 10%, starting in the sixth policy year.
- A Charitable Matching Gift Death Benefit, which matches up to 2% of a policy's base face amount, up to \$30,000, to a qualified charity of his choice.
- Many optional riders that may offer Carlos financial protection and peace of mind in light of the unexpected.



# FlexLife Indexed Universal Life Insurance, protecting what matters most.

FlexLife NL, Indexed Universal Life Insurance, form series 20607(0119)/ICC19-20607(0119), the Charitable Matching Gift Death Benefit Rider, form series 20403(0616)/ICC16-20403(0616), the Death Benefit Protection Rider, form series 20225(0414), and the Lifetime Income Benefit Rider, form series 20152(0413)/20235(0414)/20412(0616) are underwritten by National Life Insurance Company, Montpelier, Vermont.

FlexLife Indexed Universal Life Insurance, form series 20608(0119)/ICC19-20608(0119), the Charitable Matching Gift Death Benefit Rider, form series 20186(0616)/ICC16-20186(0616), the Death Benefit Protection Rider, form series 20223(0414), and the Lifetime Income Benefit Rider, form series 20266(0614) are underwritten by Life Insurance Company of the Southwest, Addison, TX.

1 Riders are optional, may be available at additional cost, and may not be available in all states.

2 The index strategies of Indexed Universal Life policies credit interest based in part on the change in a market index such as this one. When volatility control such as that provided by this index is included in an Indexed Universal Life policy Index strategy with the protection of a 0% or 1% floor, the benefit of reduced negative change will not be realized. For an index strategy with volatility control and with additional costs deducted from the Index value, the positive Index value change may be less than that of similar indices that do not include volatility control and do not deduct these costs. Index Universal Life policies do not directly participate in any stock or equity investments.

3 The 0% “floor” provided by an indexed universal life policy ensures that during crediting periods where the index is negative, that no less than 0% interest is credited to the index strategy. However, monthly deductions continue to be taken from the account value, including a monthly policy fee, monthly expense charge, cost of insurance charge, and applicable rider charges, regardless of interest crediting.

4 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 age 60 and 85, and that the policy has been in force at least 10 years. Insufficient policy values or outstanding policy loans 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.

5 It is possible that coverage will expire when either no premiums are paid following the initial premium, or subsequent premiums are insufficient to continue coverage.

The Credit Suisse Balanced Trend index and “Credit Suisse”, and any trademarks, service marks and logos related thereto are service marks of Credit Suisse Group AG, Credit Suisse International, or one of their affiliates (collectively, “Credit Suisse”). Credit Suisse has no relationship to National Life Insurance Company (“NLIC”), other than the licensing of the Credit Suisse Balanced Trend index and its service marks for use in connection with the FlexLife Indexed Universal Life Insurance Policy and is not a party to any transaction contemplated hereby.

The rules of the Credit Suisse Balanced Trend index may be amended by Credit Suisse International (the “Index Creator”). An amendment to the rules may result from, without limitation, a change to the construction or calculation rules for the Index or from the Index Creator determining that a change to the rules is required or desirable in order to update them or to address an error, omission or ambiguity. No assurance can be given that any such amendment would not affect parties to this document.

The Index is an excess return index, which means that it reflects the return of components net of the cost of funding a hypothetical investment in them. The Index returns are likely to be negatively affected by such costs of funding. The Index has a 0.5% per annum embedded fee deducted on a daily basis. The index fee will place a drag on the performance of the Index, offsetting any appreciation of its portfolio, exacerbating any depreciation of its portfolio and causing the level of the Index to decline steadily if the value of its portfolio remains relatively constant.

The end-of-day value of the Credit Suisse Balanced Trend index is published subject to the provisions in the rules of the Index. Neither the Index Creator nor any of its affiliates is obliged to publish any information regarding the index other than as stipulated in the rules of these indices.

The FlexLife Indexed Universal Life Insurance Policy is not in any way sponsored, endorsed, sold or promoted by Credit Suisse and Credit Suisse does not make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the Credit Suisse Balanced Trend index (“the Index”), the figure at which the said Index stands at any particular time on any particular day or otherwise, or the advisability of or results to be obtained by using, investing in, or trading the FlexLife Indexed Universal Life Insurance Policy. The selection of the Index as a crediting option under the FlexLife Indexed Universal Life Insurance Policy does not obligate NLIC or Credit Suisse to invest premium payments in the components of the Index or in other products linked to the Index. Credit Suisse shall not be liable for the results obtained by using, investing in, or trading the FlexLife Indexed Universal Life Insurance Policy. The Index is compiled, maintained and calculated by Credit Suisse. However, Credit Suisse shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and Credit Suisse shall not be under any obligation to advise any person of any error therein.

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## Disclaimer

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A CLOSER LOOK

# Enhancer Bonuses

## Meet Elena

"My husband and I have 10 years to retirement, so these earning years are crucial to our long-term financial security. I need to make sure he's protected financially if something happened to me. I also want to make sure that the financial product I choose can help contribute to our income plan. I'm willing to be aggressive to seek greater growth potential."

### Background:

- **Age:** 50, married, no children
- **Occupation:** Senior Marketing Director
- **Situation:** Ten years to retirement, wants a high-growth strategy, positive market outlook

### Goals:

- Protect her husband financially from the unexpected.
- Potential to grow her assets for the future, especially for retirement.
- Flexible growth potential based on her market outlook.
- Have cash available for emergencies

### Elena's\* Needs:

Elena wants to make sure that her husband could carry on financially if something happened to her. She also wants to grow her nest egg as much as she can in the final stretch to retirement. Much of her retirement savings is already at risk in the market. She would like another product to accumulate cash without the unlimited downside of the market. She is willing to take on some risk for greater potential interest crediting.

## One Insurance Policy Does All of These:

## PeakLife NL Indexed Universal Life

Products issued by:

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## Elena's Solution:

## PeakLife NL Indexed Universal Life Insurance with Enhancer Bonuses

### Three Enhancer Bonuses Provide Options to Capture the Upside Elena Wants

Elena seeks advice from her financial professional and purchases a PeakLife NL policy with a \$1 million death benefit. Because retirement savings is another goal, she can also use her policy to grow her cash value in several ways. PeakLife NL offers five indexed crediting options that credit interest based in part on the changes of market indexes, referred to as upside potential. The 0% or 1% floor<sup>1</sup> (depending on the index strategy chosen) helps ensure that cash value in that strategy won't be reduced due to a decline in the index. This is referred to as downside protection.




Even better, Elena can choose among three bonus levels to help maximize her upside potential based on how she feels about the index's direction.



<sup>1</sup> The 0% or 1% "floor" provided by an indexed universal life policy ensures that during crediting periods where the index is negative, that no less than 0% or 1% interest is credited to the index strategy. However, monthly deductions continue to be taken from the account value, including a monthly policy fee, monthly expense charge, cost of insurance charge, and applicable rider charges, regardless of interest crediting.

## How the Enhancer Bonuses Work<sup>2</sup>

With three options to choose from, Elena can pick the bonus she feels best suits her current risk tolerance and market outlook. For additional flexibility, Elena can elect Enhancer Plus or Enhancer Max and back again as best suits her situation.

Bonus Option	Market Outlook <sup>**</sup>	
<div>Enhancer</div> 	Optimistic	Every SummitLife policy comes with the base level Enhancer at no extra cost. Enhancer may be ideal for a person who is buying PeakLife NL for its protection and cash value accumulation potential but is not interested in paying for any additional index crediting potential. With Enhancer, if the index strategy earns interest, Enhancer provides a small bonus. For crediting periods when the index declines, no bonus is credited.
<div>Enhancer Plus</div> 	More Optimistic	Enhancer Plus is the next step up the cost/potential reward ladder. Enhancer Plus is ideal for a person who has a moderately positive outlook on the index and is willing to take a small cost in order to increase their upside potential. The cost is deducted every year, but the bonus is only credited if the index strategy earns interest.
<div>Enhancer Max</div> 	Most Optimistic	Enhancer Max is designed for a person with an aggressive outlook on the index who wants the greatest potential bonus in exchange for the highest cost. As with Enhancer Plus, the cost is deducted every year, but the bonus is only credited if the index strategy earns interest.

<sup>2</sup> Enhancer, Enhancer Plus and Enhancer Max only credit a bonus in crediting periods where interest is credited to that strategy, beginning in the second year. If no indexed interest is credited for that period, no bonus will be credited. The charge for Enhancer Plus and Enhancer Max begins in year 1 and occurs for every crediting period regardless of whether interest is credited. The Enhancer bonus is not available in NY.

<sup>\*\*</sup>Market outlook is subjective and an individual choice based on many personal preferences and risk comfort levels. Talk with your financial professional before choosing an Enhancer bonus option or making any other important financial decisions.



# PeakLife NL Indexed Universal Life Insurance: Protecting what matters most.

Elena's permanent death benefit protection and cash value accumulation potential with three choices of Enhancer bonus levels are among many PeakLife NL features and benefits to help her out, such as:

- Flexible coverage and premiums, which let her make adjustments, up or down, if her situation changes<sup>3</sup>.
- A Lifetime Income Benefit Rider<sup>4</sup> which will guarantee a tax-free retirement income stream for the rest of her life once criteria are met to exercise it.
- Plus many optional riders that may offer Elena financial protection and peace of mind in light of the unexpected.

**To help you decide if PeakLife NL is right for you,  
contact your financial professional.**

gettyimages®  
Craig Lovell

PeakLife NL, Indexed Universal Life Insurance, form series 20607(0119)/ICC19-20607(0119), Flexible Accumulated Value Enhancement Rider (Enhancer, Enhancer Plus, Enhancer Max), form series 20643(0119)/ ICC19-20643(0119) and the Lifetime Income Benefit Rider, form series 20152/20235/20412 are underwritten by National Life Insurance Company, Montpelier, Vermont.

<sup>3</sup> It is possible that coverage will expire when either no premiums are paid following the initial premium, or subsequent premiums are insufficient to continue coverage.

<sup>4</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 age 60 and 85, and that the policy has been in force 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 cash value and death benefit and may terminate other riders or reduce their benefits. There is a monthly charge from the Index segment value during the income payment period. The Lifetime Income Benefit Rider is optional and available at policy issue. Benefit payments are funded via tax-free policy loans, which will reduce the policy's cash value and death benefit.





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A CLOSER LOOK

# FlexLife

## Meet Fred

"I make a good, steady living, but I'm my family's sole breadwinner. I need a way to protect my wife and kids financially if something happened to me, while saving for our future too."

### Background:

- Age: 35
- Married with 2 Children
- Occupation: Construction Foreman
- Situation: Sole household earner earning a competitive salary. Fred is young and healthy but is exposed to job-site risks.

### Fred's Needs:

Fred is proud to provide for his family. But what would happen to them if he died. He needs a financial solution that protects his family if he cannot provide for them, after he is gone. He also wants to grow his savings over time, but without the downside risk of the markets.

### Goals:

- Protect family financially from the unexpected.
- Grow assets for the future, such as retirement.
- These assets should be secure from market loss.
- Have cash available for emergencies

## One Insurance Policy Does All of These:

## FlexLife Indexed Universal Life

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## Fred's Solution:

## FlexLife Indexed Universal Life Insurance

Working with his financial professional, Fred purchases a FlexLife policy with a \$500,000 death benefit. Being young, healthy and a non-smoker, his premium is competitive.

Beyond the death benefit, Fred's permanent life insurance coverage meets all his other needs too with features such as:

- Flexible coverage and premiums, which let him make adjustments, up or down, if his situation changes.<sup>1</sup>
- Cash value accumulation potential, with interest crediting based in part on the returns of market indexes plus an interest bonus starting in the sixth policy year.<sup>2</sup>
- Access to several different market index strategies (with some state exceptions) and one fixed interest strategy to provide interest crediting choices.
- The index strategies will not lose money due to a decline in the index because of the 0% Floor Guarantees on all five indexed strategies, plus a 1% Floor option for even more protection.<sup>3</sup>
- A Lifetime Income Benefit Rider, which provides the potential to guarantee a tax-free retirement income stream for the rest of his life.<sup>4</sup>
- Plus many optional riders that may offer Fred financial protection and peace of mind in light of the unexpected.<sup>5</sup>

## FlexLife Indexed Universal Life Insurance, protecting what matters most.

<sup>1</sup> It is possible that coverage will expire when either no premiums are paid following the initial premium, or subsequent premiums are insufficient to continue coverage.

<sup>2</sup> The interest bonus is referred to as the Annual Accumulated Value Enhancement (AAVE) rider in your contract. NL AAVE rider is form series 20695(0120)/ICC20-20695(0120). LSW AAVE rider is form series 20699(0120)/ICC20-20699(0120). Indexed universal life insurance policies do not directly participate in any stock or equity investments.

<sup>3</sup> The 0% or 1% "floor" provided by an indexed universal life policy ensures that during crediting periods where the index is negative, that no less than 0% or 1% interest is credited to the index strategy. However, monthly deductions continue to be taken from the account value, including a monthly policy fee, monthly expense charge, cost of insurance charge, and applicable rider charges, regardless of interest crediting.

<sup>4</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 age 60 and 85, and that the policy has been in force 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 cash value and death benefit and may terminate other riders or reduce their benefits. There is a monthly charge from the Index segment value during the income payment period. The Lifetime Income Benefit Rider is optional and available at policy issue. Benefit payments are funded via tax-free policy loans, which will reduce the policy's cash value and death benefit.

<sup>5</sup> 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. Riders are optional, may require additional premium and may not be available in all states.

FlexLife NL, Indexed Universal Life Insurance, form series 20607/ICC19-20607(0119), and the Lifetime Income Benefit Rider, form series 20152/20235/20412 are underwritten by National Life Insurance Company, Montpelier, Vermont.

FlexLife Indexed Universal Life Insurance, form series 20608/ICC19-20608(0119), and the Lifetime Income Benefit Rider, form series 20266(0614) are underwritten by Life Insurance Company of the Southwest, Addison, TX.