

## 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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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.

## 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 Balanced Trend Index<sup>2</sup>

Considering his crediting options, Carlos really likes the 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 the Balanced Trend 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 Balanced Trend 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.

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