



PeakLife Indexed Universal Life Insurance




Enhancer Bonus Rates As of [February 15, 2020]

PeakLife offers you the opportunity to capture and lock-in more upside potential, with some Enhancer options offering greater bonus potentials for an additional cost.

How the Enhancer Bonuses Work¹

There are three bonus options to choose from: Enhancer, Enhancer Plus and Enhancer Max. You can pick the bonus you feel best suits your risk tolerance and market outlook. Availability may vary by state, and your financial professional can help determine which option may be right for you.

Enhancer Current Rates³

| Bonus Option | Market Outlook ² | Bonus Level | Cost |
|--|-----------------------------|--|---|
|  Enhancer | Optimistic | <ul style="list-style-type: none"> Bonus of 15% of the indexed credit earned may be credited Bonus starts in the second policy year Interest bonus maximum is 1% of Index Segment Value There is no charge for this option | No additional charge |
|  Enhancer Plus | More Optimistic | <ul style="list-style-type: none"> Bonus of 45% of the indexed credit earned may be credited Bonus starts in the second policy year Interest bonus maximum is 3% of Index Segment Value There is a charge of 1% of the Index Segment Value for this option | 1% of Index Segment Value |
|  Enhancer Max | Most Optimistic | <ul style="list-style-type: none"> Bonus of the indexed credit earned may be credited according to the planned schedule: <ul style="list-style-type: none"> 95% indexed credit bonus in years 2-20, up to 7% of Index Segment Value 70% indexed credit bonus in years 21-30, up to 5% of Index Segment Value 45% indexed credit bonus in years 31 and beyond, up to 3% on Index Segment Value | 3% of the Index Segment Value in years 1 – 19 2% of the Index Segment Value in years 20 – 29 1% of the Index Segment Value in years 30 and thereafter |

Enhancer, Enhancer Plus and Enhancer Max only credit a bonus in crediting periods where interest is credited to that strategy, beginning in year 2. 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.

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

Enhancer Guaranteed Rates³

| PEAKLIFE BONUSES | INTEREST BONUS CHARGE % | | INTEREST BONUS % | | MAXIMUM INTEREST BONUS % | |
|------------------|-------------------------|-------|------------------|-----|--------------------------|-------|
| ENHANCER | N/A | | 15% | | 1.00% | |
| ENHANCER PLUS | 1.00% | | 20% | | 1.50% | |
| ENHANCER MAX | YEARS | | YEARS | | YEARS | |
| | 1-19 | 3.00% | 2-20 | 30% | 2-20 | 2.50% |
| | 20-29 | 2.00% | 21-30 | 25% | 21-30 | 2.00% |
| | 30+ | 1.00% | 31+ | 20% | 31+ | 1.50% |



Enhancer Max

An example of how the Enhancer Max works:

Hypothetically, let's say your index segment value is \$10,000 in your first policy year. In this situation, your index segment would be subject to a 3% fee for the Enhancer Max bonus option which reduces the index segment value to \$9700. Since you chose Enhancer Max, at an additional cost, it currently provides an additional 95% bonus interest credit, not to exceed 7% of Index Segment Value.



Scan this code to see a quick video on how this works!

Here's how the bonus would be calculated in this scenario:

Index Segment Value
 $\$10,000 \times 3\%$ (cost for Enhancer Max in years 1-19)
 $\$10,000 - \$300 = \$9,700$ Index Segment Value after Enhancer Max charge

If the index segment earned 10% that year, after caps and participation rates, $\$9,700 \times 10\% = \970 interest earned that year

95% additional bonus
of \$970 = \$921.5

Interest earned on Index Segment Value
 $\$970 \times 95\% = \921.50 interest bonus

Not to exceed 7% of Index Segment Value

7% of Index Segment Value is \$679

Index Segment Value prior to interest credit
 $\$9,700 \times 7\% = \679 max interest bonus

\$970 + \$679
= **\$1,649** total interest earned, including bonus

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

PeakLife Indexed Universal Life Insurance, form series 20608(0119)/ICC19-20608(0119), and the LSW Flexible Accumulated Value Enhancement Rider (Enhancer, Enhancer Plus, Enhancer Max), form series 20644(0119)/ ICC19-20644(0119) are underwritten by Life Insurance Company of the Southwest, Addison, TX.

- 1 Enhancer, Enhancer Plus and Enhancer Max only credit a bonus in crediting periods where interest is credited to that strategy, beginning in year 2. 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.
- 2 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.
- 3 Current rates will be determined by the Company and may change from time to time based on expectations of future anticipated or emerging experience. **While the current rates are not guaranteed, they will never be worse than guaranteed rates.** The Interest Bonus Percentages and the Maximum Interest Bonus Percentages for the Enhancer bonus levels will never be lower than the guaranteed rates. The Interest Bonus Charge Percentage for the Enhancer bonus levels will never be higher than the guaranteed rates.