National Life Group®

Experience Life®



Financially Independent for Tomorrow

FIT Choice

FIXED INDEXED ANNUITY

Products issued by

Life Insurance Company of the Southwest®

TC98757(1217)3

Cat No 103687(0318)

liveFIT

Live Financially Fit for Life

As we live longer healthier lives; financial fitness becomes a bigger priority.





Enjoy — living well

Turn your retirement plan into a guaranteed[1] income for life!



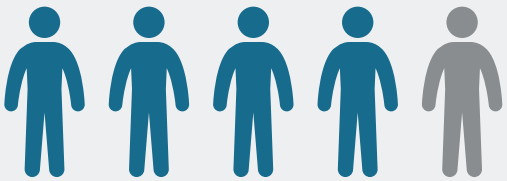
Instill — good habits

You insure everything that's significant in your life; why not protect yourself with life insurance.



Visualize — a secure retirement

An indexed annuity can help you build, grow and protect your retirement savings.



Retirement Priorities

5 out of 10 people prioritize having a guaranteed income in retirement.

Source: TIAA 2016 Lifetime Income Survey - September 14, 2016



What is a Fixed Indexed Annuity (FIA)?

A fixed indexed annuity uses a formula to calculate interest that considers performance of an underlying index like the S&P 500®[2] or the Russell 2000®[3], without actual participation in the stock market.

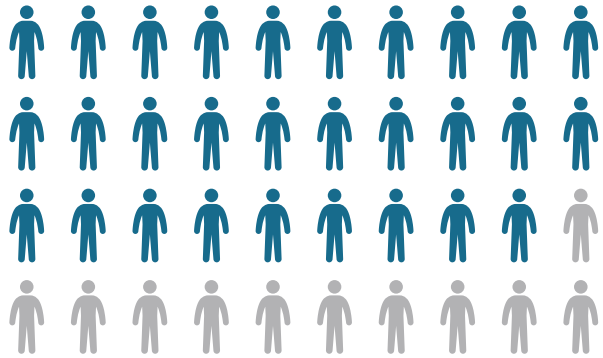
Fixed Indexed Annuities Can Provide:

- Tax Deferral
- Guaranteed Accumulation Value[4]
- Guaranteed safety of principal[4]
- Potential for higher interest crediting than traditional fixed annuities
- Lifetime Income through the Guaranteed Lifetime Income Rider (GLIR).[5]
- Death Benefit Protection

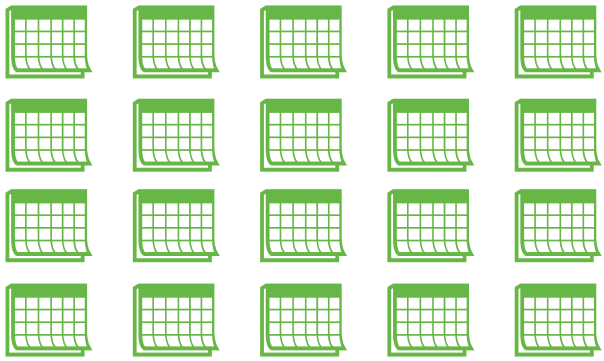


Retirement in America

78% of Americans are stressed about saving for retirement[6]



Most Americans will spend **20+ YEARS** in retirement[7]



What choices do you have?

FIT Choice provides safety from market risk while allowing you to choose between two Guaranteed Lifetime Income Riders (GLIR). The **Max Bonus GLIR focuses on maximizing retirement income** and the **Split Bonus GLIR has a focus on the accumulation value**.



FIT Choice Plus Can Help

Build your retirement savings with a Fixed Indexed Annuity that offers the potential for a higher guaranteed lifetime income than a traditional fixed annuity to help realize a Financially Independent Tomorrow.

Choice – Choose from two Guaranteed Lifetime Income Riders (GLIRs)[3] to help turn your retirement savings into guaranteed income for life!

Flexibility – You have control of your money. Choose how to allocate your values between multiple crediting options.

Never lose a penny due to a market downturn[4] – Premiums paid and interest credited are not subject to market risk.

How Does Interest Crediting Work?

Let's keep it simple.

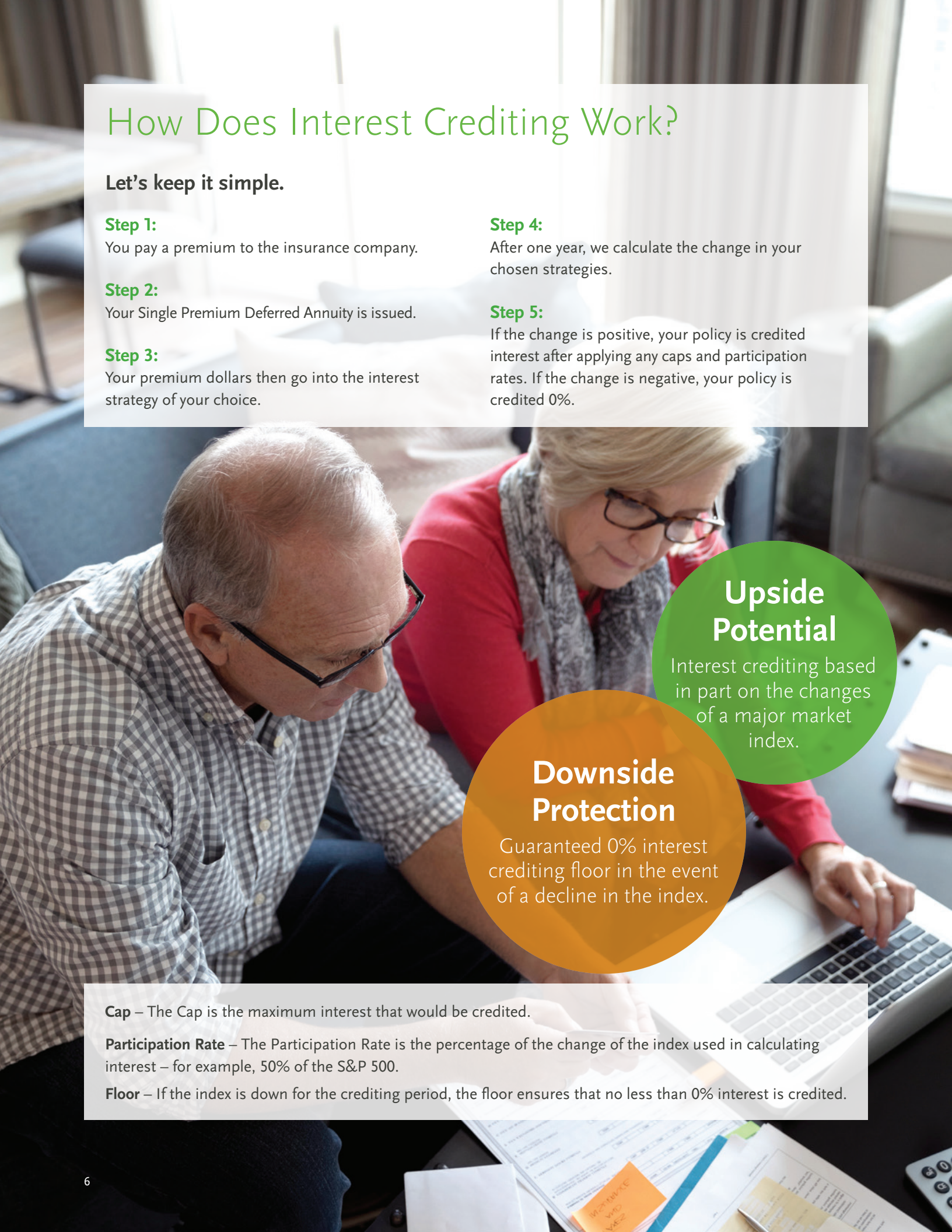
Step 1:
You pay a premium to the insurance company.

Step 2:
Your Single Premium Deferred Annuity is issued.

Step 3:
Your premium dollars then go into the interest strategy of your choice.

Step 4:
After one year, we calculate the change in your chosen strategies.

Step 5:
If the change is positive, your policy is credited interest after applying any caps and participation rates. If the change is negative, your policy is credited 0%.



Cap – The Cap is the maximum interest that would be credited.

Participation Rate – The Participation Rate is the percentage of the change of the index used in calculating interest – for example, 50% of the S&P 500.

Floor – If the index is down for the crediting period, the floor ensures that no less than 0% interest is credited.

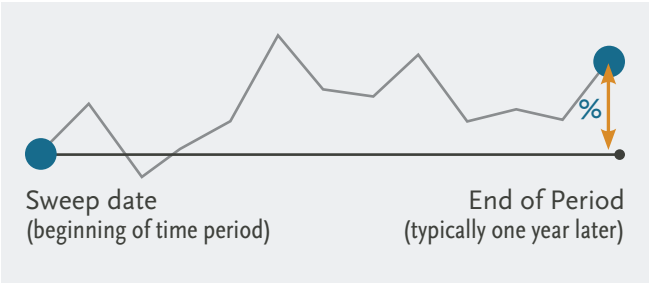
FIT Choice Crediting Methods:

Declared Fixed Account

The Declared Interest Account is an interest account for which interest is credited daily at a declared effective annual interest rate. We set the rate in advance each policy year.

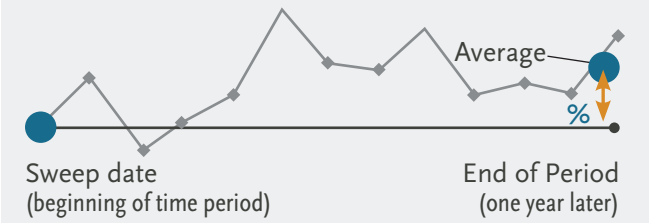
Annual Point-to-Point S&P 500® and Russell 2000®

Credits interest to the account by comparing the beginning and ending value of the chosen index.



Annual Point-to-Daily Average S&P 500®

Credits interest to the account by taking an average of the index values from the beginning date and every day the market is open during the term.



Annual Monthly Sum Cap S&P 500®

Credits interest to the account by adding the positive and negative monthly index results for the 12 month period. The Monthly Index Change for each Policy Month* is the change in the index at the beginning of the Policy Month to the index value at the end of the Policy Month, subject to a maximum called the Monthly Cap.

Hypothetical policy purchased in June.
Does not represent the actual results of any policy and your results will likely differ.

			INDEX CHANGE	MONTHLY CAP
JUN	1.25%		4.00%	1.25%
JUL	1.25%		2.00%	1.25%
AUG		-1%	-1.00%	1.25%
SEP	1.00%		1.00%	1.25%
OCT		-1%	-1.00%	1.25%
NOV	1.25%		1.25%	1.25%
DEC	0%		0.00%	1.25%
JAN	1.25%		1.50%	1.25%
FEB		-3%	-3.00%	1.25%
MAR	.50%		0.50%	1.25%
APR	1.25%		1.25%	1.25%
MAY	1.25%		2.00%	1.25%
	9%	-5%		
	4% interest credited to policy			

* Policy years are yearly periods which start on the issue date and on the same month and day each year thereafter. Policy Months are monthly periods which start on the issue date and on the same day of the month each month thereafter.



Your FIT Choice annuity provides many additional benefits at no additional cost, such as:

- Nursing Care and Terminal Illness Riders (in states where approved) at no additional cost.
- 10% Free Withdrawals in Policy Year 2+

People worry most about outliving money early in retirement; for some health becomes the area of greatest concern.[8] The Nursing Care and Terminal Illness riders give you peace of mind that you will have access to a portion of your savings without surrender charges in the case of a qualifying event.

*Not all riders are available in all states.

FIT Choice Product Specs:

Maximum Issue Age:	35-75
Initial Premium:	Minimum: $10,000
	Maximum: Ages 35-70 – $1,000,000 Ages 71-75 – $750,000

GLIR is required and a choice between the Max Bonus GLIR or the Split Bonus GLIR must be elected at issue. The cost is .90% of the Accumulation Value, deducted from the Accumulation Value annually.

Surrender Charge Schedule:

Policy Year	Rate
1	8%
2	8%
3	7%
4	6%
5	5%
6	4%
7	3%
8	2%
9	1%

Withdrawals in excess of the 10% free withdrawal amount are subject to a market value adjustment (MVA) during the 10 year MVA period. There is no market value adjustment in California. Depending on interest rates at the time, the amount withdrawn may be increased or decreased after the surrender charge is applied.

Nursing Care Rider not available in: CA, IL, LA, MA, MT, NH, NJ, SC, SD, WA, WV, WI

Terminal Illness Rider not available in: CA, IL, LA, MA, MO, MT, NH, NJ, OR, PA, UT, WV, WI

Note: Above list does not indicate FIT Choice product availability.

It's your retirement...It's your choice.

How the Guaranteed Lifetime Income Rider (GLIR) works

The Max Bonus GLIR and Split Bonus GLIR benefits are calculated on your accumulated value by applying a guaranteed withdrawal percentage based on the age you start taking income. On top of that, an Activation Bonus is applied to enhance your income. Once you start receiving income; an additional feature based on positive interest credits may allow your income to increase annually. Don't worry! In the event the index experiences a negative return, you are protected by the 0% floor.

FIT Choice GLIR Options

FIT Choice offers two unique Guaranteed Lifetime Income Riders with a bonus feature that lets you choose how to optimize your income.

It's your retirement... your bonus... your choice.

When you purchase your FIT Choice annuity, you'll pick the GLIR that's best for you.

How Bonus GLIR Works:

The **Max Bonus GLIR** provides a one time Activation Bonus that scales up your payments when you are ready to start receiving income – raising the amount of income you receive. If you are focused on receiving the max income in retirement, the Max Bonus GLIR may be for you.

The **Split Bonus GLIR** provides the option to split the bonus between a one-time immediate interest credit at issue and a one-time bonus when you are ready to start receiving income. If you want to boost your Accumulation Value, the Split Bonus GLIR may be a good fit for you.

Max Bonus GLIR Schedule

Policy Year of Starting Income	Activation Bonus
11-15	140%
16-20	170%
21+	200%

Split Bonus GLIR Schedule

Policy Year of Starting Income	Activation Bonus
11-15	120%
16-20	135%
21+	150%

Immediate 5% bonus on initial premium



Which GLIR is right for me?

Max Bonus GLIR

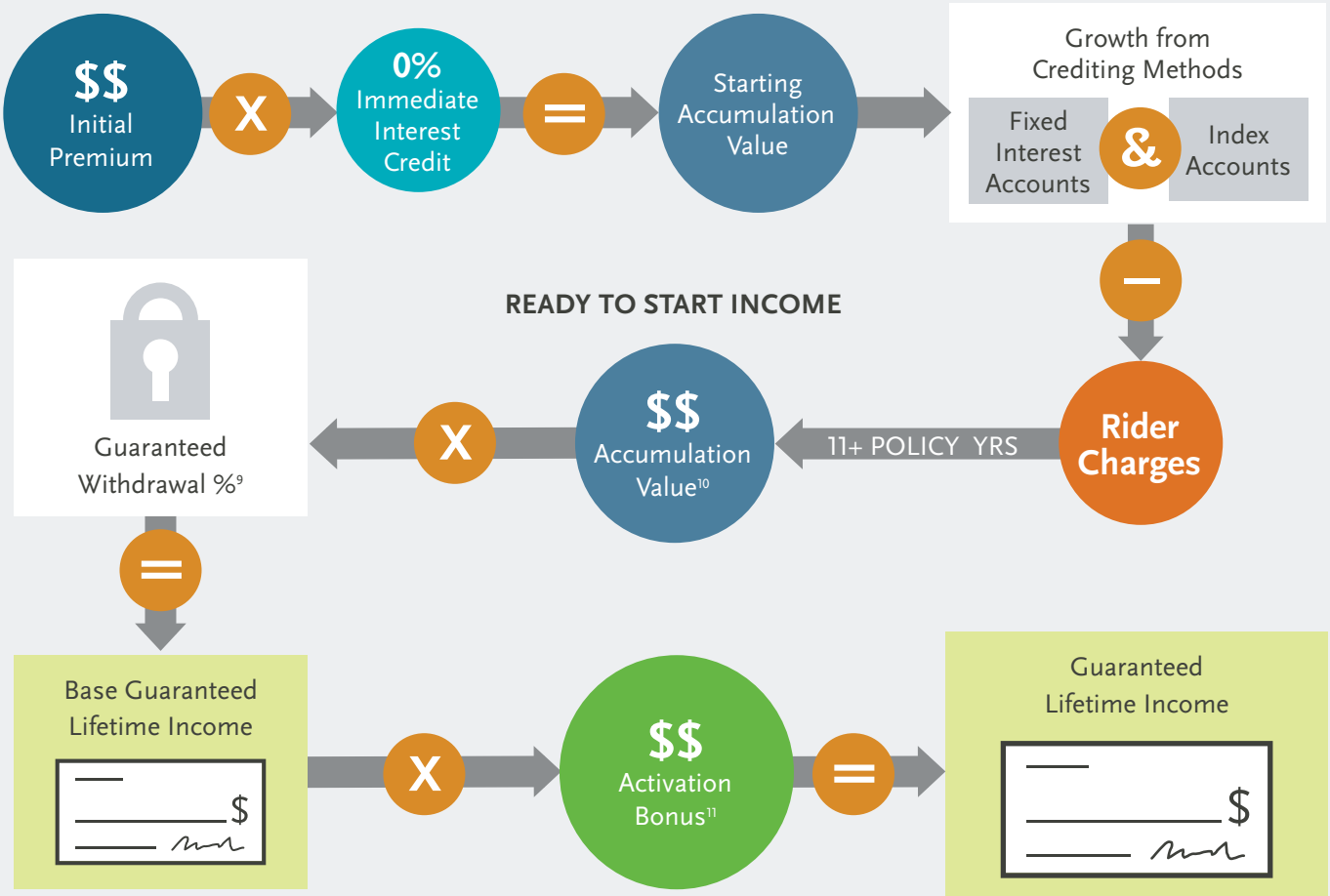
If your focus is on maximizing your retirement income; the Max Bonus GLIR may be a good fit for you.

Can wait 11 or more years to start your retirement income

+

are focused on **boosting your retirement income**

How the Max Bonus GLIR Works:



Policy Year of Starting Income	Max Bonus GLIR
11-15	140%
16-20	170%
21+	200%

This example is purely hypothetical and for illustrative purposes only. The example shown above does not represent the actual results of this rider, and your results will likely differ.

Split Bonus GLIR

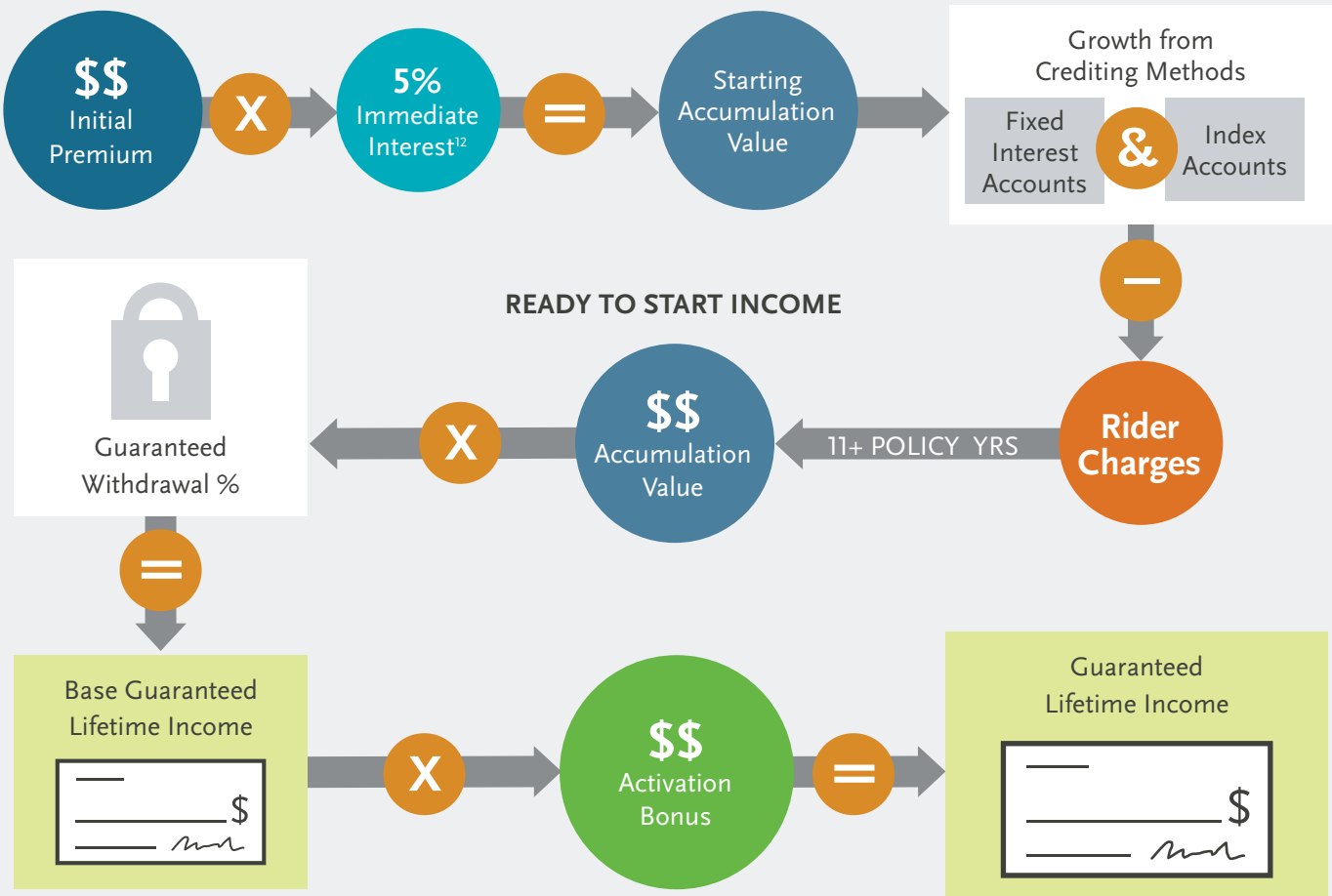
If your focus is boosting your accumulation value over your retirement income; the Split Bonus GLIR may be a good fit for you.

Can wait 11 or more years to start your retirement income

+

are focused on **boosting your accumulation value** over your retirement income

How the Split Bonus GLIR Works:



Policy Year of Starting Income	Split Bonus GLIR
11-15	120%
16-20	135%
21+	150%

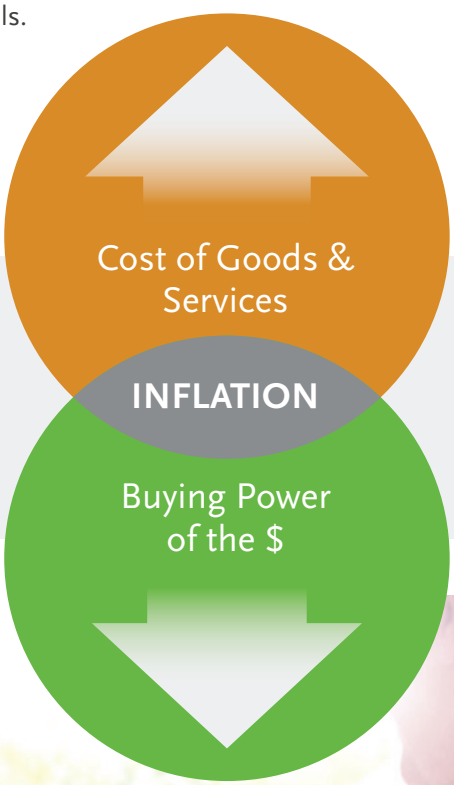
This example is purely hypothetical and for illustrative purposes only. The example shown above does not represent the actual results of this rider, and your results will likely differ.

But What About Inflation?

Market risk isn't the only factor that can erode your retirement savings.

Inflation can have a big impact on spending power in retirement. Inflation is when the cost of goods and services rises as the buying power of the dollar falls.

When your income lags behind the rising costs of goods and services, you'll have less money to spend on your retirement dreams.



Inflation Diminishes Purchasing Power

In 20 years, a retiree would need $2,422 to buy what $1,314 buys them today (assuming 3% inflation).

That is a monthly shortfall of $1,108 dollars.



Investopedia. How Inflation Eats Away at Your Retirement. 5/26/2016

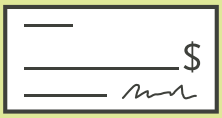
PassThrough Feature

The PassThrough Feature provides the potential to increase your income any time interest is credited to an index strategy.

It's like getting a raise in retirement! But don't worry – your guaranteed income will never decrease because you are protected by the 0% floor.

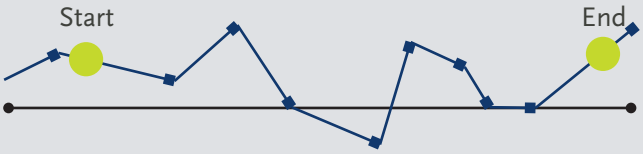
Here's how it works*:

Guaranteed Lifetime Income



(After bonuses are applied)

Index Interest Accounts

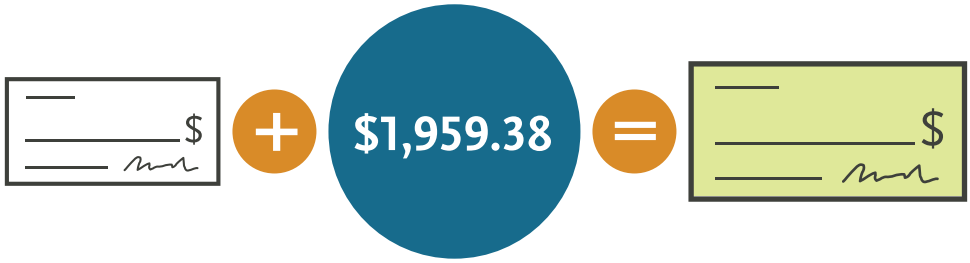


Index Change = 4.0% = $33,000 hypothetical interest credited

Let's assume your account receives $33,000 in interest credits.

With the PassThrough Feature feature, your guaranteed lifetime income would increase by $1,959.38 ($33,000 X GWP** of .0475% (Age 65) X 125% (PassThrough Factor).

If your account receives no interest credits, your guaranteed lifetime income will stay the same and will not decrease.



*Numbers used are hypothetical and do not represent actual results.

**GWP = Guaranteed Withdrawal Percentage





It's your life...your retirement...your choice.

3 Indexing Calculation Methods: Point to Point, Point to Daily Average, and Monthly Sum Cap

+2 Guaranteed Lifetime Income Riders – Income Focused or Accumulation Value Focused

+1 Increasing Income Feature – offers the potential for getting a raise in your retirement income

Endless ways to live out your retirement dreams

LiveFIT

with National Life Group.



National Life Group® is a trade name representing various affiliates, which offer a variety of financial service products. Life Insurance Company of the Southwest, Addison, TX, is a member of National Life Group. Premier Financial Alliance is an independent agency of National Life Group.

FIT Choice indexed annuity,form series 20370(0317)/ICC17-20370(0317), Guaranteed Lifetime Income Rider form series 20365(0916)/ICC16-20365(0916), /ICC17-20365(0817), Nursing Care Rider form series 7648 and Terminal Illness Rider form series 7649 are issued by Life Insurance Company of the Southwest. This advertising material is used by multiple states, some with varying form number requirements; therefore, all required variations are provided. Not all policies or riders are available in all states – please check with your agent regarding availability in your state.

This advertising is not approved for use in DE, OK, OR, WY.

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

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3 The Russell 2000 Index is a trademark of Russell Investment Group and has been licensed for use by Life Insurance Company of the Southwest. The Products are not sponsored, endorsed, sold or promoted by Russell Investment Group and Russell Investment Group makes no representation regarding the advisability of purchasing the Products.

4 Assuming no withdrawals during the surrender period, or any applicable rider charges.

5 Electing this rider incurs an additional cost. Guaranteed Withdrawal Payments are taxed as ordinary income, and reduce the policy's accumulated value, but you will continue to receive these payments during your lifetime even if your accumulation value declines to zero.

6 Will You Have Enough? Chicago Tribune. 3/26/17

7 Social Security Administration Calculators: Life Expectancy. 7/2017.

8 AICPA, PFP Trends Survey, 2016

9 A guaranteed factor that is multiplied by your accumulation value to determine your GLIR income. It is based on your age and increases every year income is deferred.

10 Your initial premium plus any interest credits minus any withdrawals or charges. Index performance is not guaranteed.

11 A bonus that increases your retirement income. It's a guaranteed factor that is multiplied by your GLIR income. The longer you wait to start your income, the greater the bonus.

12 5% Immediate Interest Credit applied to the initial premium.

All withdrawals made from annuities with pre-tax contributions are taxed as ordinary income. All withdrawals from an annuity purchased with non-qualified monies are taxable as ordinary income only to the extent there is a gain in the policy. In addition, withdrawals prior to age 59 ½ may be subject to a 10% Federal Tax Penalty.

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.