National Life Group®

Experience Life®

LSW IncomeBuilder UL

UNIVERSAL LIFE INSURANCE



Products issued by

Life Insurance Company of the Southwest®

National Life Group® is a trade name representing various affiliates, which offer a variety of financial service products.

TC83931(0415)3

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Now you can help protect your family and plan for your future income goals – all in **ONE** policy.[1]

Complete family protection and the potential to build cash value is now available in one package. LSW IncomeBuilder UL, a Universal Life insurance policy from Life Insurance Company of the Southwest (LSW), gives you so much more than just a death benefit. It also allows you to prepare, protect and save for your future.

Life insurance you don't have to die to use.

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1 Benefits are not mutually exclusive. Using one benefit may reduce or eliminate another.

2 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.

3 Additional underwriting may be required.

4 Riders are optional and may not be available in all states. An additional premium is charged for some riders. Benefits and terms may vary by state.

5 Policy loans and withdrawals reduce the policy's cash value and death benefit and may result in a taxable event. Surrender charges may reduce the policy's cash value in early years.



Achieve More . . .

Flexibility

One of the key features of Universal Life insurance is premium and death benefit flexibility. With IncomeBuilder UL, you can make level, increasing or decreasing premium payments. You can even skip payments all together if you have sufficient policy cash value.[2]

You also have the flexibility of choice in death benefit coverage. As your needs change, your policy's death benefit can be increased or decreased, thereby eliminating the need for multiple policies.[3]

IncomeBuilder UL provides the flexibility you need to structure your Universal policy, including the ability to add or remove valuable riders, to help meet specific insurance needs.[4]

Access to Policy Cash Values

Your IncomeBuilder policy also provides potential for the tax-deferred build-up of policy cash value. Values that you can access for your unique and personal future income needs.[5]

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Guarantees[6]	Regardless of where interest rates go, your policy values will continue to earn an attractive guaranteed interest rate. By purchasing the optional Death Benefit Protection Rider, as long as a certain level of premium has been maintained, you can help ensure that your death benefit will not lapse, even during times of tight cash flow.
Flexibility	Flexibility of premium, death benefit and optional riders for lifetime protection. The opportunity to build tax-deferred cash values and the flexibility to choose when and how to use them.
Value	Optional living benefits and coverage for multiple insureds with the optional Other Insured Rider.[7]
Options	The option for family coverage on your spouse or children, the ability to cover another insured, optional riders that can provide benefits in the event of disability and unemployment, all with just one policy.

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

7 Receipt of accelerated benefits will reduce the cash value and death benefit, may be a taxable event and may affect a family's eligibility for public assistance programs.

8 Policy loans and withdrawals reduce the policy's cash value and death benefit and may result in a taxable event. 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. If the policy were classified as a Modified Endowment Contract (MEC) all loans and withdrawals would be considered taxable income. Surrender charges may reduce the policy's cash value in early years.



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At Retirement

Retirement, the best years of your life. That is, if you have the cash to support it.

Think about all of the wonderful goals you want to achieve during retirement. How do you plan on making those dreams a reality?

If you have a need for life insurance but also have expectations for your retirement years, LSW IncomeBuilder can help you pursue those goals in a tax-advantaged manner.

Your income that you use to pay your premium has already been taxed, and through the use of policy loans and withdrawals, you can receive tax-free income during retirement.[8]

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Accumulation through Guarantees

Your IncomeBuilder UL policy has the potential to accumulate cash value at an interest rate that may be greater than the guaranteed interest rate. IncomeBuilder offers a very attractive guaranteed rate of 3.00%. This assures you that, regardless of the volatility of financial markets, you have a guaranteed and attractive interest rate.

Protection through Guarantees

We may not always know what life has in store for us. We could all benefit from a little extra security in our lives. By adding the optional Death Benefit Protection Rider to your policy, and maintaining premiums to meet the monthly premium test,[9] you will help assure that your policy will not lapse, even during times of tight cash flow.

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9 The Death Benefit Protection (DBP) Rider ensures that during the DBP Period, the policy will not lapse even if the cash surrender value is less than or equal to zero as long as the monthly premium test is met. Withdrawals and policy loans taken against the policy will impact the Monthly Premium Test. If a withdrawal or transfer made or a policy loan taken against this policy results in the net accumulated premiums falling below the accumulated Monthly Guarantee Premiums on any Monthly Policy Date, a notice of pending termination of the rider will be sent. An additional premium would then be required to keep the rider in force. If the DBP Rider lapses while the cash surrender value of the policy is zero, the policy may enter a grace period and an additional premium may be required to keep the policy in force. Premium payments just equal to the Monthly Guarantee Premiums will ensure that a death benefit is payable under the policy, according to the guarantees provided by the Death Benefit Protection Rider, but this level of funding will not necessarily provide for the build-up of significant accumulated value in the policy.

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Value

Valuable, No Additional Cost, Accelerated Benefits Riders (ABR) Medical conditions and illnesses, although not always fatal, can have a serious impact on your lifestyle, your ability to live independently, and can deplete even substantial savings in fairly short order. Accelerated Benefits Riders are optional, no-additional cost riders that can allow you to access all or part of your death benefit, while living, if you experience a qualifying terminal, chronic, or critical illness, or critical injury. The use of the benefit is unrestricted with the exception that ABR proceeds for chronic illness in the state of Massachusetts can only be used to pay for expenses incurred for Qualified Long-Term Care services.[10]

Since the benefit is unrestricted, once you qualify, you can use the benefit for any expense. Expenses might include, but are not limited to:

- Household expenses
- Home modifications
- Nursing home care
- Adult Day Care
- Regular bills
- Quality of life expenditures



**Life Changes.
Protect It.**

10 Qualified Long-Term Care services: The necessary diagnostic, preventative, therapeutic, curing, treating, mitigating and rehabilitative services, and maintenance or personal care services that are required by a chronically ill individual and are provided pursuant to a plan of care prescribed by a licensed health care practitioner.

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Options

IncomeBuilder offers the option to provide insurance coverage on other insureds all within a single policy. The Other Insured Rider allows you to purchase renewable term insurance on yourself, your spouse, child, or business partner.

The Children's Term Rider provides term insurance coverage on all of your children until they reach age 23. Your child can convert this coverage later to their own individual policy. The rider covers any children born or adopted after the policy is issued, and any dependent stepchildren living in your home.

Through our Disability Income Riders you can receive monthly benefits should you become disabled and unable to work. Benefits can be paid over a two year or five year period.

The Waiver of Specified Premium Rider waives your policy premium should you become totally disabled. After a six month waiting period, this rider will pay a monthly "target" benefit into the policy's accumulated value. If the policy should lapse while the benefit is being paid, it will be paid to you until your disability ends.

The Unemployment Rider will waive your policy premiums for three months if you are involuntarily unemployed from your full-time job.

Life insurance
you don't have to die to use.

Additional, valuable riders for you, your family, or business associates:

- Accidental Death Benefit Rider
- Death Benefit Protection Rider
- Unemployment Rider
- Overloan Protection Rider

The Disability Income and Accelerated Benefits insurance riders have exclusions, limitations, reductions of benefits and/or terms under which the rider may be continued in force or discontinued. For costs and complete details of coverage, call or write your agent or the company.

LSW Accelerated Benefit Riders, form series 8052, 20287,20288,ICC15-20287, ICC15-20288, 8095, 8165, 8766, ICC10-8844.

Riders are optional, may be subject to underwriting, exclusions and/or limitations and may not be available in all states or on all products. Receipt of accelerated benefits will reduce the cash value and death benefit, may be a taxable event and may affect a family's eligibility for public assistance programs. Please consult your personal tax advisor to determine the tax status of any benefits paid under this rider and with social service agencies concerning how receipt of such a payment will affect you, your spouse and your family's eligibility for public assistance. This rider is intended for favorable tax treatment under Section 101(g) of the Internal Revenue Code (26 U.S.C. Sec. 101(g)). Whether such benefits qualify depends on factors such as your life expectancy at the time benefits are accelerated or how the benefits are used. There is no restriction placed on the use of the accelerated benefit with the exception that ABR proceeds for chronic illness in the state of Massachusetts can only be used to pay for expenses incurred for Qualified Long-Term Care services, which are defined as: The necessary diagnostic, preventative, therapeutic, curing, treating, mitigating and rehabilitative services, and maintenance or personal care services that are required by a chronically ill individual and are provided pursuant to a plan of care prescribed by a licensed health care practitioner.

The actual payment you receive will be less than the portion of the death benefit accelerated because the benefits are paid prior to death. Values are based on a current interest rate and mortality rates. There is an initial administrative fee at the time the rider is exercised. We currently limit the amount of death benefit that may be accelerated under all contracts made over the entire lifetime of the insured to $1,500,000 for terminal illness and chronic illness, and $1,000,000 for critical illness or critical injury. We reserve the right to change this limit in the future; however the limit will never be less than $500,000. Other restrictions, limitations and waiting periods may apply.

Our Terminal Illness riders allow for the payment of a portion of an insured's death benefit, on a discounted basis, if the insured has an illness or chronic condition which can reasonably be expected to result in death in 24 months or less. There is no additional premium for this rider.

Our Chronic Illness and Covered Chronic Illness riders allow for the payment of a portion of an insured's death benefit, on a discounted basis, if the insured is Chronically Ill. A chronic illness is defined as one that leaves you unable to perform, without substantial assistance, two of the six normal activities of daily living for a period of at least 90 consecutive days due to a loss of functional capacity or requires substantial supervision to protect oneself for a period of 90 consecutive days from threats to health and safety due to severe cognitive impairment. The six activities of daily living include bathing, continence, dressing, eating, toileting, and transferring. There is no additional premium for this rider.

Our Critical Illness or Critical Injury riders allow for the payment of a portion of an insured's death benefit, on a discounted basis, if the insured is critically ill or critically injured. Covered critical illnesses are: ALS (Lou Gehrig's disease), Aorta Graft Surgery, Aplastic Anemia, Blindness, Cancer, Cystic Fibrosis, End Stage Renal Failure, Heart Attack, Heart Valve Replacement, Major Organ Transplant, Motor Neuron Disease, Stroke, and Sudden Cardiac Arrest. Covered critical injuries are: Coma, Paralysis, Severe Burns, and Traumatic Brain Injury. Covered critical illness or critical injury conditions may vary by state. Covered Critical illness in the state of MA includes: Coronary artery disease resulting in acute infarction vascular or requiring surgery; End-stage Renal Disease; Major organ transplant; Permanent neurological deficit resulting from cerebral vascular accident; Diagnosis of an invasive malignancy characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue. Cancer does not include: Stage A Prostate Cancer; Any skin cancer, except invasive malignant melanoma into the dermis or deeper; Pre-malignant lesions, benign tumors, or polyps; and Carcinoma in-situ.

There is no additional premium for this rider.

Accelerated Benefits Riders (ABR) vs. Long-term Care (LTC) Insurance

Certain states require advertising for ABRs to provide a comparison to the benefits provided by LTC insurance. However, Accelerated Benefits provided by the ABR riders are not long-term care insurance, and are not intended to be the same as, or an alternative to, long-term care insurance.

This is a life insurance benefit that also gives you the option to accelerate some or all of the death benefit in the event that you meet the criteria for a qualifying event described in the policy. This policy or certificate does not provide long-term care insurance subject to California long-term care insurance law. This policy or certificate is not a California Partnership for Long-Term Care program policy. This policy or certificate is not a Medicare supplement (policy or certificate).

ABR 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. Receipt of benefits may reduce or eliminate the availability of other policy riders and benefits. Benefits available are calculated at time of claim based on the age of the policy and our expectation of your future mortality. The amount of Accelerated Benefit available will depend on your life policy's death benefit value when ABR benefits are claimed. For policies in good standing, if ABR benefits are not used, policy death benefits and other rider benefits are still available.

Long-term care (LTC) insurance is not life insurance, and as such, has no death benefit or cash value. LTC insurance benefits are specified at the time of the contract. LTC benefits are paid as a form of expense reimbursement for qualified long-term care expenses. By comparison, since ABR benefits can be used for any reason, they are paid once qualifications are met, and do not require you to provide receipt of specific expenses to qualify for the benefit. LTC premiums vary based on the level and length of benefit chosen by the policyholder. Premiums are paid on a recurring basis, and failure to pay premiums will generally lapse the policy. If LTC benefits are not claimed, they are typically forfeited. LTC insurance policies may offer non-forfeiture benefits for additional premium.

This is a solicitation of insurance. An insurance agent may contact you.

Accidental Death Benefit Rider, form series 8050, pays an additional death benefit if death is as a result of an accident. This rider will stay in force until the policy anniversary following the insured's 70th birthday as long as the life insurance coverage remains in force.

Children's Term Rider, form series 8056

Death Benefit Protection Rider, form series 8805/ICC10-8805

Disability Income Rider, form series 8054, 8065, is available for an additional premium and provides a fixed benefit if the insured is totally disabled. Certain occupations are ineligible for coverage.

Guaranteed Insurability Rider, form series 8051, provides the ability to increase coverage without producing evidence of insurability during certain option periods.

Other Insured Rider, form series 8057/8535

Overloan Protection Rider, form series 8542, prevents the policy from lapsing when the loan amount exceeds the accumulated value (and other requirements of the rider are met) therefore preventing any reportable taxable gain to policy holder. Substantial limitations apply to exercising the Overloan Protection Rider, including that the policy be in force 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 when the rider is exercised.

Waiver of Specified Premium, form series 8519/8520

Unemployment Rider, form series 8058



LSW IncomeBuilder UL, Universal Life Insurance Policy–form series 8796/ICC10-8796/8797/ICC10-8797 and applicable riders are issued and underwritten by Life Insurance Company of the Southwest (LSW), Addison, TX.

National Life Group® is a trade name representing various affiliates, which offer a variety of financial service products.

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