



National Life  
Group®

# TotalSecure

WHOLE LIFE INSURANCE

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, founded in Montpelier, VT in 1848, Life Insurance Company of the Southwest, Addison, TX, chartered in 1955, 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

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



# TotalSecure:

## More than Permanent Life Insurance Protection

### Predictability

Level premiums are guaranteed never to go up.

Guaranteed future cash value which can serve as a fixed or cash asset in a diversified portfolio.<sup>1</sup>

Cash value that can be accessed through withdrawals or tax-free policy loans.

### Convenience

"Set and forget" your premium payment schedule.

24/7 access to your policy through our website and mobile app.

"Paid-Up" insurance options that let you fully fund your policy sooner, you never pay another premium again.<sup>2</sup>

### Flexibility

Customizable premium payment options to fit your budget.

Optional riders<sup>3</sup> to meet other protection needs.

Access your death benefit using living benefit riders in the event of a qualifying illness or injury.<sup>4</sup>





# Why Whole Life Insurance?

Compared to other popular insurance types, whole life is the only one that offers it all.

	Whole Life	Universal Life	Term Life
Permanent Death Benefit	✓ Yes	Yes	No
Level Premiums Forever	✓ Yes	Sometimes <sup>5</sup>	No
Guaranteed Cash Accumulation	✓ Yes	Sometimes <sup>5</sup>	No
Policy Dividend Rights <sup>6</sup>	✓ Yes	No	No

## Cash Value

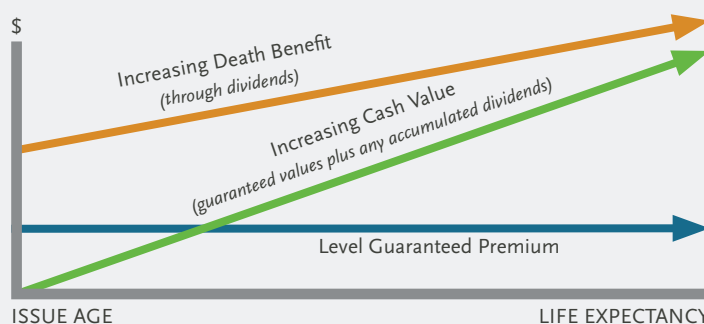
Your TotalSecure policy's cash value is guaranteed to grow, tax-deferred, over time. Your cash value is different than your death benefit and it can be accessed through policy loans and withdrawals during your lifetime to help with a wide range of financial needs,<sup>7</sup> including:

<p>Financial Emergencies</p> 	<p>College Tuition</p> 	<p>House Down Payment</p> 	<p>Supplementing Retirement Income</p> 
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## How Your Cash Value Grows

A TotalSecure policy not only provides a death benefit to your loved ones, but it also builds cash value over time. You pay level premium payments that never go up, which guarantees your (generally) tax-free death benefit<sup>8</sup> that can also increase over time depending on how many dividends are applied.

Looking at the chart below, this client is making her required premium payments, and she chooses to apply any annual dividends back to her TotalSecure policy. This contributes even more to its cash value that she can use for loans or withdrawals or to pay for certain emergency expenses that may arise.



# Flexible Funding Options

## Flexible Premiums

No matter where you are in life, TotalSecure's flexible premiums make it easier to keep your coverage in-force no matter your budget. Options<sup>9</sup> include:

- Consistent, level premium payments for the life of the policy.
- Payment schedules of monthly, quarterly, semi-annually, or once a year.
- A limited-pay policy that gives you the option to extend the payment schedule and lower premiums if your cash flow situation changes.
- Paid-Up options that let you fully fund your policy in the policy year you choose, eliminating premium payments from then on.
- A Premium Deposit Account<sup>10</sup> to hold a lump sum payment that is sufficient to cover premiums over a chosen duration.

## Paid-Up Options

Just like paying off your student loans or home mortgage, Total Secure's Paid-Up Insurance Option lets you fully fund your policy early and save money in the long run. By paying more premium today, you end up with higher cash value over time while eliminating your monthly premium once the policy is paid-up, while your coverage remains in place.

## Dividend Options

Whole life insurance policies offer policy owners a right to participate in dividends. The dividend is an actual payment to policy owners that typically occurs annually. Each year, the insurance company determines what the dividend rate will be, or if it will pay a dividend at all.

## How Dividends Are Set

When determining dividends we consider many factors, such as premiums received, expenses, investment results, mortality experience and the risk tolerance of our company to determine whether we will pay a dividend or how much it will be.

## Other Ways to Use Your Dividends

If and when dividends are issued, you have choices in how to use them:

- Take as cash – We issue you a check.
- Reduce Your Premiums – Deduct dividend amounts from your premium due.
- Purchase more coverage – Dividends help fund additional Paid-Up insurance.
- Repay a Loan – Pay yourself back a little sooner.
- To fully pay for portions of a base policy's face amount (see "Internal Paid-Up Option" on below).
- When dividends are used to purchase more coverage, it increases your death benefit and the cash value of the policy when they are credited.

## Exclusive Dividend Option

TotalSecure also offers an industry-exclusive "Internal Paid-up Option." This feature lets you use your dividends to pay up your policy sooner. So, rather than just using dividends to pay future premiums, you can actually use them to fully fund some or all of your coverage a lot sooner.

Work with your financial professional to decide which funding options make sense for you.



**EXAMPLE:**  
Paid-Up Options

**Meet Jennifer**

37 year-old Married Attorney and Mom

Jennifer purchased her TotalSecure policy at age 37 to provide for her family and grow her cash value with the thought of supplementing her retirement income. At the time she purchased her policy she had planned to pay her premiums over a 30-year period but now has an opportunity to apply that to her policy sooner. After a recent promotion, she has extra money each month and would like to get her policy Paid-Up. After meeting with her financial professional they determined that she could afford to fully fund her coverage about 10 years sooner than originally planned. By paying off her policy early, her policy's cash value will grow stronger than it would have before.

While, Jennifer should expect to pay more in premium for the first 20 years of her coverage she won't have to pay another premium – ever. And, by the 30th year, her policy's cash value will be \$54,745 higher than if she had paid over the original 30-year period.

Policy Year	Age	WITHOUT Paid-Up Option*		WITH Paid-Up Option**	
		Cumulative Premium	Net Cash Value	Cumulative Premium	Net Cash Value
5	41	\$24,075	\$12,950	\$24,075	\$12,950
10	46	\$48,150	\$43,255	\$48,150	\$43,255
20	56	\$96,300	\$113,080	\$151,019	\$181,865
30	67	\$144,450	<b>\$194,090</b>	\$151,019	<b>\$248,835</b>

Difference in Cash Value: **\$54,745**



**EXAMPLE:**  
Limited Pay Options

**Meet Marc**

32 year-old Police Officer and Single Dad

Marc is a decorated police officer and the primary caregiver to his 2-year-old daughter Jasmine. His career choice has many risks, so he wants to guarantee that Jasmine will be financially protected if he wasn't able to care for her.

Marc carefully budgets his money, but sometimes it's hard to meet all his monthly bills. His financial professional shared that his TotalSecure policy offers a feature that can help him lower his monthly payments while keeping the same coverage amount he wants: The Flex-Term Rider.

Based on Marc's situation, TotalSecure's Flex-Term Rider will save him \$22,710 in policy premium over 30 years for the same amount of death benefit protection by the 30th policy year. Although his policy's cash value by that time will be less than if he paid the higher premiums, he is focused today on his primary need for strong death benefit guarantees at a more affordable cost.

Policy Year	Age	WITHOUT Flex-Term Rider			WITH Flex-Term Rider		
		Cumulative Premium	Net Cash Value	Net Death Benefit	Cumulative Premium	Net Cash Value	Net Death Benefit
5	36	\$12,368	\$6,183	\$250,000	\$8,583	\$4,493	\$250,097
10	41	\$24,737	\$21,530	\$250,000	\$17,166	\$15,185	\$250,188
20	51	\$49,474	\$54,298	\$250,000	\$34,332	\$39,667	\$250,323
30	61	\$74,220	<b>\$90,658</b>	\$250,000	\$51,510	<b>\$68,968</b>	\$250,668

Annual Premium: \$2,474  
Death Benefit: \$250,000  
Policy Paid-Up: Age 61\*\*\*

Annual Premium: \$1,717  
Death Benefit: \$250,000\*\*\*  
Policy Paid-Up: Age 61\*\*\*\*

Difference in Monthly Premium:	<b>\$63/month</b>
Difference in Death Benefit:	<b>No Change</b>
Difference in Policy Paid-Up Age:	<b>No Change</b>

\*Policy is paid over a 30-year period.

\*\*Using the Paid-Up Insurance Option, the premium is increased in year 11 in order to fully fund the policy 10 years sooner by the end of the 20th year.

\*\*\*Comprised of \$150,000 whole life base and \$100,00 Flex-Term Rider death benefit.

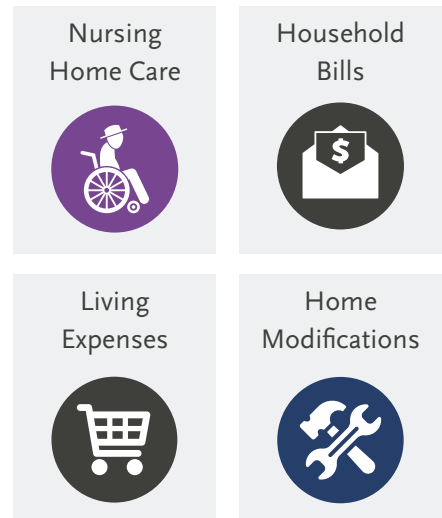
\*\*\*\*Paid-up age applies to policy's whole life coverage portion only.

# Your Living Benefits

Breathe easier knowing TotalSecure offers financial protection that you can use during your lifetime.

Accelerated Benefits Riders<sup>12</sup> (ABRs) are optional, no additional cost features that allow you to access all or part of your death benefit during a qualifying terminal, chronic, or critical illness or a critical injury.

Depending on where you live, you can use the benefit for any expenses, including:<sup>13</sup>



## Other Policy Enhancements to offer you Predictability, Flexibility and Convenience

TotalSecure offers additional optional riders that can be added to provide an extra safety net for you and your loved ones. Your financial professional can help you determine which may be right for you. Availability may vary by state.

### Guaranteed Insurance Option

Guarantees you the ability to add more death benefit coverage to the policy at certain points during your lifetime regardless of insurability.

### Additional Paid-Up Life Insurance

Increases your policy's living benefits and death benefit by raising the policy's cash value.

### Beneficiary Insurance Option<sup>13</sup>

Guarantees the availability of permanent insurance on the life of a second insured person following the death of the primary insured person.

### Children's Term Option

Provides term life insurance on all your children until they reach age 25.

### Term Insurance

Provides you with additional coverage above the policy's face amount in the form of a fixed term insurance policy for a specified period of time, such as 10, 15, 20 or 30 years.

### Waiver of Premiums

Should you become permanently disabled, you would no longer be required to pay premiums to keep your coverage.

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TotalSecure NL, form series 20536(0918)/ICC18-20536(0918), Additional Paid-Up Life Insurance Rider, form series ICC18-20546(0918)/205467(0918), Beneficiary Insurance Option Rider, form series ICC18-20538(0918)/20538(0918), Children's Term rider, form series 20404(0616), Flex Term Rider, form series ICC18-20540(0918)/20540(0918), Guaranteed Insurability Option Rider, form series ICC18-20544(0918)/20544(0918), Term Purchase Provision Rider, form series ICC18-20542(0918)/20542(0918), 10-, 15-, 20- and 30-year term insurance riders, form series ICC18- /20569, 20570, 20571, 20572(0918), Annual Renewable Term Insurance Rider, form series ICC18- /20573(0918), Waiver of Premiums rider, form series ICC18- /20551(0918), and Accelerated Benefits Riders, form series 7490/7493/9744/ICC10-8843/20006NY (0511)/20285/ICC15-20285/20286/ICC15-20286/8765 are underwritten by National Life Insurance Company, Montpelier, Vermont.

TotalSecure, form series 20537(0918)/ICC18-20537(0918), Additional Paid-Up Life Insurance Rider, form series ICC18-20537(0918)/20537(0918), Children's Term rider, form series 8056(0798), Flex Term Rider, form series ICC18-20541(0918)/20541(0918), Guaranteed Insurability Option Rider, form series ICC18-20562(0918)/20562(0918), Term Purchase Provision Rider, form series ICC18-20543(0918)/20543(0918), 10-, 15-, 20- and 30-year term insurance riders, form series ICC18- /20564, 20565, 20566, 20567(0918), Annual Renewable Term Insurance Rider, form series ICC18- /20568(0918), Waiver of Premiums rider, form series ICC18- /20552(0918), and Accelerated Benefits Riders, form series 8052/8095/8165/ICC10-8844/ICC15-20287(0115)/ICC15-20288(0115)/20287/20288 are underwritten by Life Insurance Company of the Southwest, Addison, TX.

- 1 Guaranteed premiums and cash value accumulation assumes that all planned premiums are paid, and that the values illustrated are based on only guaranteed values. Actual results may be more or less favorable for values that include non-guaranteed dividends.
- 2 Policy loans and withdrawals reduce the policy's cash value and death benefit and may result in a taxable event. Loans and withdrawals of paid-up cash value will not create an immediate taxable event, but substantial tax ramifications could result upon contract lapse or surrender.
- 3 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. Riders may be subject to limitations or restrictions.
- 4 Living Benefits are provided by no additional premium Accelerated Benefit Riders. 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.
- 5 Varies by UL product, but such policies generally offer less cash value growth than whole life policies.
- 6 Dividends are not guaranteed.
- 7 The ability of a life insurance contract to accumulate sufficient cash value to help pay expenses or meet accumulation goals will be dependent upon the amount of extra premium paid into the policy. Whole life insurance does not accumulate significant cash value during the early years of the policy.
- 8 Internal Revenue Code § 101(a)(1). There are some exceptions to this rule. Please consult a qualified tax professional for advice concerning your individual situation.
- 9 Minimum premium payments must always be met, or the policy will lapse, resulting in a taxable event. In order to reduce premium payments, you must first be paying more than the minimum premiums.
- 10 Available through the Premium Deposit Account Rider form number 20120(0512) – NL version 20121(0512) – LS version, and may not be available in all states. Due to regulatory restrictions, not available to active members of the military or in the states of PA or TN. The premium payment period is restricted to 10 years in the state of California.
- 11 Be aware that choosing to pay up a policy over too short a duration may cause the policy to become a Modified Endowment Contract (MEC). Distributions other than death proceeds from a Modified Endowment Contract (MEC), including policy loans and partial surrenders of funds will be treated as taxable gain received first and recovery of premium second. In addition to regular income tax, a 10% federal tax penalty is applicable to any taxable distribution from the MEC before the insured reaches age 59½. This includes policy terminations. Your financial professional can show you paid-up terms that avoid MEC status.
- 12 Accelerated Benefit Riders are optional, may be subject to underwriting, exclusions and/or limitations and may not be available in all states. Receipt of accelerated benefits reduces the Death Benefit and cash value (if any) otherwise payable under the policy, may be a taxable event and may affect your eligibility for public assistance programs, such as medical assistance (Medicaid), Aid to Families with Dependent Children, and Supplemental Security Income. 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 benefits are used. 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 or chronic illness, \$2,000,000 for covered chronic illness in NY, 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 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.

This product is a life insurance policy with a rider that accelerates the death benefit on account of chronic illness and is not a health insurance policy providing long-term care insurance subject to the minimum requirements of New York Law, does not qualify for the New York State Long-Term Care Partnership program and is not a Medicare supplement policy.

Our Critical Illness and 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, Sudden Cardiac Arrest, Critical Injury illnesses are Coma, Paralysis, Severe Burns, Traumatic Brain Injury, Covered critical illnesses and covered critical injuries may vary by state. 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, for ABR benefits there is no restriction placed on the use of the accelerated benefits, 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 financial professional may contact you.**

<sup>13</sup> In MA, accelerated benefits for Chronic Illness may only be used for qualified long-term care services which are described 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.

<sup>13</sup> Beneficiary Insurance Option is only available on TotalSecure NL Policies.

## About Us

At National Life, our story is simple: for 170 years we've worked hard to deliver on our promises to millions of people with our vision of providing peace of mind in times of need. It's our cause, stemming from a deep passion to live our values to do good, be good and make good, every day.