



NWL INCOME **PROTECTOR**[®]

Consumer Information Disclosure Brochure

A Flexible Premium Deferred Annuity
Policy Form 01-1172-16 and state variations

National Western Life Insurance Company[®]

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About National Western Life Insurance Company®

National Western Life Insurance Company is a Colorado corporation with executive offices in Austin, Texas. The Company offers a full line of life insurance and annuity products in 49 states and the District of Columbia, and accepts applications from residents of several foreign countries.

Since its start in 1956, National Western has emphasized financial strength for the protection of its policyholders. As a legal reserve insurance company, National Western must set aside a portion of its assets equal to reserves required by law. Annually, a financial statement is filed with each state's insurance department. These departments have authority to verify that the appropriate reserves are maintained.

Excellent Ratings

Rating agencies continue to recognize the strengths of National Western. As of the date of this printing, Standard and Poor's® has rated National Western "A (Strong)," while A.M. Best Company's rating is "A (Excellent)." A Standard & Poor's® rating is an opinion of a company's financial security with respect to its ability to pay under its insurance policies and contracts in accordance with their terms. Ratings range from AAA (extremely strong) to CC (extremely weak) and R (regulatory supervision). A.M. Best's ratings evaluate company factors in order to provide an opinion of the company's financial strength, operating performance, and ability to meet its obligations to policyholders. Ratings range from A++(superior) to F (in liquidation).



NWL INCOME **PROTECTOR**®



NWL Income Protector®

The NWL Income Protector Annuity is a flexible premium deferred annuity. It is a long-term contract intended as a secure planning vehicle for retirement accumulation and income with a terminal illness benefit. The NWL Income Protector Annuity provides the important benefits of many tax deferred annuities: interest accumulation, safety, tax-deferral, and liquidity. The NWL Income Protector Annuity is an excellent combination of performance and flexibility.

Like any annuity issuer, National Western incurs expenses to sell and issue its annuity policies, including compensation to its agents, bonus amounts and/or additional interest (if applicable), and various other expenses, and these expenses are taken into consideration when interest rates are established and reset. You will receive all benefits as set forth in the contract.

To help you fully understand what the NWL Income Protector annuity has to offer, National Western requires that your agent review this disclosure brochure with you so that you may ask any questions that you may have. **You may also call National Western's Client Services Department at 1-800-922-9422 if you have any questions.** National Western Life offers a wide variety of annuity products with different benefits, features, and limitations. Please ask your agent for more information.

NWL Income Protector® Highlights

Product Type	Flexible Premium Deferred Annuity	
Contract Term	10 Years	
Issue Ages	Annuitant/Owner	0-90: Non-Qualified/Qualified
Initial Premium	\$5,000 Qualified / \$10,000 Non-Qualified	
Additional First Year Interest	0.50%	
Minimum Guaranteed Interest Rate	The Minimum Guaranteed Interest Rate is never less than 1.00% and never more than 3.00%.	
Free Withdrawals	10% of Account Value once annually after the 1st policy year.	
Systematic Interest	Systematic Withdrawal of Interest available in lieu of the Free Withdrawal option above. Each payment must be at least \$100.00. See Policy for details.	
Death Benefit	Prior to the Annuity Date, the Account Value payable as a single sum or a Settlement Option. Other options may be available. See Policy for details.	
Terminal Illness Benefit	Withdrawal charges will be waived for Terminal Illness of the Annuitant as outlined in the Policy. This benefit may not be available in all states.	
Waiver of Withdrawal Charge After Qualifying Medical Stay	Withdrawal charges will be waived on withdrawals of up to 75% of the Account Value after certain medically necessary stays of the Annuitant as outlined in the Policy. This benefit may not be available in all states.	
Policy Loan	Available on non-qualified contracts only, 30 days after issue, on up to 60% of the Contract Value. Loan Rate is 7.4% in advance.	



Premium Payment and Issue Ages

A minimum initial premium payment of at least \$5,000 (qualified) or \$10,000 (non-qualified) is required. Additional premium payments of at least \$100 can be made. Premium payments in excess of \$500,000 may require prior Company approval. 100% of the premium deposits earn interest from the date funds are received at the Company. If applicable, Federal, State, and Municipal taxes, and any fees or assessments related to the policy, payment of which is required or authorized by law, will be deducted from the benefits under the policy as required or authorized by law. National Western Life will not issue this annuity if the age of the Annuitant or owner exceeds the maximum issue age, which is published from time to time.

Interest Rate and Additional Interest

The initial premium payment into the NWL Income Protector Annuity earns the first-year base interest rate, which is increased by first-year only additional interest of 0.50%. The first-year base rate and first-year additional interest are guaranteed for the first twelve months and are shown on page three of the Policy. Including this additional interest, the total rate of interest credited in the first year will be higher than the thirteenth month and after. After the first Policy Year, renewal rates will be declared from time to time and are subject to change, but are guaranteed to never be less than the Minimum Guaranteed Interest Rate during the deferred period.

Policy Values

The **Account Value** is equal to 100% of premiums, less partial withdrawals and applicable withdrawal charges, accumulated with interest. The **Cash Surrender Value** is the Account Value less a withdrawal charge, if any, or the Minimum Guaranteed Contract Value, whichever is greater. The **Minimum Guaranteed Contract Value** will never be less than 87.5% of premiums received, less withdrawals and withdrawal charges, accumulated at the Minimum Guaranteed Interest Rate. The Account Value will never be less than the premiums paid less any partial withdrawals, accumulated at the Minimum Guaranteed Interest Rate. National Western Life reserves the right to credit a different interest rate, not less than the Minimum Guaranteed Interest Rate, to the Account Value while the Account Value is less than \$10,000.

The **Minimum Guaranteed Interest Rate** is set for new policies each calendar quarter. It is never less than 1.00%, has a maximum of 3.00%, and is guaranteed for the Contract Term. At the end of the Contract Term, the Minimum Guaranteed Interest Rate will be re-determined. It is the average of the 5 Year Constant Maturity Treasury Rate minus 1.25% for the 6 month period ending 1 month prior to the beginning of the current calendar quarter.

The **Contract Value** is the greater of the Account Value or the Minimum Guaranteed Contract Value.

Early Withdrawal Charges

This is a long-term accumulation annuity. An early withdrawal charge will apply during the first ten Policy Years on withdrawn amounts exceeding any penalty-free withdrawal amounts. Any partial withdrawal taken without an early withdrawal charge within the 12 months prior to the date of a full surrender will be subject to the full early withdrawal charge on that amount at the time of full surrender. Withdrawal charges are calculated by multiplying the Account Value, plus any Free Withdrawal amounts taken in the 12 months prior to the full surrender of the Cash Surrender Value, by the Withdrawal Charge Rate shown on the schedule below. National Western Life reserves the right to defer payment for up to 6 months after we receive your withdrawal request.

Policy Year	1	2	3	4	5	6	7	8	9	10	11+
%	12.00	12.00	11.00	10.00	9.00	8.00	7.00	6.00	5.00	5.00	0.00



Free Withdrawals or Systematic Interest Earnings

Each Policy Year, after the first, one withdrawal of up to 10% of the Account Value may be withdrawn without a withdrawal charge.

Alternatively, each Policy Year after the first, systematic withdrawal of interest earnings can be made without a withdrawal charge as long as each payment is at least \$100 and does not invade the principal. The systematic payments may be paid monthly, quarterly, semi-annually, or annually.

No portion of a full surrender during the surrender charge period can be free of a withdrawal charge. Any Free Withdrawal taken within the prior 12 months from the date of a full surrender will be subject to the full withdrawal charge on that amount at the time of surrender.

All withdrawals may be subject to federal income tax. Withdrawals prior to age 59 1/2 may be subject to an additional 10% federal income tax penalty, and if a trust is named as the owner, such withdrawals may be subject to this additional 10% federal income tax penalty regardless of age.

Terminal Illness Benefit

Upon receiving satisfactory documentation, withdrawal charges will be waived for full surrender or partial withdrawal if the Annuitant is first diagnosed after the Policy Date with an illness from which he or she is not expected to recover and is expected to die within twelve (12) months. National Western Life reserves the right to obtain a second medical opinion at the Company's expense. Benefit terms and/or benefit availability may vary by state. See Policy for complete details and requirements.

Waiver of Withdrawal Charge after Qualifying Medical Stay

You may withdraw up to 75% of the Account Value without withdrawal charge after certain medically necessary stays as outlined in the Policy. The Annuitant must be 75 years or younger on the Policy Date, and each stay must be for at least 90 consecutive days. The stay must be in a hospital and/or nursing facility (as defined in the Policy), and the Annuitant must receive at least intermediate care (as described in the Policy) for 90 consecutive days during the stay. The stay must begin at least 180 days after the Policy Date and must not be for a medical condition that involved a prior stay of any length in the two-year period before the Policy Date. The stay must not have been recommended by a physician in the two-year period before the Policy Date. Any withdrawal in excess of 75% of the Account Value will be subject to the Policy's regular withdrawal charge. Benefit terms and/or benefit availability may vary by state. See Policy for complete details and requirements.

Optional Withdrawal Benefit Rider

There is an optional Withdrawal Benefit Rider that can be added to the NWL Income Protector® annuity at issue. This rider can provide guaranteed minimum income benefits for the life of a single annuitant or joint annuitants without the election of a Settlement Option. A charge may apply to this rider, and this rider may not be available in all states. Please refer to the separate consumer disclosure brochure for a complete description of the benefits, features, and applicable charges for the rider.



Settlement Options

Settlement Options are based on the Contract Value and are available on the Annuity Date. The Annuity Date is stated in your Policy. The Annuity Date may be changed upon written request as long as it is not before the 10th Policy Anniversary and not after the Policy Anniversary when the Annuitant has reached age 100. See Policy for details. The Settlement Options that may be elected by the Owner include:

1. Income for Life
2. Life Income with a Guaranteed Period
3. Life Income with Installment Refund
4. Survivorship Annuity
5. Equal monthly income payments beginning on the Annuity Date to be made for a minimum of five years and no more than 30 years.
6. Equal annual payments made for a minimum of five years and no more than 30 years. Payments begin one year after the Annuity Date.
7. Proceeds Held at Interest Only for a period not less than 5 Years

A guaranteed interest rate of 1.00% is used in calculating payments. National Western Life may, at its option, use an interest rate that is higher than the guaranteed rate. Consult the Policy for complete details of these options.

Death Benefits

At the death of the Annuitant before the Annuity Date, the Beneficiary will receive the Account Value. The Beneficiary may choose to receive this benefit as a single sum or applied under one of the Settlement Options. At the death of the Annuitant after the Annuity Date, the Beneficiary will receive any unpaid guaranteed amounts under the Settlement Option in force on the date of death. No other death benefits will be paid.

Spousal Continuation Benefit: If the surviving spouse is the named Beneficiary and the Owner dies, the surviving spouse may become the Owner and continue the annuity and the income tax-deferral.

"Free Look" Period

Your satisfaction is important to us! If you change your mind about whether this annuity fits your needs after you receive your Policy, or if you are dissatisfied for any reason, you have at least twenty days after receipt of the Policy during which you can return it without incurring charges (referred to as a "free look" period). This time period may be longer; please see your Policy for details.

Account Statement

Each calendar year the Owner will receive a detailed statement of the values of the Policy.



Legal and Tax Advice

National Western Life does not authorize its agents or employees to give legal or tax advice. Representations made in this brochure are based on the Company's understanding of current tax law. For an explanation of how those laws apply to you, consult with an attorney, accountant, or other tax advisor. All withdrawals from the NWL Income Protector may be subject to federal income tax and withdrawals made before age 59 1/2 may be subject to an additional 10% income tax penalty. Some or all of a non-qualified withdrawal will be reported as taxable income depending on the withdrawal amount and the amount of accrued interest earned in the policy. This is so because interest on non-qualified annuities is assumed to be withdrawn first. The NWL Income Protector is underwritten by National Western Life Insurance Company, 850 East Anderson Lane, Austin, Texas, 78752. Policy Form 01-1172-16 and state variations. Not approved in all states.

NWL Income Protector® Annuity

National Western Life Insurance Company Consumer Disclosure Signatures

Thank you for choosing to purchase the NWL Income Protector Annuity. If you have any questions after you receive your annuity Policy, please contact your agent or call National Western’s Client Services Department at 1-800-922-9422. We want to be sure that you read all 6 pages of this disclosure brochure and are aware of the benefits and features explained within it. Please initial and sign where indicated with an asterisk (*), acknowledging that you understand the following:

- This is a deferred annuity, and it is a long-term savings vehicle.
- This annuity has a “free look” period, during which you can surrender the annuity Policy after receiving it without incurring withdrawal charges (described more fully in your annuity Policy).
- Any results shown, other than guaranteed minimum values, are not guarantees, promises, or warranties.
- Withdrawal charges may be deducted from your Account Value.
- For any Policy issued as a tax-qualified plan, you may have to make withdrawals to meet minimum distribution requirements.

By signing below, I certify that I have received a copy of this disclosure brochure and that I have reviewed it with my agent. I further certify that I fully understand the disclosure brochure and the specific points outlined above, which have been explained to me in complete detail, and I will not contest the sufficiency of my signature below as a valid and enforceable acknowledgement of my understanding of the information contained in this disclosure brochure. I understand that the disclosure brochure is not a part of the annuity Policy and does not modify it in any way, and I further understand that the annuity Policy itself contains all terms, benefits, guarantees, limitations, restrictions, and exclusions.

Applicant’s Name (Printed)	Applicant’s Signature	Date
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Joint Applicant’s Name (Printed)	Joint Applicant’s Signature	Date
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I certify that I reviewed this disclosure brochure with the applicant.

Agent’s Signature	Agent No.	Date
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