



403(b) Solutions for You

HOW DO YOU SEE YOURSELF IN RETIREMENT?

Products issued by

Life Insurance Company of the Southwest®

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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.

Your decisions TODAY
affect how you live TOMORROW



Your pension may not be enough. For those who take the time to plan for their financial future, retirement will give them an opportunity to do what they have always wanted to do. For others, it may mean working during their golden years, cutting back on their lifestyles and spending, or even relying on family members to help take care of them.

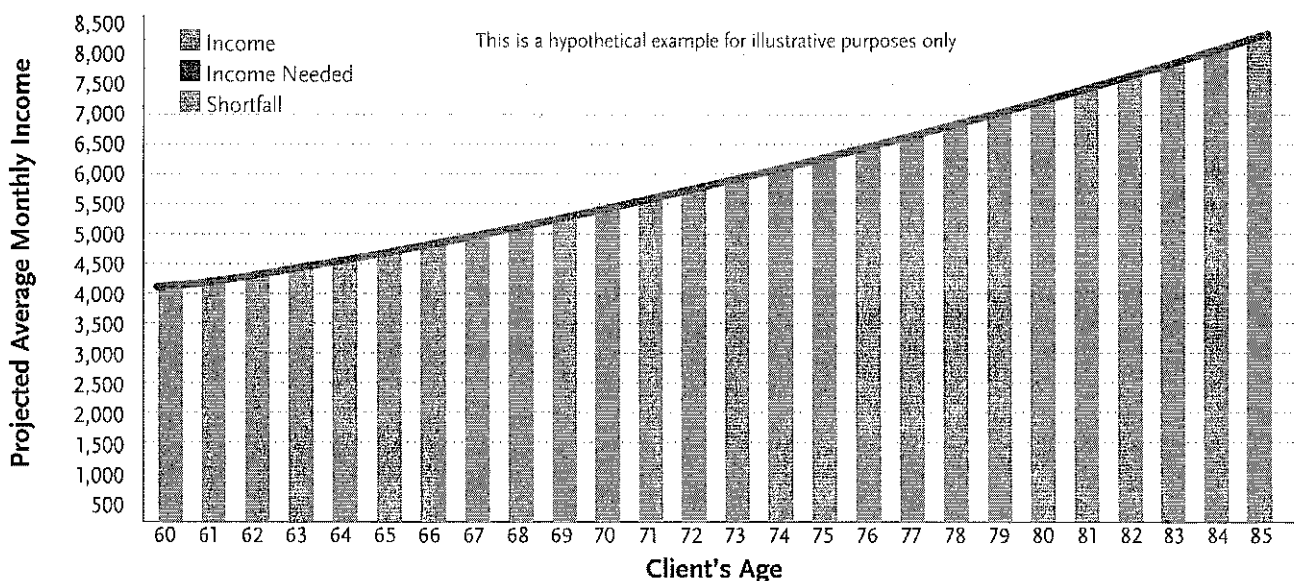
Will your retirement income cover your ever-increasing retirement expenses?

Many school educators and administrators will experience a significant drop in income when they retire, even though they may have been covered under a pension plan.¹

Beware of the Retirement Income Gap

Sample Gap Analysis Report

Retirement Years



¹ Source: The Retirement Analysis Kit (TRAK) Software by TrustBuilders, Inc. 2018. www.tbinc.com. Assumes participant retiring at age 60 for CalPERS.

Now is
the time to
plan and save.

Save with
someone
you trust.

Keep collecting
a check when
you retire.

You can take control of your retirement security by contributing directly to a 403(b) savings plan through payroll deductions.

A 403(b) plan permits you to accumulate money on a highly tax-favored basis, to supplement teacher retirement or another retirement plan.

Additionally, your 403(b) monies can follow you wherever you go. They can be transferred to other employer plans or into a traditional IRA.

Choose a carrier with a long history of keeping its promises.

Fixed and fixed indexed annuities are a smart way to save for retirement, given that they provide a guarantee of income, tax-deferral advantages and flexibility and control of retirement savings. We offer both traditional fixed and indexed annuities in the 403(b) market. Products may vary by withdrawal charge periods, crediting methods and features.

The guarantees provided by our fixed and fixed indexed annuities mean that our policyowners haven't lost a penny of their policy value due to downturns in the stock market.²

Our Guaranteed³ Lifetime Income Rider offers additional value to the base policy. By purchasing and attaching it to your Annuity Policy, you can receive guaranteed lifetime income, have access to your money if your needs change and leave any remaining accumulated value to your heirs.

The Longer You Defer Taxes, The Faster Your Money Grows

One of the greatest single advantages of participating in a tax-deferred plan is that any interest accumulates on a tax-deferred basis while the money remains in the account.²

	Post-tax	Pre-tax
Gross Income per Paycheck	\$4,500	\$4,500
Pre-tax contributions	\$0	\$133*
Standard tax deductions	\$672	\$639
Post-tax retirement contributions	\$100	\$0
Take-home pay	\$3,728	\$3,728

* This hypothetical example is for illustrative purposes only. This example is based on a teacher in the state of Texas claiming single and zero allowances and in the 25% tax bracket.

² Assuming no early withdrawals. Rider charges continue to be deducted regardless of whether interest is credited. Taxes are due at time of distribution, early distributions may incur IRS penalty tax and/or applicable withdrawal charges.

³ Guaranteed Lifetime Income Rider (GLIR) as represented in rider form series 20365 or form series 20135(0613), 20136(0613) with endorsement 20380(0116), or state variations thereof, is issued by Life Insurance Company of the Southwest, and is available on our fixed indexed annuities. GLIR may be optional, incurs an additional cost, and may not be available in all states or on all products. Guarantees are dependent on the claims paying ability of the issuing Company.

We are the RIGHT CHOICE for RETIREMENT INCOME

Your representative can tailor a retirement savings program that will take into consideration your current savings and your future retirement needs.

Have the peace of mind that you are contributing to a financial product that is protected and backed by a company with decades of experience.

National Life Group offers excellent annuities available to 403(b) retirement plans through our member company, Life Insurance Company of the Southwest. We have helped thousands of people working in the education field save money for their futures and for their retirement.

Frequently Asked Questions

How do I make contributions?

Contributions must be made through payroll. A salary reduction agreement is required and will inform your employer of your decision to participate. You can change the amount of your contributions by completing a new salary reduction agreement.

May I contribute from a checking or savings account?

No. All 403(b) contributions must be made through payroll.

How much can I contribute?

The IRS sets annual deferral limits on how much may be contributed. Special catch-up provisions may apply for participants over age 50 and for longevity of service with the same employer. A retirement specialist can assist you in calculating the Maximum Allowed Contribution.

Are loans available to me?

If the 403(b) plan allows, loans are permitted to individuals. The plan sponsor must approve loans in advance. Loan limits apply and are aggregated with any other loans in 403(b) accounts within the plan and any loans from any other qualified retirement plan of the employer.

When can I take money out?

You can take distributions from the 403(b) plan at age 59½, if you are fully disabled, or at separation of service (10% IRS penalty may apply if withdrawn before age 59½. Regular income tax will be due on distributions.). Distributions due to financial hardship may be available. Please check with the Plan Administrator for eligible hardship distributions and be able to provide any supporting documentation of the hardship. All distributions must be approved by the plan administrator.

What is a Plan Administrator?

Most school districts engage a third-party administrator (TPA) to establish and manage their 403(b) plan document to ensure compliance with IRS rules and guidelines.

A school district's benefit office can provide you with information regarding their TPA.

Be sure to talk
with your financial
professional to find
out how you can get
started today!



National Life
Group®

Experience Life®

SAVE FOR A BETTER TOMORROW

Understanding how your state pension plan works

Products issued by
Life Insurance Company of the Southwest®

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DREAM

ESTABLISH A CLEAR PICTURE

One of the most important, but often overlooked steps in preparing for retirement is to visualize what you want it to look like and to prioritize your life goals.

- What is my retirement date?
- Calculate how much income you need to live during retirement.
- Create a retirement income strategy that incorporates all of your anticipated sources of retirement income.



EXPERTS SAY YOU'LL NEED 70% TO 80%

Of your pre-retirement income to cover expenses each year in retirement.

Source: money.usnews.com/7-ules-of-thumb-for-retirement-planning-2015

ARE YOU ONE OF THE

78%

Of 35-44 year olds that are concerned about managing their retirement income to meet retirement expense.

50%

Of women, or 40% of men that are Not Confident that they will be able to retire comfortably.

46%

Of all American workers that have less than \$10,000 saved for retirement.

PLAN...

Picture Your Retirement

One of the most important, but often overlooked steps in preparing for retirement is to visualize what you want it to look like and to prioritize your life goals.

Build Towards Your Goals

Estimate your total retirement income

It's fine to use a percentage of your current income as a benchmark, but it's worth going through all of your current expenses in detail. Your next step is to assess how prepared you are to meet your needs over time as your transition to retirement.

What sources of retirement income will be available to you?

- Lifetime income: annuities, social security and pensions
- Savings: IRAs, CDs
- Earnings: full or part-time job
- Other assets: real estate and equity in your home

The biggest concern retirees have is running out of money.

There's no way to predict how long you'll actually live, but with life expectancies on the rise, it's probably best to assume you'll live longer than you expect. And, you may even run the risk of outliving your savings and other income sources.

Plan To Live Longer Than You Think

When you reach age 65...your lifespan could look like this:

65 Year-old Male		65 Year-old Female	
Age	Probability	Age	Probability
80	61%	80	71%
85	41%	85	54%
90	22%	90	34%
95	8%	95	6%

Source: Social Security 2010 Mortality Tables with 1% mortality improvement. Life Expectancy Calculator created by Mary Pat Campbell, FSA, updated July 2010.

76%
of pre-retirees are concerned about their long term financial future
Source: Society of Actuaries, 2013 Risks and Process of Retirement Survey

46%
Today's retirees say their top fears are outliving their money and not being able to meet basic essential needs
Transamerica Center for Retirement Studies, 15th Annual Transamerica Retirement Survey, 2014

16%
of retirees are not confident about their ability to pay for basic expenses
FBI Issue Brief, March 2013

For your state's Retirement System calculation and more details please visit:

Alabama	www.rsa-al.gov/index.php/members/trs/	Nevada	www.nvpers.org
Alaska	doa.alaska.gov/drb/trs	New Hampshire	www.nhrs.org
Arizona	www.azasrs.gov	New Jersey	www.state.nj.us/treasury/pensions/tpaf1.htm
Arkansas	www.artrs.gov/	New Mexico	www.nmerb.org
California	www.calstrs.com/	New York	www.nystrs.org
Colorado	www.copera.org	North Carolina	www.nctreasurer.com
Connecticut	www.ct.gov/trb	North Dakota	www.nd.gov/rio/tffr
Delaware	www.delawarepensions.com/	Ohio	www.strsoh.org
Florida	www.myfrs.com	Oklahoma	www.ok.gov/TRS
Georgia	www.trsga.com	Oregon	www.oregon.gov/PERS
Hawaii	ers.ehawaii.gov	Pennsylvania	www.psers.state.pa.us
Idaho	persi.idaho.gov/	Rhode Island	www.ersri.org
Illinois	trs.illinois.gov	South Carolina	www.peba.sc.gov/retirement.html
Indiana	www.in.gov/inprs	South Dakota	sdrs.sd.gov
Iowa	www.ipers.org	Tennessee	treasury.tn.gov/tcrs
Kansas	www.kpers.org	Texas	www.trs.texas.gov
Kentucky	trs.ky.gov	Utah	www.urs.org
Louisiana	www.trsl.org	Vermont	www.vermonttreasurer.gov/retirement/teachers-vstrs
Maine	www.mainepers.org	Virginia	www.varetire.org
Maryland	www.sra.state.md.us	Washington	www.drs.wa.gov/member/systems/trs
Massachusetts	www.mass.gov/mtrs	Washington, D.C.	dcrb.dc.gov
Michigan	www.michigan.gov/orsschools	West Virginia	www.wvretirement.com/TRS.html
Minnesota	www.minnesotatra.org	Wisconsin	etf.wi.gov/members/benefits_wrs.htm
Mississippi	www.pers.ms.gov	Wyoming	retirement.state.wy.us
Missouri	www.psr-peers.org		
Nebraska	npers.ne.gov		



**You Have Questions,
We Have Answers**

Your representative is available to assist you in reaching your retirement dreams and to answer any questions you may have, like:

What retirement benefits will I get ?

You can obtain a personalized retirement benefit estimate by going to your online account. Your representative will use this information to help you see your overall retirement income picture and to identify any gap between your estimated retirement funds and your savings needs.

How much can I contribute to a supplemental retirement account?

The amount you can contribute to a retirement account depends on your earnings, your age, and other factors. Your representative will determine your appropriate contribution limit and can set up a customized savings program that works for you.

What happens if I change jobs?

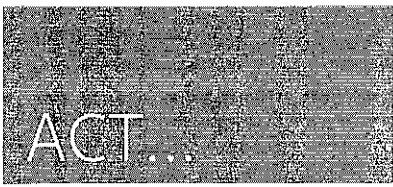
You have control of your supplemental retirement account. The portability feature allows you to roll over the funds in this account into another retirement plan you may have. Or, you can leave your account in place and any balance has the potential to continue to grow tax-deferred.

What if I need money before I retire?

Your plan may contain provisions for loans and hardship distributions, and you may access your funds if you meet certain conditions. Taking an early distribution from your account should be considered carefully since taxes and fees may be imposed.

What product is right for me?

Your financial professional will determine which of the many savings vehicles are appropriate for meeting your current situation and future needs.



Make Savings Your Top Priority

- 1 Are you saving enough for your tomorrow?
- 2 Will your retirement money outlive you?
- 3 What percentage of your final salary will you be living on?
- 4 Do You Have a Retirement Gap? Is there a gap between the amount you've saved for retirement and the amount that you want and need?

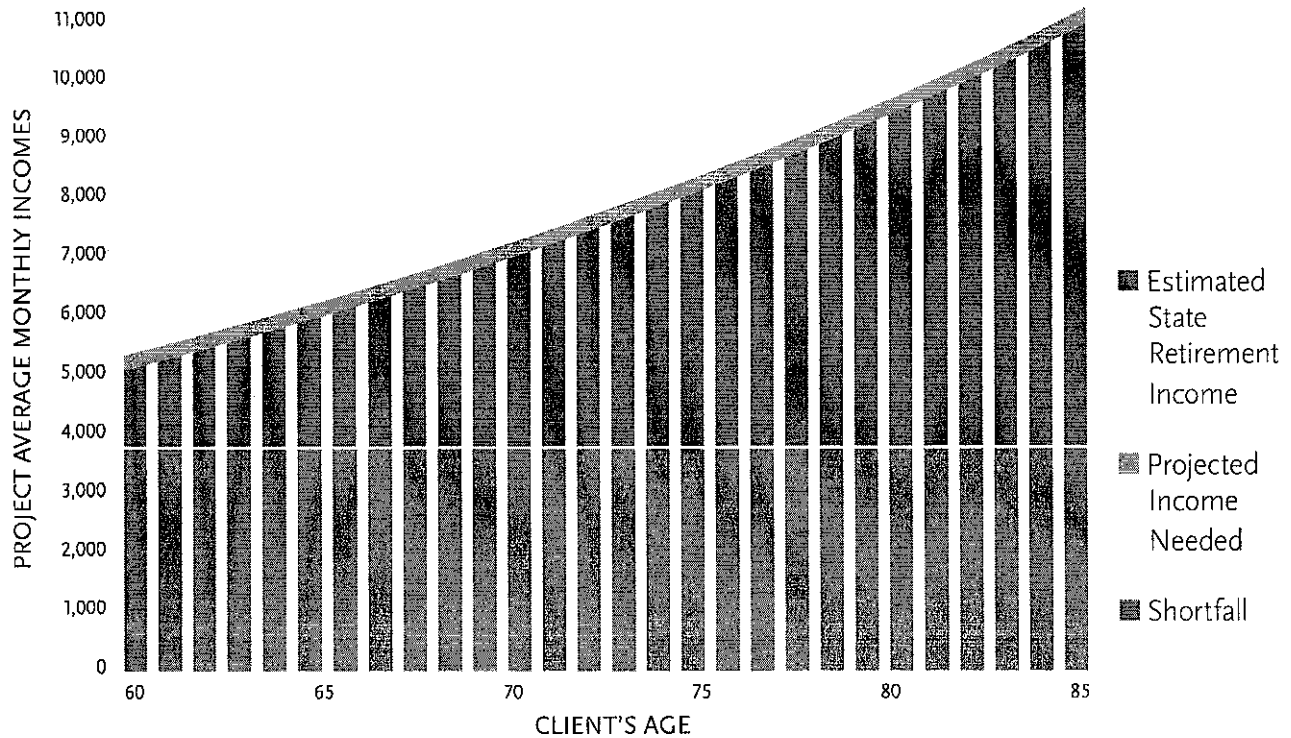
Step One: Evaluate how much money you would need in order to retire at the age you desire and live the lifestyle you want.

Step Two: If there is a gap between your predicted needs and your predicted savings (and most people do have a gap), determine what you can do to get more money into your retirement savings. That's generally going to happen in two ways: save more or create a savings strategy geared toward your earnings goal.

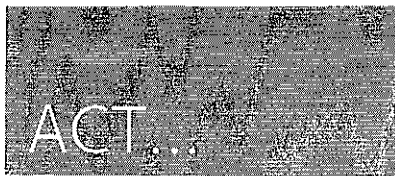
Identifying the amount you're short is the first step in fixing the problem.

Sample Gap Analysis Report – Prepared for Valued Policy Owner

Retirement Years



Source: The Retirement Analysis Kit (TRAK) Software by TrustBuilders, Inc. 2012 Version. www.tbinc.com. For illustrative purposes only.



You have gathered information about retirement. You have taken the time to evaluate your needs. You are now ready for an action plan! With the efforts you have made over the years, you will deserve to fully enjoy what life has to offer.

Accumulating funds for retirement can sometimes seem impossible.

First, find simple ways to save. Small contributions to your retirement plan can add up to big savings over time.

		In 20 years you'd have	In 30 years you'd have	In 40 years you'd have
\$5 (/month) MEGA LOTTO A 02 13 18 22 41 B 04 11 22 02 01 C 01 11 18 03 09 Lottery Ticket	\$35 per month	\$13,506	\$25,437	\$43,099
\$3.45 (30/month) Specialty Coffee	\$105 per month	\$38,328	\$72,189	\$122,311
\$4.95 (30/month) Take-Out Lunch	\$150 per month	\$54,754	\$103,127	\$174,729

This is a hypothetical example for illustrative purposes only - not representative of any particular investment. All figures assume a 4% annual rate of return compounded monthly and do not include any matching contributions made by an employer which are available in some qualified retirement plans.

Make Savings Your Top Priority

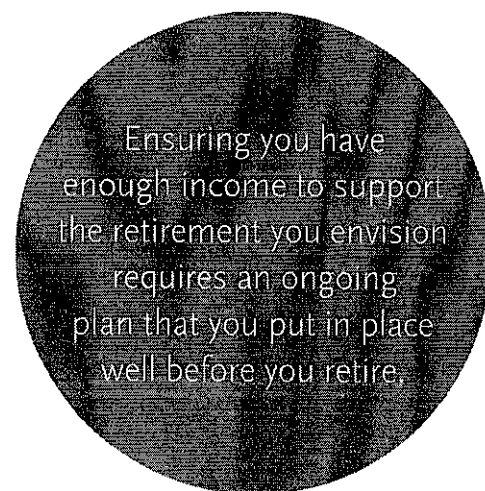
Save Regularly.

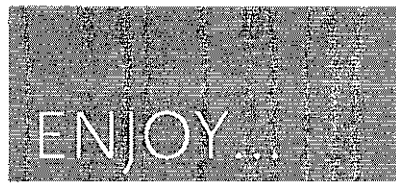
Make sure to set up systematic payroll contributions to help you get you closer to your goals. You not only defer taxes on the money you contribute, any earnings on your savings also have the potential to compound tax deferred until withdrawal.

Here is a pre-tax savings example for you:

	Post-tax	Pre-tax
Gross Income per Paycheck	\$4,500	\$4,500
Pre-tax contributions	\$0	\$266.66 ¹
Standard tax deductions	\$686.33	\$619.67
Post-tax retirement contributions	\$200	\$0
Take-home pay	\$3,613.67	\$3,613.67

This hypothetical example is for illustrative purposes only. This example is based on a teacher claiming single and zero allowances and in the 25% tax bracket not considering state or local taxes. Taxes are due at time withdrawals are made from your plan. This information is not intended as tax or legal advice. For advice concerning your own situation, please consult with your appropriate professional advisor.





Make Savings Your Top Priority

What's your tomorrow?

Do you dream about being able to pursue hobbies?

Is there a dream vacation you have always envisioned?

- 1 Follow your dreams...
- 2 Now is the time to put your retirement income strategy in place
- 3 Experience the financial security and retirement lifestyle you have always dreamed of.

We can help you get there...We are the right choice for retirement income.

National Life Group offers excellent 403(b) annuities through Life Insurance Company of the Southwest. We have helped thousands of people working in the education field save money for their futures.

DID YOU KNOW...
indexed annuities offer protection, safety, guarantees and income?

Our flexible fixed indexed annuities provide safety, guarantees and income for life and allow you to:

- Contribute to your employer sponsored savings plan with the peace of mind that the money will be there when you need it.
- Receive a guaranteed³ stream of income for life without giving up control of your money.
- Leave any balance in your annuity to your loved ones.

Your retirement dreams are just that; yours. Follow them. Make them happen. Talk to your financial professional today.



1 2011 RISE (Retirement Income Strategies and Expectations) Survey
 2 Transamerica Center for Retirement Studies, 2014 report
 3 EBRI (Employee Benefit Research Institute) Retirement Confidence Survey, 2014
 4 Taxes are due when amounts are withdrawn.
 5 Guarantees are dependent on the claims paying ability of the issuing company.

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. National Life Group and its representatives are neither endorsed by, nor affiliated with the Florida Retirement System or any government agency.

Fixed indexed annuities are issued by Life Insurance Company of the Southwest. Indexed annuities have surrender charges that are assessed during the early years of the contract if the annuity is surrendered. Indexed annuities do not directly participate in any stock or equity investments. This is not a solicitation of any specific annuity contract.

Centralized Mailing Address: One National Life Drive, Montpelier, VT 05604 | www.NationalLife.com



National Life
Group

Experience Life



Top 10 Reasons

TO PURCHASE A FIXED INDEXED ANNUITY FROM NATIONAL LIFE GROUP®

1. I want to do business with a company I can trust.

- National Life's subsidiary – Life Insurance Company of the Southwest – is the Longest Standing Issuer of Fixed Indexed Annuities in the marketplace¹.
- National Life has been keeping its promises to policy holders since 1848!

2. I want to save, but my money is limited.

- I am looking to save money for retirement, but I am not comfortable losing money.
- Flexible indexed annuities can be started with as little as \$100 per month.
- Fixed Indexed Annuities offer guaranteed safety of principal and guaranteed² minimum return.

3. I want to make contributions on my terms, without worrying about market conditions.

- Market timing is not necessary on indexed annuities.

4. I want an income stream, regardless of how long I live.

- Lifetime Income Riders³ offer protection against outliving accumulated value.



5. I want access to my money.

- After the 1st policy year, you may withdraw up to 10% of your accumulation value without application of withdrawal charges⁴.
- Annuitization with a life payout allows you to turn your annuity accumulation into an income stream for life.
- No surrender penalties from insurance carrier to withdraw money in the event of nursing home confinement or terminal illness. (In approved States, subject to rider limitations.)

Products issued by

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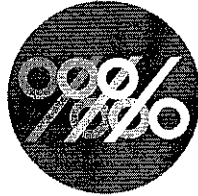
National Life Group® is a trade name of National Life Insurance Company, founded in Montpelier, VT in 1848, Life Insurance Company of the Southwest, Addison, TX, chartered in 1955, and their affiliates. Each company of National Life Group is solely responsible for its own financial condition and contractual obligations. Life Insurance Company of the Southwest is not an authorized insurer in New York and does not conduct insurance business in New York.

6. I want the ability to outpace other fixed money products.

- Interest in an indexed annuity is credited based on a formula that considers changes in a market index. When the index performs well the interest credited has the potential to be higher than current interest rates.

7. I want the benefits of triple compounding.

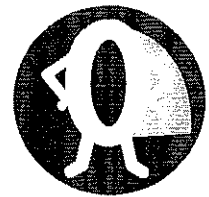
- Earning interest on my contributions
- Earning interest on my interest
- Earning interest on the money that I would have paid in taxes⁵



8. The power of the annual reset⁶.

- Interest is locked in to accumulation value annually.
- Provides opportunity when the index is up and protection when the index is down.

- Zero is my Hero—an indexed annuity with annual interest may earn 0% interest in a year, but never a negative amount. Because of the annual reset, the index does not have to make-up value from a down year. The index's year-end value becomes the next year's year-start value.



9. I want the money to go to my family if I die.

- Indexed annuities that have not yet been annuitized pay the full accumulation value upon death of the annuitant. Once annuitized the owner can choose survivor benefits for their income payout.
- Properly designated beneficiaries ensure that annuities will not have to go through probate.

10. I need to supplement my Social Security payments.

- Currently Social Security benefits are only intended to provide for 40% of retirement income—future benefits may provide for less⁷.

Life Insurance Company of the Southwest®

1 Koco, L. (2015). FIAs at Age 20: Industry Leaders Weigh In. Annuity News.

2 Guarantees are based on the claims paying ability of the issuing company. Assumes no withdrawals are made. Indexed annuities have surrender charges that are assessed during the early years of the contract if the annuity is surrendered.

3 Income riders allow for guaranteed lifetime withdrawals, even if the accumulation value is depleted. Riders are supplemental benefits that can be added to an annuity. Riders are optional, may require additional premium and may not be available in all states or on all products. This is not a solicitation of any specific annuity contract.

4 Subject to IRS guidelines. Withdrawals prior to age 59½ may be subject to IRS 10% early distribution penalty.

5 Taxes are paid at the time of withdrawal.

6 The owner of an indexed annuity may experience better interest crediting than a traditional fixed annuity during periods when the market performs well. Indexed Annuities do not directly participate in any stock or equity investments. An investment cannot be made directly into an index.

7 Campbell, T. (2016). How Much of My Income Will Social Security Replace in Retirement? The Motley Fool.com

The companies of National Life Group® and their representatives do not offer tax or legal advice. For advice concerning your own situation, please consult with your appropriate professional advisor.

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.