

<i>SERFF Tracking Number:</i>	<i>NALF-126616595</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Life Insurance Company of the Southwest</i>	<i>State Tracking Number:</i>	<i>45615</i>
<i>Company Tracking Number:</i>	<i>FORM NO. 7967</i>		
<i>TOI:</i>	<i>A071 Individual Annuities - Special</i>	<i>Sub-TOI:</i>	<i>A071.001 Equity Indexed</i>
<i>Product Name:</i>	<i>SecurePlus Elite 5</i>		
<i>Project Name/Number:</i>	<i>SecurePlus Elite 5 /Form No. 7967</i>		

Filing at a Glance

Company: Life Insurance Company of the Southwest

Product Name: SecurePlus Elite 5

SERFF Tr Num: NALF-126616595 State: Arkansas

TOI: A071 Individual Annuities - Special

SERFF Status: Closed-Approved-Closed
State Tr Num: 45615

Sub-TOI: A071.001 Equity Indexed

Co Tr Num: FORM NO. 7967

State Status: Approved-Closed

Filing Type: Form

Reviewer(s): Linda Bird

Authors: Junan Boldrey, Dionne Wills

Disposition Date: 05/12/2010

Date Submitted: 05/07/2010

Disposition Status: Approved-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name: SecurePlus Elite 5

Status of Filing in Domicile: Pending

Project Number: Form No. 7967

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments: This form is pending approval in domicile.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 05/12/2010

Explanation for Other Group Market Type:

State Status Changed: 05/12/2010

Deemer Date:

Created By: Dionne Wills

Submitted By: Dionne Wills

Corresponding Filing Tracking Number:

Filing Description:

Arkansas Department of Insurance Policy Form No. 7967

Submission: Submitted for your review is a copy of the above referenced form. This is a new form and will not replace any existing form. This form has not been previously submitted to your department. The policy form is similar to many other flexible premium indexed annuity policies written by Life Insurance Company of the Southwest.

Readability Statistics: The policy has a Flesch Readability Score of 51.3.

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Minimum and Maximum Issue Ages, Maturity. The minimum and maximum issue ages are 0 and 80, respectively. The Annuity Date, the date at which the policy must end in either lump-sum distribution or commencement of a periodic income payment, is set at issue to the Policy Date anniversary coincident with or next following the Policy anniversary for attained age 99 of the Annuitant, though this is an item that is adjustable by the owner.

Description: The policy is a non-registered, flexible premium, fixed deferred annuity with optional fixed-rate and equity-indexed components.

Benefits. Some of the benefits that are available under the policy include partial withdrawal of Cash Value, full surrender for the Cash Value, a death benefit payable upon death of the Owner (or the Annuitant, if not the Owner), and annuitization.

Policy Value. The policy provides a guaranteed Cash Value not less than an accumulation of net premiums at interest without surrender penalty, the particulars of which are guaranteed in the policy form and meet the requirements of the Standard Nonforfeiture Law for Deferred Annuities. This value is termed the Policy Value.

The Policy Value is an accumulation of 90% of all premiums, which are tracked separately, with interest compounded daily. The Policy Value is charged with partial withdrawals of the Cash Value without imposition of a surrender penalty. The guaranteed interest applied is a variable rate based on the 5-year Treasury Constant Maturity rate of not more than 3.0% and not less than 1.95%. The Guaranteed Minimum Interest Rate does not change for a given annuity contract once that contract is issued. The guaranteed minimum interest rate is declared at policy issue and remains in effect for the life of the contract.

Accumulation Value. The policy also has an Accumulation Value that can give rise to a Cash Value higher than the minimum guaranteed value. The Accumulation Value, which is tracked separately from the Policy Value, is the sum of the gross premiums (net of any state premium tax but without any other loads) accumulated at interest, where the choice of the method of interest crediting rests with the policyholder. The choice(s) is (are) made from three options: one Declared Interest option (fixed rate) and two Equity Indexed options described more fully below.

The Accumulation Value is subject to a surrender penalty, termed a Withdrawal Charge, which declines to zero over, at most, 12 policy years. The Withdrawal Charges are based on the annuitant's age at issue and are disclosed in the chart below.

Withdrawal Charges by Issue Age
and Policy Year
Year 0 - 55 56 57 58 59 - 80

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1 12.00% 11.00% 10.00% 10.00% 8.25%
 2 11.00% 11.00% 10.00% 10.00% 8.25%
 3 10.00% 10.00% 10.00% 9.00% 7.25%
 4 9.00% 9.00% 9.00% 8.00% 6.25%
 5 8.00% 8.00% 8.00% 7.00% 5.00%
 6 7.00% 7.00% 7.00% 6.00% 4.00%
 7 6.00% 6.00% 6.00% 5.00% 3.00%
 8 5.00% 5.00% 5.00% 4.00% 2.00%
 9 4.00% 4.00% 4.00% 3.00% 1.00%
 10 3.00% 3.00% 3.00% 2.00% 0.00%
 11 2.00% 2.00% 2.00% 1.00% 0.00%
 12 1.00% 1.00% 1.00% 0.00% 0.00%
 13 0.00% 0.00% 0.00% 0.00% 0.00%

After the first (1st) policy year, reductions due to a partial withdrawal from the Cash Value are not subject to a Withdrawal Charge to the extent the withdrawal does not exceed ten percent (10%) of the Accumulation Value. Other than the Withdrawal Charge (and a charge equal to any state premium tax levied on the premium), the Accumulation Value is not subject to loads. Partial withdrawals above this penalty-free amount or during the first policy year include the amount of applicable Withdrawal Charge.

Within the Accumulation Value, there is a very short-term account (the "Premium Account") for holding premiums until other accounts (generally, "Interest Accounts") are established for them, no later than one month after receipt. New Interest Accounts are opened on the Policy Date shown on the Data Page(s) and at monthly intervals thereafter, according to the Owner's allocation instructions. The Premium Account is credited with interest daily at a variable rate based on the 5-year Treasury Constant Maturity rate of not more than 3.0% and not less than 1.95%. The date that an Interest Account is opened, and the dates at twelve-month intervals after that, are the Reset Dates for that account.

Three types of Interest Accounts offer optional interest-crediting methods:

- Declared Interest Accounts,
- S&P 500® annual point-to-point ("European") equity-indexed Interest Accounts, and
- Russell 2000® annual point-to-point ("European") equity-indexed Interest Accounts.

These accounts offer non-guaranteed elements declared in advance. The mechanics of the interest crediting for each type of Indexed Interest Account are defined more fully in the policy form and in the actuarial demonstrations that are included for the form. The Index Rate, Cap, and Floor constitute the non-guaranteed elements of the Indexed Interest Accounts, and the form provides guarantees of minimum performance for them.

Allocation of premium to types of Interest Accounts and movement of values between and among such accounts are provided. The timing of such transfers is limited to the Accounts' reset dates. If no request for transfers is made prior to

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a reset date, the crediting method in force for an Interest Account will remain in force for the next account year.

Cash Value. The Cash Value of a policy is equal to the larger of the Accumulation Value less Withdrawal Charge or the Policy Value.

Bonus Accumulation Value. The Policy contains a feature called the Bonus Accumulation Value which is equal to 5% of the Accumulation Value during the first ten policy years. Subsequent to the tenth policy anniversary, this value grows proportionately to the growth of the Accumulation Value and is vested into the Accumulation Value uniformly at the end of each anniversary of the Policy Date from the 11th to the 15th.

Registration. The plan is not required to be registered with the Securities and Exchange Commission, and it will not be registered.

The Application. Application Form No. 7909 is the previously approved application that will be used in conjunction with this policy.

The Market. LSW will offer the policy through all licensed agents contracted with the company for sale to the general public.

Disclosure Material. A Policy Summary (disclosure) will be the primary advertising piece for this product. A draft of the summary, Form No. 10113(0110) is enclosed with this filing. A buyer must initial each page, indicating that he or she has read the page, and must then sign the last page of the summary. The summary is attached to and must be submitted with the application, and a copy of the executed policy summary is included with the policy when it is mailed to the new policy owner. No policy will be issued without an appropriately initialed and signed policy summary.

Previously Approved Riders and Endorsements Used with the Policy form. Several of our previously approved riders and endorsements may be used with this policy and are identified in the chart below:

Description	Form Number	Approval Date
Terminal Illness Rider	7649	11/06/1995
Nursing Care Rider	7648 Rev 8/96	09/12/1996
403(b) Endorsement	7877	10/01/2008
ERISA 403(b) Endorsement	7883	10/01/2008
IRA Endorsement	7814(0609)	07/27/2009
ROTH IRA Endorsement	7809(0609)	07/27/2009
SIMPLE IRA Endorsement	7811(0609)	07/27/2009
457 Endorsement	7806	06/18/2003
Roth 403(b) Endorsement	7878	10/01/2008

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Loan Rider 7914 08/10/2004
 Guaranteed Lifetime Income Rider 7963 05/27/2008
 Guaranteed Lifetime Income Rider 7965 05/27/2008

Statement of Variability. A Statement of Variability disclosing the policy's non-guaranteed elements that are bracketed is enclosed.

Actuarial Requirements. A Memorandum demonstrating compliance of the policy form with the Standard Valuation Law and the Standard Nonforfeiture Law for Deferred Annuities is enc

Company and Contact

Filing Contact Information

Junan Boldrey, Manager, Policy Filings jboldrey@nationallife.com
 1300 West Mockingbird Lane 800-543-3794 [Phone] 9316 [Ext]
 Dallas, TX 75247 214-638-9196 [FAX]

Filing Company Information

Life Insurance Company of the Southwest CoCode: 65528 State of Domicile: Texas
 1300 West Mockingbird Lane Group Code: -99 Company Type:
 Dallas, TX 75247 Group Name: State ID Number: 1117
 (214) 638-9316 ext. [Phone] FEIN Number: 75-0953004

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? Yes
 Fee Explanation: Domicile filing fee is \$100.00.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Life Insurance Company of the Southwest	\$100.00	05/07/2010	36314233

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	05/12/2010	05/12/2010

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Linda Bird	05/11/2010	05/11/2010	Dionne Wills	05/11/2010	05/11/2010

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Product Name: SecurePlus Elite 5
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Disposition

Disposition Date: 05/12/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		Yes
Supporting Document	Life & Annuity - Actuarial Memo		No
Supporting Document	Statement of Variability		Yes
Supporting Document	Summary Disclosure		Yes
Supporting Document	Certification of Compliance		Yes
Supporting Document	EIA Certification		Yes
Form	Flexible Premium Indexed and Declared Interest Deferred Annuity		Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 05/11/2010
Submitted Date 05/11/2010
Respond By Date 06/11/2010

Dear Junan Boldrey,

This will acknowledge receipt of the captioned filing.

Objection 1

No Objections

Comment: External Indexed contracts are subject to the External Indexed Guidelines. Please furnish certification that this filing is in compliance with these guidelines and certifications required by these guidelines.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

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Product Name: SecurePlus Elite 5
Project Name/Number: SecurePlus Elite 5 /Form No. 7967

Response Letter

Response Letter Status Submitted to State
Response Letter Date 05/11/2010
Submitted Date 05/11/2010

Dear Linda Bird,

Comments:

Thank you for your review of this filing.

Response 1

Comments: The EIA Certification is attached under Supporting Documents.

Related Objection 1

Comment:

External Indexed contracts are subject to the External Indexed Guidelines. Please furnish certification that this filing is in compliance with these guidelines and certifications required by these guidelines.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: EIA Certification

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Dionne Wills
LSW

Sincerely,
Dionne Wills, Junan Boldrey

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Form Schedule

Lead Form Number: Form No. 7967

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	Form No. 7967	Policy/Cont Flexible Premium ract/Fratern Indexed and al Declared Interest Certificate: Deferred Annuity Amendmen t, Insert Page, Endorseme nt or Rider	Initial		51.300	Form No. 7967.pdf

Contract Summary for Policy Number 123456X

Any correspondence regarding this Policy may be forwarded to our Home Office or the agent listed below:

Life Insurance Company of the Southwest
P.O. Box 569080
Dallas, Texas 75356-9080

Prepared By: Joe Doe

This summary was prepared for: John Doe
Annuitant's Age at Issue: 35

Guaranteed Values at End of Year

End of Policy Year	Premium	Cash Value	Death Benefit	Yield
1	1,000.00	917.55	1,004.88	-8.25%
2	1,000.00	1,852.99	2,014.72	-4.98%
3	1,000.00	2,806.68	3,029.63	-3.29%
4	1,000.00	3,778.96	4,049.71	-2.26%
5	1,000.00	4,770.20	5,075.05	-1.56%
6	1,000.00	5,780.76	6,105.77	-1.06%
7	1,000.00	6,811.04	7,141.96	-0.68%
8	1,000.00	7,861.40	8,183.72	-0.39%
9	1,000.00	8,932.25	9,231.18	-0.15%
10	1,000.00	10,023.98	10,284.44	0.04%
20	1,000.00	22,183.39	22,183.39	0.98%
Age				
70	1,000.00	45,447.53	45,447.53	1.41%
99	1,000.00	114,895.00	114,895.00	1.67%

Cash Values are the greater of the Accumulation Value less a Withdrawal Charge or the Policy Value. Values shown are based on the guaranteed rate of 1.95% for the Policy Value and no increase in the Indices.

The Withdrawal Charge Percentage is twelve percent in the first Policy Year. It reduces by one percent per year for the next eleven Policy Years. **The Withdrawal Charge Percentage is zero after the twelfth Policy Year.** Withdrawal Charges illustrated are net of a 10% penalty-free partial withdrawal in all Policy Years after the first.

Monthly income for life, with 120 payments guaranteed, based on guaranteed values and guaranteed annuity purchase rates would be:

On May 21, 2045 (Age 70): \$223.15

On May 21, 2074 (Age 99): \$1,001.88

THIS CONTRACT MAY RESULT IN A LOSS IF KEPT FOR ONLY A FEW YEARS.



YOUR FLEXIBLE PREMIUM INDEXED AND DECLARED INTEREST DEFERRED ANNUITY POLICY

Policy Number: 123456X

Issue Date: May 21, 2010

Annuitant: John Doe

Policy Date: May 21, 2010

Owner: John Doe

Annuity Date: May 21, 2074

Issue Age: 35

Annuity Benefits

We will pay an annuity income beginning on the Annuity Date if the Annuitant and Owner and, if named, Joint Owner are then living, subject to the terms of this Policy. You may change the date you begin receiving annuity benefits. **Please refer to Annuity Date in Part 4: Policy Dates and Values.**

Death Benefits

We will pay a Death Benefit to the Beneficiary when We receive due proof of the death of the Owner, Joint Owner, or the Annuitant occurring before the Annuity Date, subject to the terms of this Policy.

Flexible Premiums

Premiums may be paid at any time before the Annuity Date with a minimum payment of \$100.00.

Right to Examine this Policy

This Policy may be returned within thirty days after it is received. Return it to Our Home Office or to the agent through whom it was purchased. We will cancel the Policy and return any premium paid.

Request for Information

Upon written request from You, We will provide, within a reasonable time, factual information regarding the benefits and provisions of this Policy.

This Policy is signed for **Life Insurance Company of the Southwest**, Dallas, Texas, by

Secretary

President

This Policy is a legal contract between You and the Company. Please read it carefully. We want You to understand the coverage it provides.

Flexible Premium Indexed and Declared Interest Deferred Annuity. Benefits are calculated based on the movement of an index or stipulated interest rates. Minimum underlying values. Income payments start on the Annuity Date. Death Benefit payable before the Annuity Date. Nonparticipating.

DATA PAGES

Policy Number: [123456X]

Issue Date: [May 21, 2010]

Annuitant: [John Doe]

Policy Date: [May 21, 2010]

Owner: [John Doe]

Annuity Date: [May 21, 2074]

Issue Age: [35]

Coverage

Indexed and Declared Interest Flexible Premium Deferred Annuity, [With Initial Premium of \$[1,000.00]]

Planned Premium

\$[1,000.00] [Per Year]

Policy Value Interest Rate

The interest rate credited to the Policy Value is [1.95%].

Premium Account Interest Rate

The interest rate credited to the Premium Account is [1.95%].

Declared Interest Accounts

The Declared Rate in effect for a new Declared Interest Account established on the Issue Date is [3.50%].

The guaranteed minimum Declared Rate for Reset Dates after the Issue Date is [1.95%].

Indexed Interest Accounts

The initial Index Value applicable to any portion of a premium which is transferred from the Premium Account to an Indexed Interest Account will be that on the close of activity on the [21st] of the month, coincident with or next following the receipt of that premium.

Standard & Poor's 500® Index

	Index Rate	Cap	Floor
Rates in effect for a new Indexed Interest Account established on the Issue Date	[80.00%]	[7.00%]	0.00%
Guaranteed minimum rates for Reset Dates after the Issue Date	30.00%	3.00%	0.00%

Russell 2000® Index

	Index Rate	Cap	Floor
Rates in effect for a new Indexed Interest Account established on the Issue Date	[80.00%]	[7.00%]	0.00%
Guaranteed minimum rates for Reset Dates after the Issue Date	30.00%	3.00%	0.00%

The Company declares Declared Rates, Index Rates, Caps, and Floors in advance only on each Reset Date. Rates will not be less than the guaranteed minimums shown above. The initial Declared Rate applicable to any portion of a premium which is transferred from the Premium Account to a Declared Interest Account will be that in effect on the [21st] of the month, coincident with or next following the receipt of that premium. The initial set of Index Rate, Cap, and Floor applicable to any portion of a premium which is transferred from the Premium Account to an Indexed Interest Account will be that in effect on the [21st] of the month, coincident with or next following the receipt of that premium. The Premium Account Interest Rate, Declared Rates, Index Rates, Caps, and Floors do not affect the computation of the Policy Value. See *Rate Declaration* in Part 4.

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Any riders and Endorsements and a copy of the application, follow page 13

In this Policy, the words **We, Us, Our** and **The Company** mean Life Insurance Company of the Southwest. **You** and **Your** mean the Owner of the Policy.

PART I: OWNERSHIP OF THE POLICY

Owner

The Owner on the Issue Date of this Policy is named in the application. If the Owner is not designated in the application, the Annuitant is the Owner.

Joint Owner

A Joint Owner may be named in the application on the Issue Date of this Policy. If a Joint Owner is named, You and Your shall refer to both the Owner and the Joint Owner together.

Rights of Owner

You may exercise all rights and privileges under this Policy, while the Annuitant is living, prior to the Annuity Date. Use of these rights may be subject to the consent of any Assignee or irrevocable Beneficiary.

Transfer of Ownership

Subject to the limitations described below, You may transfer ownership of this Policy. We will not be responsible for any payment We make or other action We take before a copy of the written request for transfer of ownership is received at Our Home Office. We are not responsible for the validity of the transfer. We may require the Policy to record the transfer.

Under certain provisions of the Internal Revenue Code, ownership and assignment of annuity policies are restricted. If this annuity is issued to qualify under such a provision, this will be specified in the application. We will restrict ownership and assignment of this Policy so that it will comply with the provisions of the Internal Revenue Code or any successor statute.

Assignment

Subject to the limitations described in the Transfer of Ownership provision, this Policy may be assigned. We will not be responsible for any payment We make or any other action We take before a written copy of the assignment is received at Our Home Office. We are not responsible for the validity of the assignment.

PART 2: THE ANNUITANT

Annuitant

The Annuitant is named in the application and on the Data Page(s) of this Policy. The Annuitant may not be changed after this Policy is issued, except as otherwise provided in this Policy. If the Annuitant is living on the Annuity Date while this Policy is in force, We will pay an annuity income as provided in Payment of Benefits, Part 5.

Contingent Annuitant

If the Owner and the Joint Owner, if one has been named, are both natural persons, and neither the Owner nor the Joint Owner is the Annuitant, You may name a Contingent Annuitant by written request. The written request must be signed while the Annuitant is living and prior to the Annuity Date. The designation of a Contingent Annuitant takes effect on the date We approve it and is subject to any action We take before receiving the request. Any designation of a Contingent Annuitant expires on the Annuity Date.

If the Annuitant dies prior to the Annuity Date while this Policy is in force and while the Contingent Annuitant is alive:

- The Death Benefit will not be payable;
- The Contingent Annuitant becomes the Annuitant for purposes of this Policy; and
- All other rights and benefits provided by this Policy will continue in effect.

Under certain provisions of the Internal Revenue Code, You are not permitted to name a Contingent Annuitant. If this annuity is issued to qualify under such a provision in the Internal Revenue Code, the Contingent Annuitant provision will not apply.

PART 3: BENEFICIARY PROVISIONS

Beneficiary

The Beneficiary on the Issue Date of this Policy is named in the application. The primary Beneficiary will receive any Death Benefit payable under this Policy. A contingent Beneficiary may be named to receive the Death Benefit if the primary Beneficiary is not living at the time the Death Benefit is payable. If no named Beneficiary is living at the time the Death Benefit is payable, it will be paid to Your estate.

You may name more than one primary Beneficiary and more than one contingent Beneficiary. If more than one Beneficiary is to receive the Death Benefit, it will be paid in equal shares unless You specify otherwise in writing.

If a Joint Owner is named under the Policy, on the death of either the Owner or Joint Owner, the surviving owner will be the sole Beneficiary.

Minors

If a Beneficiary is a minor, We will make payment to the minor's court appointed guardian. If there is no court appointed guardian, We will hold the Death Benefit at interest until the minor reaches the age of majority as defined by the state where this policy was issued. We may require proof of age of any Beneficiary.

Change of Beneficiary

You may change the Beneficiary at any time during the Annuitant's life. You must make a written request to Our Home Office in a form acceptable to Us. We may require the Policy to record the change. The request will take effect when signed, subject to any action We take before receiving it.

PART 4: POLICY DATES AND VALUES

Issue Date

The Issue Date of this Policy is shown on the Data Page(s). It is the date that Your Policy takes effect.

Policy Years

Policy Years are yearly periods which start on the Issue Date and on the same month and day of each year thereafter.

Policy Date

The Policy Date is the first Reset Date on which an Interest Account is established. It is shown on the Data Page(s).

Annuity Date

Annuity income payments begin on the Annuity Date shown on the Data Page(s) if the Annuitant is living. You may change the Annuity Date by sending us written request 30 days prior to the requested new Annuity Date. We must receive a written request to change the Annuity Date at least 30 days before the Annuity Date on the Data Page(s). The change of Annuity Date is subject to Our approval. We may require the Policy to record the change.

Premium Payments

A premium shall be due on the Issue Date. Premiums, after the first one, must be at least \$100, unless We agree otherwise and may be paid to Our Home Office at any time. Transfer and/or Rollover premiums may only be paid during the first five Policy Years. In the event that no premiums are paid after the first premium, this Policy will remain in force to its Annuity Date in accordance with its provisions. You are responsible for determining that any premiums meet the dollar and compensation limitations of the Internal Revenue Code, if any.

Total Withdrawals

You may withdraw all of the Cash Value of this Policy at any time at or before the commencement of any annuity income payments. If You withdraw all of the Cash Value of this Policy, this Policy will terminate.

Cash Value

The Cash Value of this Policy is the greater of:

- the Accumulation Value less applicable Withdrawal Charges; or
- the Policy Value,

less any applicable Premium Tax (see Premium Taxes, Part 6).

We reserve the right to defer the payment of the Cash Value for a period not to exceed six (6) months after making written request and receiving written approval of the commissioner of insurance of the state in which this Policy is issued. If required by state law, We will pay interest according to the laws of the state in which this Policy is issued.

Policy Value

The Policy Value at any time is equal to:

- 100% of the premiums paid; less
- 10% of the premiums paid for expenses and guarantees; less
- any amounts withdrawn (excluding any applicable Withdrawal Charges); plus or minus, as applicable,
- interest on the above items credited at the Policy Value Interest Rate shown on the Data Page(s).

Accumulation Value

The Accumulation Value at any time equals the sum of the value of the Premium Account and the values of the Interest Accounts.

Withdrawal Charges

If You request a Total or Partial Withdrawal during the first ~~twelve~~ Policy Years, We will deduct a Withdrawal Charge from the Accumulation Value. If the amount withdrawn during a Policy Year is less than or equal to the Free Withdrawal Amount, then the Withdrawal Charge is zero. The Withdrawal Charge on any additional amount withdrawn equals (a) times (b), where:

- (a) is the additional amount withdrawn; and
- (b) is the Withdrawal Charge Percentage for the Policy Year in which the withdrawal occurs.

Withdrawal Charge Percentage

The Withdrawal Charge Percentage is twelve percent in the first Policy Year. It reduces by one percent per year for the next eleven Policy Years. The Withdrawal Charge Percentage is zero after the twelfth Policy Year.

Free Withdrawal Amount

In the first Policy Year, the Free Withdrawal Amount is zero. In Policy Years two and later, the Free Withdrawal Amount equals ten percent of the Accumulation Value at the time of the first Partial Withdrawal in that Policy Year. If the first Partial Withdrawal in a Policy Year exceeds the Free Withdrawal Amount, Withdrawal Charges are assessed as defined above, and the Free Withdrawal Amount for the remainder of the Policy Year is zero. If the first Partial Withdrawal is less than or equal to the Free Withdrawal Amount, no Withdrawal Charges are assessed, and the Free Withdrawal Amount is reduced by the amount withdrawn. Each Partial Withdrawal after the first one in a Policy Year is then treated in the same manner as the first Partial Withdrawal, measured against any remaining Free Withdrawal Amount at the time of the Partial Withdrawal.

Partial Withdrawals

Prior to the Annuity Date, You may withdraw part of the Cash Value of this Policy at any time. The Accumulation Value will be reduced in this manner. First, any amount in the Premium Account will be deducted. For any additional amount, or if there is no value in the Premium Account, You may designate the type of Interest Account from which to deduct a Partial Withdrawal. If You make no such election, the Partial Withdrawal will be deducted from each type of Interest Account in proportion to its value.

Within each type of Interest Account, We will deduct Partial Withdrawals from the Account(s) with the most recent Reset Date, then from the Account(s) with the next most recent Reset Date, and so on until the required withdrawal amount is met.

Partial Withdrawals are subject to the following limits:

- each Partial Withdrawal must be at least \$500, and
- a Partial Withdrawal may not reduce the Accumulation Value to less than \$2,500.

Please note that the order of withdrawal, whether interest or principal, may not be identical to the order of withdrawal of earnings or premium as regarded by the Internal Revenue Service.

Premium Account

The value of the Premium Account at any time is equal to:

- all Net Premiums paid; plus
- all amounts transferred from the Bonus Accumulation Value to the Premium Account; plus
- all interest credited to the Premium Account; less
- all transfers from the Premium Account; less
- all amounts withdrawn from the Premium Account (including any applicable Withdrawal Charges).

Interest is credited to the Premium Account daily at the rate shown on the Data Page(s).

Net Premium

A Net Premium is any premium paid minus any applicable Premium Taxes (see Premium Taxes, Part 6).

Bonus Accumulation Value

When We issue the Policy, We will establish a Bonus Accumulation Value. During the first ten Policy Years, the Bonus Accumulation Value equals five percent (5%) times the Accumulation Value. You have no rights to or interest in the Bonus Accumulation Value until and unless it transfers to the Accumulation Value as defined below.

At the end of the tenth Policy Year, We will determine if the Premium Test is met. If the Premium Test is met at that time, the Bonus Accumulation Value will qualify for subsequent transfer to the Premium Account as stated below. If the Premium Test is not met at that time, the Bonus Accumulation Value becomes zero, and no subsequent transfer will take place.

Starting in the eleventh Policy Year and continuing until the fifteenth Policy Date anniversary, We will increase the Bonus Accumulation Value any time interest is credited to the Accumulation Value. We will increase the Bonus Accumulation Value in the same proportion as the Accumulation Value is increased.

Starting in the eleventh Policy Year and continuing until the fifteenth Policy Date anniversary, We will reduce the Bonus Accumulation Value any time a Partial Withdrawal is made from the Accumulation Value. We will reduce the Bonus Accumulation Value in the same proportion as the Accumulation Value is reduced.

On the eleventh Policy Date anniversary, after any Partial Withdrawal is taken and after crediting interest to the Bonus Accumulation Value, We will:

- transfer one-fifth (20%) of the then-existing Bonus Accumulation Value to the Premium Account; and
- reduce the Bonus Accumulation Value by the amount transferred.

On the twelfth Policy Date anniversary, after any Partial Withdrawal is taken and after crediting interest to the Bonus Accumulation Value, We will:

- transfer one-fourth (25%) of the then-existing Bonus Accumulation Value to the Premium Account; and
- reduce the Bonus Accumulation Value by the amount transferred.

On the thirteenth Policy Date anniversary, after any Partial Withdrawal is taken and after crediting interest to the Bonus Accumulation Value, We will:

- transfer one-third (33-1/3%) of the then-existing Bonus Accumulation Value to the Premium Account; and
- reduce the Bonus Accumulation Value by the amount transferred.

On the fourteenth Policy Date anniversary, after any Partial Withdrawal is taken and after crediting interest to the Bonus Accumulation Value, We will:

- transfer one-half (50%) of the then-existing Bonus Accumulation Value to the Premium Account; and
- reduce the Bonus Accumulation Value by the amount transferred.

On the fifteenth Policy Date anniversary, after any Partial Withdrawal is taken and after crediting interest to the Bonus Accumulation Value, We will transfer all of the then-existing Bonus Accumulation Value to the Premium Account, after which there will be no more Bonus Accumulation Value.

Premium Test

The Premium Test is met if the Policy is still in force and either or both of the following two conditions are met:

- The total premiums paid less Partial Withdrawals taken is at least two times the total premiums paid in the first Policy Year, or
- The total premiums paid less Partial Withdrawals taken is greater than or equal to \$20,000.

Transfers from the Premium Account

New Interest Accounts are opened on the Policy Date shown on the Data Page(s) and at monthly intervals thereafter. Money is transferred from the Premium Account to the new Interest Accounts according to Your transfer instructions. Your initial transfer instructions are recorded in Your application, which is attached to and made part of this Policy. You may change these instructions once in each Policy Year by sending Us written notice. The new instructions will apply to transfers from the Premium Account resulting from premiums deposited after We receive the new instructions.

Interest Accounts

We make two interest crediting methods available for the Interest Accounts under this Policy: crediting of interest based on an interest rate declared in advance or crediting of interest based on the change in an Index. The Interest Accounts for which an interest rate is declared in advance are called Declared Interest Accounts. Interest Accounts based on the change in an Index are called Indexed Interest Accounts.

The Declared Interest Accounts represent one type of Interest Account under this Policy. Indexed Interest Accounts based on one of each of the two Indices shown on the Data Page(s) represent one type of Interest Account under the Policy. Thus, there are three types of Interest Accounts under this Policy.

Reset Date

The date that an Interest Account is opened, and the dates at twelve-month intervals after that, are the Reset Dates for that account.

Account Years

Account Years for an Interest Account are the one-year periods from one Reset Date to the next.

Declared Interest Accounts

The value of a Declared Interest Account at any time is equal to:

- all transfers to that Declared Interest Account; plus
- all Declared Interest credited to that Declared Interest Account; less
- all transfers from that Declared Interest Account; less
- all amounts withdrawn from that Declared Interest Account (including any applicable Withdrawal Charges).

Declared Interest

We credit Declared Interest to each Declared Interest Account daily at an interest rate equivalent to the Declared Rate for that account, which is an annual effective rate.

Declared Rates

We will formally determine the Declared Rate for a Declared Interest Account at the start of each Account Year as described below under Rate Declaration. Its value on the Issue Date is shown on the Data Page(s).

Indexed Interest Accounts

The value of an Indexed Interest Account at any time is equal to:

- all transfers to that Indexed Interest Account; plus
- all Indexed Interest credited to that Indexed Interest Account; less
- all transfers from that Indexed Interest Account; less
- all amounts withdrawn from that Indexed Interest Account (including any applicable Withdrawal Charges).

The rate at which an Indexed Interest Account grows depends on:

- changes in the Index on which it is based;
- its Cap;
- its Floor; and
- its Index Rate.

Indexed Interest

The Indexed Interest for an Indexed Interest Account equals the Indexed Interest Account's value times the Index Increase Percentage Factor. We will calculate the Indexed Interest for each such Account only at that Account's Reset Dates after its first. If the Indexed Interest is greater than zero, We will credit it to the Indexed Interest Account.

Index Increase Percentage Factor

The Index Increase Percentage Factor for an Indexed Interest Account will be no less than the Floor and no more than the Cap declared at the start of the Account Year for that Indexed Interest Account.

Within those bounds, the Index Increase Percentage Factor equals the Index Rate for the Indexed Interest Account declared at the start of that Account Year multiplied by the quantity [(a) divided by (b), less 1], where:

- (a) is the posted Index value on the Reset Date at the end of the Account Year or, if there is no Index Value for the Reset Date at the end of the Account Year, the Index Value for the most recent day preceding that date for which there is an Index Value; and
- (b) is the posted Index value on the Reset Date at the beginning of the Account Year or, if there is no Index Value for the Reset Date at the beginning of the Account Year, the Index Value for the most recent day preceding that date for which there is an Index Value.

Indices

The Indices for this Policy at issue are shown on the Data Page(s). Each of the Indices for the Policy is guaranteed to apply while the Policy is in force unless:

- publication of the Index is discontinued; or
- the calculation of the Index is changed substantially.

If one of these events occurs, We may substitute a suitable index. If required, We will notify the commissioner of the state in which the Policy is issued or request permission from the commissioner before taking such action. We will notify You of any change to Your Policy as a result of these actions.

The value for a given day of an Index whose value is quoted continuously throughout that day in the United States is the value quoted by the provider of the Index at the close of activity for that day in the United States.

The value for a given day of any other Index is the value quoted by the provider of the Index at the most recent close of activity for a day as of 5 p.m. in Dallas, Texas. If there is no activity in an Index for a day, no value will be used for that day.

Index Rate

The Index Rate is the percentage used to calculate the Index Increase Percentage Factor for an Indexed Interest Account. We will declare Index Rates for Indexed Interest Accounts at the start of each Account Year as described below under Rate Declaration. We will declare Index Rates on a basis which does not discriminate unfairly within any class of policies. The values of the Index Rates on the Issue Date are shown on the Data Page(s).

Cap

The Cap is the maximum percentage per Account Year by which an Indexed Interest Account will be increased. We will declare Caps for Indexed Interest Accounts at the start of each Account Year as described below under Rate Declaration. We will declare Caps on a basis which does not discriminate unfairly within any class of policies. The values of the Caps on the Issue Date are shown on the Data Page(s).

Floor

The Floor is the minimum percentage per year by which an Indexed Interest Account will be increased. The Floor will never be less than 0%. We will declare the Floor for Indexed Interest Accounts at the start of each Account Year as described below under Rate Declaration. We will declare Floors on a basis which does not discriminate unfairly within any class of policies. The values of the Floors on the Issue Date are shown on the Data Page(s).

Rate Declaration

For the Declared Interest Accounts, We declare interest rates in advance at the start of each Account Year. Rates We so declare are guaranteed to remain in effect for the entire Account Year. Rates in effect for different Declared Interest Accounts may differ depending on date of receipt of the premium, size of the Declared Interest Account, or other factors.

For the Indexed Interest Accounts, We declare the Index Rates, Caps, and Floors in advance at the start of each Account Year. Renewal Index Rates, Caps, and Floors may differ from the Index Rates, Caps, and Floors then declared for other Indexed Interest Accounts which were opened on different dates.

When We declare initial and/or renewal Declared Rates, Index Rates, Caps, and Floors, We will do so in a manner that does not discriminate unfairly between any classes of Policies. We will set these factors depending on historical and then current interest rates and other relevant factors.

Interest Account Transfers

You may request that We transfer amounts between Interest Accounts of types You choose. **Amounts can only be transferred on Reset Dates applicable to the Accounts.** The rate(s) applicable to amounts to be transferred to new Interest Account(s) will be the same rate(s) that is made available to amounts that have been held in such new Interest Account(s) from the first Reset Date applicable to the amount to be so transferred. You must notify Us requesting the transfer at least fifteen (15) days in advance of the Reset Date.

PART 5: PAYMENT OF BENEFITS

Death Benefits

While this Policy is in force and prior to the Annuity Date, We will pay a Death Benefit at the earlier of:

- the death of the Owner; or
- the death of the Joint Owner; or
- if neither the Owner nor the Joint Owner is the Annuitant, the death of the Annuitant, unless a validly designated Contingent Annuitant is living.

If the Annuitant dies, the Death Benefit will be the greater of:

- the Policy Value as of the date of death; or
- the Accumulation Value as of the date of death.

The Death Benefit will be the Cash Value as of the date of death if the Owner dies and the Owner is not the Annuitant. The Death Benefit will be the Cash Value as of the date of death if the Joint Owner dies and the Joint Owner is not the Annuitant. Payment will be made to the Beneficiary upon receipt of due proof of death. You may specify how the Death Benefit is to be paid, subject to the limits imposed by Section 72(s) of the Internal Revenue Code. If You do not specify how the Death Benefit is to be paid, the payment will be in a single sum unless the Beneficiary elects otherwise. In any event, the Death Benefit will be paid within five years of the date of death, unless one of the following exceptions applies.

Death of the Owner or Joint Owner

If the Owner or the Joint Owner dies and the Beneficiary is the surviving spouse of the decedent, the Beneficiary may elect to be treated as the successor Owner of the Policy and continue the Policy. If the Owner or Joint Owner who dies is also the Annuitant, and the Beneficiary is the surviving spouse of the decedent who elects to be treated as the successor Owner and continue the Policy, the Beneficiary will become the Annuitant. In the event of such an election, on the death of the surviving spouse, the Death Benefit will be paid within five years of the date of such death, or distributed in accordance with the next paragraph, even if the Beneficiary at that time is a surviving spouse.

If the Owner or the Joint Owner dies and the surviving spouse of the decedent is not the Beneficiary, the Beneficiary may elect to receive the Beneficiary's entire interest in the Policy over such Beneficiary's life or over a period not extending beyond the life expectancy of such Beneficiary. Such distributions must begin within one year from the date of death.

Death of the Annuitant, if neither the Owner nor the Joint Owner is the Annuitant

Except as provided in the next section (*Non-Natural Owners*), if neither the Owner nor the Joint Owner is the Annuitant and the Annuitant dies, the Beneficiary may elect to receive the Beneficiary's entire interest in the Policy over such Beneficiary's life or over a period not extending beyond the life expectancy of such Beneficiary. Such distributions must begin within one year from the date of death.

Non-Natural Owners

If either the Owner or the Joint Owner is not an individual and the Annuitant dies, and the Annuitant's surviving spouse is the Beneficiary, the Beneficiary may elect to be treated both as the successor Owner and as the successor Annuitant of the Policy and continue the Policy. In the event of such an election, on the death of the Annuitant's surviving spouse, the Death Benefit will be paid within five years of the date of such death, or distributed in accordance with the next paragraph, even if the Beneficiary at that time is a surviving spouse.

If either the Owner or the Joint Owner is not an individual and the Annuitant dies, and the Annuitant's surviving spouse is not the Beneficiary, the Beneficiary may elect to receive the Beneficiary's entire interest in the Policy over such Beneficiary's life or over a period not extending beyond the life expectancy of such Beneficiary. Such distributions must begin within one year from the date of death.

Annuity Benefits

If the Annuitant is living on the Annuity Date and this Policy is in effect, We will apply the value of this annuity to provide a periodic income. Prior to the Annuity Date, You may request that we apply the value of this annuity to provide a periodic income.

- Before the end of the fifth Policy Year, We will determine the annuity payments by applying the Cash Value, less any applicable Premium Tax (see Premium Taxes, Part 6).
- On or after the end of the fifth Policy Year and prior to the fifteenth Policy Date anniversary, We will determine the annuity payments by applying the greater of (a) or (b) where:
 - (a) is the Accumulation Value plus a portion of the Bonus Accumulation Value; and
 - (b) is the Policy Value,

less any applicable Premium Tax (see Premium Taxes, Part 6).

If the Premium Test is met, the portion of the Bonus Accumulation Value that will be included is (a) times (b) divided by (c) where:

- (a) is the Bonus Accumulation Value;
- (b) is the whole number of completed Policy Years at the time of the withdrawal; and
- (c) is fifteen (15).

If the Premium Test is not met, the portion of the Bonus Accumulation Value that will be included is zero.

- On or after the fifteenth Policy Date anniversary, We will determine the annuity payments by applying the Cash Value, less any applicable Premium Tax (see Premium Taxes, Part 6).

The Annuity Benefits will be paid to You unless You direct Us in writing to pay another person. The amount and duration of the annuity depend on the amount applied and the Payment Option under which it is applied. If the Payment Option is one involving the life of the Annuitant, We reserve the right to require periodic proof that the Annuitant is still living.

If the Annuitant dies on or after the Annuity Date, (or if both the Annuitant and the joint annuitant die if the selected Payment Option is a Joint and Survivor Life Income Payment Option), any remaining payments provided by the selected Payment Option will be paid to the Beneficiary.

If:

- (a) neither the Owner nor the Joint Owner is the Annuitant or the joint annuitant; and
- (b) the Owner or the Joint Owner dies on or after the Annuity Date;

any remaining payments provided by the selected Payment Option will be paid to the Beneficiary.

If the Owner, the Joint Owner, the Annuitant, or the joint annuitant dies on or after the Annuity Date, or if You direct Us in writing irrevocably to pay the Annuity Benefits to another person, and that person dies on or after the Annuity Date, any remaining benefits will be paid at least as rapidly as under the Payment Option in effect as of the date of death.

If You elect to receive the Annuity Benefits in a single sum, We will pay You the Cash Value on the Annuity Date.

PART 6: OTHER PROVISIONS

This part contains important general and required provisions.

This Agreement

This Policy, the application, and any attached riders and endorsements constitute the complete agreement between You and Us. We have issued this Policy in exchange for the application and the payment of the premium. Any change in this Policy must be in writing, signed by one of Our officers, and in the form of an amendment or endorsement to this Policy. No agent has the power or authority to waive, change, or alter any of the terms or conditions of this Policy. Only one of Our officers has the power or authority to waive, change, or alter any of the terms or conditions of this Policy.

Tax Qualification

We may amend this Policy as necessary to comply with the Internal Revenue Service requirements. Otherwise, this Policy may not be amended unless You agree in writing.

Incontestability

We cannot contest this Policy.

Misstatement of Age or Gender

If the Annuitant's age or gender has been misstated on the application, the benefits will be those which the premium paid would have bought for the correct age and gender. We will adjust the annuity payments on the basis of the correct age and gender. The total amount of any underpayment that may have been made will be credited with 5% interest and added to the annuity payment next following the adjustment. The total amount of any overpayment that may have been made will be charged with 5% interest and deducted from the annuity payments, as required, next following the adjustment.

Premium Taxes

Some states impose a Premium Tax on annuities. In the event that a Premium Tax is imposed on the premium received, such tax will be deducted from the premium. In the event that a Premium Tax is imposed at any other time, such Premium Tax will be deducted from any benefit payable under this Policy.

Reports

At least once each year, We will send You a report showing the Accumulation Value. The report will also show all amounts added to and subtracted from the Accumulation Value during the period the report covers.

Nonparticipating

This Policy is not entitled to share in the profits or surplus of the Company.

Required Standards

All values under this Policy meet the requirements of the Standard Nonforfeiture Law for individual deferred annuities. A detailed statement of Our computation method for all values and reserves has been filed with the insurance department of the state where this Policy is delivered. All values and reserves are equal to, or greater than, those required by the laws of such state. Any paid-up annuity, cash values or Death Benefits or reserves under this Policy are not less than the minimum benefits required by any statute of the state in which the Policy is delivered.

Protection from Creditors

Benefits and Values payable under this Policy will be free from claims of creditors to the extent allowed by law.

Our Liability

We will not incur any liability or be responsible for Your failure, in whole or in part, to comply with the provisions set forth in the Internal Revenue Code or any other law.

PART 7: THE PAYMENT OPTIONS

This part contains methods of payments of the Death and Annuity Benefits. Death Benefits must be paid in accordance with Part 5: Payment of Benefits. Monthly income payments are illustrated, but other frequencies of payments may be available. We may agree to other Installment Income or Life Income options.

Option Selection

You may select the option under which benefits will be paid while the Annuitant is still alive and prior to the Annuity Date. If no option is selected on the Annuity Date, Life Income Option 2(b) will be used automatically.

Installment Income (Option 1)

We will pay monthly income for a selected term or amount. The first payment is due on the Annuity Date. The right to withdraw money under an Installment Income option will be as agreed upon when the option is elected. The following Installment Income options are available:

1(a) Income for a Selected Term. We will make equal monthly payments for the number of years selected (not less than 5 years or more than 25 years). The monthly income for each \$1,000 applied will not be less than those shown in Table 1. This table is based on interest guaranteed at a 1% annual effective rate.

1(b) Income of Selected Amount. We will make equal monthly payments of an amount selected. Payments will continue until the amount applied, including interest, has been paid. Payments must be made for at least 5 years and for not more than 25 years. We guarantee interest at a 1% annual effective rate.

Table 1 - Installment Income Payments for a Selected Term (Per \$1,000)					
Years	Monthly Income	Years	Monthly Income	Years	Monthly Income
5	\$17.08	12	\$7.36	19	\$4.81
6	14.30	13	6.83	20	4.59
7	12.32	14	6.37	21	4.40
8	10.83	15	5.98	22	4.22
9	9.68	16	5.63	23	4.05
10	8.75	17	5.33	24	3.90
11	7.99	18	5.05	25	3.76

Life Income (Option 2)

Payments depend on the life of the Annuitant. The monthly income for each \$1,000 applied will not be less than those shown in Table 2. We will pay monthly income to the named person for the certain period selected and then for as long as the Annuitant is alive. The first payment is due on the Annuity Date. The money applied under a Life Income option cannot be withdrawn once payments begin. The following Life Income options are available:

2(a) Payments For Life Only.

We will make equal monthly payments for the lifetime of the Annuitant. Payments stop when the Annuitant dies.

2(b) Payments For At Least 10 Years.

We will make equal monthly payments for 10 years and then for as long as the Annuitant is alive.

2(c) Payments For At Least 20 Years.

We will make equal monthly payments for 20 years and then for as long as the Annuitant is alive.

2(d) Payments For At Least The Amount Applied (Installment Refund).

We will make equal monthly payments until We have paid the amount applied and then for as long as the Annuitant is alive.

Age	2(a) Life Only	2(b) 10 Yrs. Certain	2(c) 20 Yrs. Certain	2(d) Install. Refund	Age	2(a) Life Only	2(b) 10 Yrs. Certain	2(c) 20 Yrs. Certain	2(d) Install. Refund
54	\$3.11	\$3.09	\$3.01	\$2.82	77	\$7.01	\$6.21	\$4.46	\$5.08
55	3.19	3.17	3.07	2.88	78	7.37	6.40	4.49	5.25
56	3.27	3.25	3.14	2.94	79	7.75	6.60	4.51	5.43
57	3.36	3.33	3.21	3.00	80	8.16	6.80	4.53	5.62
58	3.45	3.42	3.28	3.06	81	8.61	6.99	4.54	5.82
59	3.55	3.51	3.35	3.13	82	9.09	7.18	4.56	6.03
60	3.66	3.61	3.42	3.20	83	9.61	7.36	4.57	6.24
61	3.77	3.71	3.49	3.27	84	10.17	7.53	4.58	6.48
62	3.88	3.82	3.57	3.35	85	10.77	7.68	4.58	6.72
63	4.01	3.93	3.64	3.43	86	-	7.83	4.59	6.98
64	4.14	4.05	3.72	3.51	87	-	7.96	4.59	7.24
65	4.28	4.18	3.79	3.60	88	-	8.08	4.59	7.53
66	4.43	4.31	3.87	3.69	89	-	8.19	4.59	7.82
67	4.59	4.45	3.94	3.79	90	-	8.28	4.59	8.13
68	4.77	4.60	4.01	3.89	91	-	8.37	4.59	-
69	4.95	4.75	4.07	4.00	92	-	8.44	4.59	-
70	5.15	4.91	4.14	4.11	93	-	8.51	4.59	-
71	5.36	5.08	4.20	4.23	94	-	8.56	4.59	-
72	5.59	5.25	4.26	4.36	95	-	8.61	4.59	-
73	5.83	5.44	4.31	4.49	96	-	8.65	4.59	-
74	6.10	5.62	4.35	4.63	97	-	8.68	4.59	-
75	6.38	5.81	4.39	4.77	98	-	8.71	4.59	-
76	6.68	6.01	4.43	4.92	99	-	8.72	4.59	-

Joint and Survivor Life Income (Option 3)

We will make equal monthly payments during the joint lifetime of two persons and the remaining lifetime of the survivor. The monthly income for each \$1,000 applied for sample age combinations will not be less than those shown in Table 3. The first payment is due on the Annuity Date. The money applied under a Joint and Survivor Life Income Option cannot be withdrawn once payments begin.

If the joint annuitant is the Annuitant's spouse, the amount of each monthly payment made to the spouse as survivor will not exceed the amount of each monthly payment made to the Annuitant.

If the joint annuitant is not the Annuitant's spouse, the option elected must be in such form that the present value of the payments to the Annuitant will exceed one-half of the present value of all payments to be made to the Annuitant and joint annuitant. Present values will be determined as of the Annuity Date on the basis of the actuarial assumptions We use in determining the amount of the annuity payments.

The values in Tables 2 and 3 are based on the Annuitant's (or Annuitants') age(s) (nearer birthday) on the Annuity Date. We may require proof of ages. Tables 2 and 3 are based on interest guaranteed at a 1% annual effective rate and the a2000 Individual Annuity Mortality Table blended for unisex use at 40% male and 60% female. Amounts of income for any age or of ages not shown will be furnished on request

Age	55	60	65	70	75	80	85	90	95
55	\$2.72	\$2.86	\$2.97	\$3.05	\$3.11	\$3.14	\$3.17	\$3.18	\$3.18
60	2.86	3.06	3.24	3.39	3.49	3.56	3.60	3.63	3.64
65	2.97	3.24	3.51	3.75	3.94	4.08	4.17	4.22	4.25
70	3.05	3.39	3.75	4.12	4.45	4.71	4.90	5.01	5.07
75	3.11	3.49	3.94	4.45	4.96	5.43	5.80	6.04	6.19
80	3.14	3.56	4.08	4.71	5.43	6.17	6.84	7.34	7.68
85	3.17	3.60	4.17	4.90	5.80	6.84	7.91	8.85	9.55
90	3.18	3.63	4.22	5.01	6.04	7.34	8.85	10.35	11.62
95	3.18	3.64	4.25	5.07	6.19	7.68	9.55	11.62	13.58

More Information About Our Payment Options

Right to Increase Monthly Income

Subject to Our approval, a person who is to receive payments may make an extra contribution at the time of option selection to increase the income to be received. The contribution will be applied under the option at the same rates as are the benefits. We may make a charge, which will not exceed 3% of the extra contribution, plus any Premium Tax required. We may limit the extra contribution to an amount equal to the benefits.

Minimum Payments

If payments under the selected payment option would be less than \$20, We may change the frequency of payments or pay the benefits in cash.

Automatic Cancellation

A previous election of a Payment Option for Death Benefits will be cancelled if the Beneficiary is changed.

Payments to Minors

While a person named to receive benefits is a minor, We will make all payments to the court appointed guardian of the minor's estate. We may require proof of age of any such person in determining his or her status as a minor.

Flexible Premium Indexed and Declared Interest Deferred Annuity. Benefits are calculated based on the movement of an index or stipulated interest rates. Minimum underlying values. Income payments start on the Annuity Date. Death Benefit payable before the Annuity Date. Nonparticipating.



SERFF Tracking Number: NALF-126616595 State: Arkansas
 Filing Company: Life Insurance Company of the Southwest State Tracking Number: 45615
 Company Tracking Number: FORM NO. 7967
 TOI: A071 Individual Annuities - Special Sub-TOI: A071.001 Equity Indexed
 Product Name: SecurePlus Elite 5
 Project Name/Number: SecurePlus Elite 5 /Form No. 7967

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification		
Comments:		
Attachment: AR Read Cert.pdf		

	Item Status:	Status Date:
Satisfied - Item: Application		
Comments: We will use previously approved application 7909, approved in Arkansas on April 30, 2001.		

	Item Status:	Status Date:
Satisfied - Item: Statement of Variability		
Comments:		
Attachment: 7967 SOV.pdf		

	Item Status:	Status Date:
Satisfied - Item: Summary Disclosure		
Comments:		
Attachment: 10113(0110).pdf		

	Item Status:	Status Date:
Satisfied - Item: Certification of Compliance		
Comments:		
Attachment:		

SERFF Tracking Number: NALF-126616595 State: Arkansas
Filing Company: Life Insurance Company of the Southwest State Tracking Number: 45615
Company Tracking Number: FORM NO. 7967
TOI: A071 Individual Annuities - Special Sub-TOI: A071.001 Equity Indexed
Product Name: SecurePlus Elite 5
Project Name/Number: SecurePlus Elite 5 /Form No. 7967
AR Certification of Compliance.pdf

Item Status:

**Status
Date:**

Satisfied - Item: EIA Certification

Comments:

Attachment:

AR EIA Certification.pdf

STATE OF ARKANSAS
DEPARTMENT OF INSURANCE
READABILITY CERTIFICATION

Arkansas Rule ACA 23-80-206

Company Name Life Insurance Company of the Southwest **NAIC #** 65528,

hereby certifies that the following form(s) achieve a Flesch reading ease test score of:

FORM NUMBER

FLESCH SCORE

7967

51.3

Signature

Geoffrey Bird, FSA, MAAA, Vice President- Actuarial

May 6, 2010

Date

Form No. 7967 - Statement of Variability

Variable for the Policy Number is assigned by Life Insurance Company of the Southwest when the policy is issued.

Variables for the Annuitant, Owner, and Issue Age are based on the information in the application.

Variable for the Issue Date is the date when the policy is issued.

Variable for the Policy Date is the first date on which an Interest Account is established and is never more than one month after the Issue Date. The Policy Date will be set at company discretion to a day of the month between the 1st and 28th, inclusive. The Policy Date will not be set in any manner that discriminates unfairly between classes of policy owners.

Variable for the Annuity Date is the date at which the policy must end in either lump-sum distribution or commencement of a periodic income payment and is set at issue to the Policy Date anniversary coincident with or next following the Policy anniversary for attained age 99 of the Annuitant. This is an item that is adjustable by the owner.

Variable for the Initial Premium under the Coverage Section:

- [With Initial Premium of \$[1,000.00]] – the dollar amount prints automatically based on the amount received.
- [No Premium with Application] – if no premium is received.

Variables for the Planned Premium:

- \$[1,000.00] – the dollar amount is based on the information in the application
- [Per Year] = the billing frequency, if any, translated as follows:
 - [Per Year]
 - [Semi-Annually]
 - [Per Quarter]
 - [Per Month]
 - [Every Four Weeks]
 - [Every Three Weeks]
 - [Semi-Monthly]
 - [Bi-Weekly]
 - [Per Week]

The policy's non-guaranteed rate-type elements and their descriptive text which are bracketed on the Data Pages are limited to the following values (low to high):

- Policy Value Interest Rate – (1.95% to 3.00%)
- Premium Account Interest Rate – (1.95% to 3.00%)
- Declared Interest Account Declared Rate in effect on the Issue Date – (1.95% to 35.00%)
- Guaranteed minimum Declared Interest Account Declared Rate – (1.95% to 3.00%)
- Index Rate in effect for a new Indexed Interest Account established on the Issue Date – (30% to 200%)
- Cap in effect for a new Indexed Interest Account established on the Issue Date – (3% to NO CAP)

Determination of the Policy Value Interest Rate, Premium Account Interest Rate, and the guaranteed minimum Declared Interest Account Declared Rate

The minimum rates will change from calendar month to calendar month for policies issued in the month as determined in the following. The rates employed during a calendar month for issues in that month will be the 5-year Treasury Constant Maturity rate ("CMT-5") reported by the Federal Reserve for the calendar month two months prior to the month of issue, rounded to the nearest 20th of 1%, reduced by 125 basis points, the resulting answer limited to not more than 3% and not less than 1.95% in all policy years.

Sample Calculation Nonforfeiture Rate for Current Issues

The policy form submitted with an Issue Date of May 1, 2010 would use the rate of 2.43% reported by the Federal Reserve for the month of March 2009. The rate is rounded to the nearest 1/20th of 1% with a result of 2.45%. That rate is then reduced by 125 basis points with a result of 1.20%. This is less than 1.95%, so the floor of 1.95% becomes effective for policies issued in the month of May, 2010.

Variable for the day of the month used to determine the initial Index Value applicable to any portion of a premium which is transferred from the Premium Account to an Indexed Interest Account:

- [21st] – the same day of the month as the Policy Date

Variable for the day of the month used to determine the initial Declared Rate applicable to any portion of the a premium which is transferred from the Premium Account to a Declared Interest Account:

- [21st] – the same day of the month as the Policy Date

Variable for the day of the month used to determine the initial set of Index Rate, Cap, and Floor applicable to any portion of the a premium which is transferred from the Premium Account to an Indexed Interest Account:

- [21st] – the same day of the month as the Policy Date

Variable text in the Withdrawal Charges provision in Part 4 of the form:

- If the Issue Age is less than or equal to 57, then the following text will be inserted:
 - twelve
- If the Issue Age is equal to 58, then the following text will be inserted:
 - eleven
- If the Issue Age is greater than or equal to 59, then the following text will be inserted:
 - nine

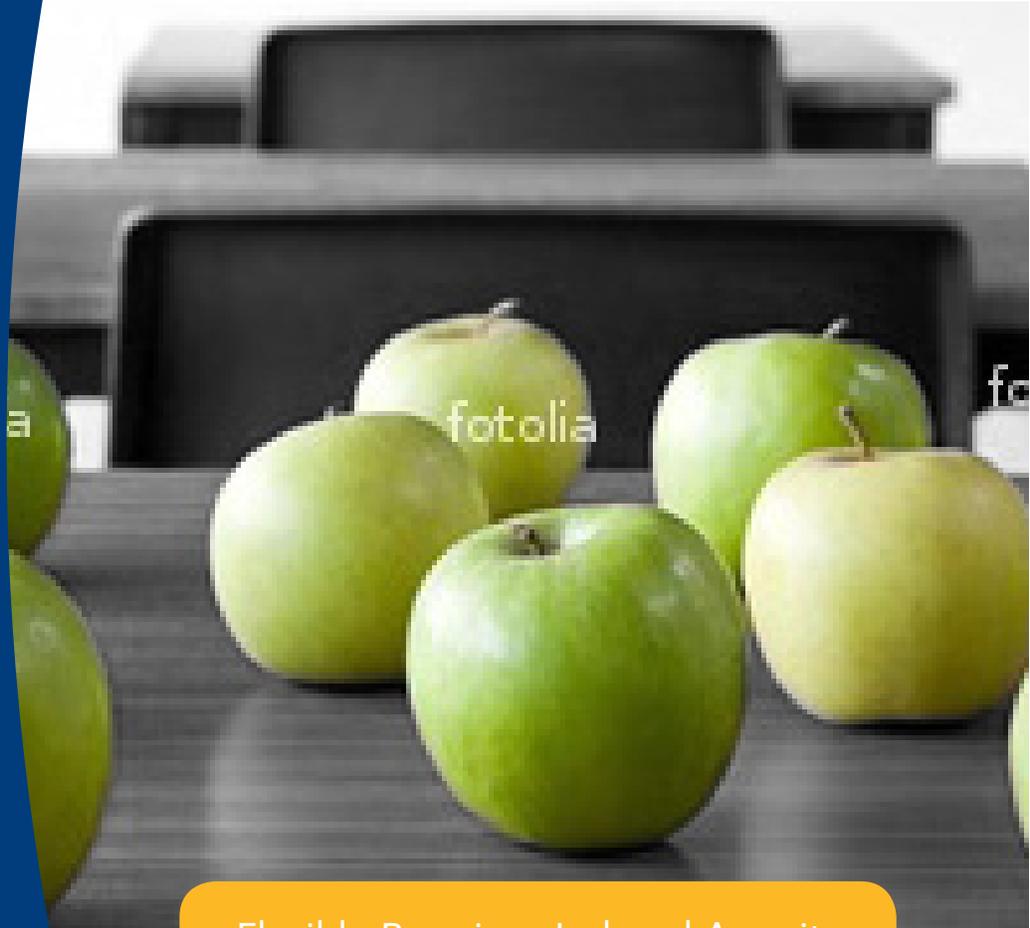
Variable text under the Withdrawal Charge Percentage provision in Part 4 of the form:

- If the Issue Age is less than or equal to 55, then the following text will be inserted:
 - The Withdrawal Charge Percentage is twelve percent in the first Policy Year. It reduces by one percent per year for the next eleven Policy Years. The Withdrawal Charge Percentage is zero after the twelfth Policy Year.
- If the Issue Age is equal to 56, then the following text will be inserted:
 - The Withdrawal Charge Percentage is eleven percent in Policy Years one and two. It reduces by one percent per year for the next ten Policy Years. The Withdrawal Charge Percentage is zero after the twelfth Policy Year.
- If the Issue Age is equal to 57, then the following text will be inserted:
 - The Withdrawal Charge Percentage is ten percent in the first three Policy Years. It reduces by one percent per year for the next nine Policy Years. The Withdrawal Charge Percentage is zero after the twelfth Policy Year.
- If the Issue Age is equal to 58, then the following text will be inserted:
 - The Withdrawal Charge Percentage is ten percent in Policy Years one and two. It reduces by one percent per year for the next nine Policy Years. The Withdrawal Charge Percentage is zero after the eleventh Policy Year.
- If the Issue Age is greater than or equal to 59, then the following text will be inserted:
 - The Withdrawal Charge Percentage is eight and one quarter percent in Policy Years one and two, reducing by one percent per year for the next two Policy Years. It reduces by one and one quarter percent in the fifth Policy Year and reduces by one percent for the next four Policy Years. The Withdrawal Charge Percentage is zero after the ninth Policy Year.



Life Insurance Company of the Southwest

SecurePlus Elite 5



Flexible Premium Indexed Annuity

Summary/Application

Experience Life[®]



otolia

otolia

Thank You¹ for choosing a *SecurePlus Elite 5*. To acknowledge that you have read and the agent has explained how your Flexible Premium Indexed and Declared Interest Annuity works, please initial each page and sign/date this summary at the end.

LSW's Flexible Premium Indexed Annuity

This document reviews important points to consider before you buy this annuity from Life Insurance Company of the Southwest (LSW). *SecurePlus Elite 5* is a flexible premium indexed and declared interest deferred annuity. *SecurePlus Elite 5* is LSW Policy Form Number 7967.

I have read and the agent has explained the information presented on this page. _____ (initial)

SECTION I — The Annuity Contract

An annuity contract has two purposes – (1) to accumulate money, and (2) to provide a distribution of the money in a lump sum or in a series of payments. Annuity contracts have guarantees regarding premium paid, interest credited, death benefit, and income amounts which distinguish them from other savings vehicles.

This annuity is tax deferred which means all amounts in your annuity accumulate with federal income tax deferred until withdrawn or received as income. Annuities owned by trusts or corporate entities may not enjoy the tax deferral feature. You can use this annuity to save for retirement or other long-term needs and to receive retirement income for various periods, including for life. It is not meant to be used to meet short-term financial goals.

How will the value of my annuity grow?

Your annuity value will grow through credited interest. This annuity does not participate directly in any stock or equity investments. You are not buying shares of stock or shares in the Indexes.

Your policy will be issued upon receipt of your initial premium. Each premium payment is placed in the Premium Account on the day received. The Premium Account is credited with interest to the next Reset Date of an Interest Account (unless the premium is received on the date that an Interest Account is opened). Then we transfer, on the Reset Date, all amounts in the Premium Account to new Interest Accounts. The date that an Interest Account is opened, and the dates at twelve-month intervals after that, are the Reset Dates for that account. We maintain each Interest Account separately. The period from the Reset Date when an Interest Account is established to the Reset Date in the next year, and each one-year period thereafter, is an Account Year for that Account.

If you pay multiple premiums, your *SecurePlus Elite 5* will have a like number of Interest Accounts, each with its own Account Year. The sum of all Interest Accounts plus the Premium Account is your Accumulation Value.

An important feature of *SecurePlus Elite 5* is that you may choose among three methods to determine the interest credited to each of your Interest Accounts – the Declared Interest Account and two Indexed Interest Accounts. Because you may pay multiple premiums, there can be multiple accounts of any of these types.

A Declared Interest Account is an Interest Account for which interest is credited daily at a declared interest rate. LSW sets the rate in advance each Account Year. The minimum annual rate will be shown in your policy.

One type of Indexed Interest Account credits interest based on the movement of the S&P 500® Index. The other type of Indexed Interest Account credits interest based on the Russell 2000® Index.

Each of the S&P 500 Index and the Russell 2000 Index is a widely used market-value weighted price index reflecting capital growth only and excluding dividends paid on their stocks. In any year, the interest rate credited to an Indexed Interest Account may be higher or lower than the interest rate credited to the Declared Interest Account (and to other traditional fixed rate annuities). The objective for an Indexed Interest Account is to provide, over the long term, higher credited interest than what would be credited to the Declared Interest Account and other traditional fixed rate annuities. However, this is not guaranteed.

To determine Indexed Interest, LSW calculates the Annual Percentage Change in the applicable Index from the beginning of the Account Year to the end of the Account Year.

The interest rate credited to an Indexed Interest Account is the Index Rate (sometimes called the participation rate) multiplied times the Annual Percentage Change, the result being subject to a minimum called the Floor and the maximum called the Cap.

I have read and the agent has explained the information presented on this page. _____ (initial)

- The Index Rate can never be less than 30%.
- The Cap is guaranteed to be no less than 3%.
- The Floor is zero.

The effects of the above are: (1) if the Annual Percentage Change is negative or zero, you will not lose any of the value of an Interest Account or interest previously credited to that Interest Account — your interest credited would be zero (the Floor) for that Account Year; and (2) if the Annual Percentage Change is positive, your interest credited will be determined using the Index Rate and the Cap. The Index Rate and Cap for each Indexed Interest Account are set and guaranteed by LSW annually in advance at the beginning of each Account Year. Section V more fully describes how indexed interest is calculated.

How do I transfer amounts in my annuity among Interest Accounts?

Transfers between and among types of Interest Accounts may be made without charge. Amounts can be transferred from any type of Interest Account to another type of Interest Account only on the anniversary of the Interest Account from which the transfer is to be made and only after receipt of your written request for the transfer. Transfers from Interest Accounts are made on a LIFO basis (Last In, First Out). This means that the most recently opened Interest Accounts are transferred first. Your written request must be received at least 15 days before the transfer is to be made. The rates that will then be applicable to the transferred amount will be the same rates as if its premium had been originally allocated to the new Interest Account.

SECTION II — Access to Value

Your annuity's Accumulation Value reflects your premium paid and any interest credited to your policy. During your lifetime, you may receive money from your annuity in several ways. You may make a full or partial withdrawal, or you may request that your annuity's value be converted to periodic income. After the first Policy Year, you have an annual noncumulative right to make a 10% penalty-free Partial Withdrawal.

What happens if I take out some or all of the money from my annuity?

When you take money from your annuity in the first 12 years, you may incur a Withdrawal Charge. The amount of the charge depends on your age when your policy is issued, how long you've had the annuity, and how much you withdraw. Withdrawals in the first policy year are subject to a Withdrawal Charge. After the first policy year, you may withdraw in any one year up to 10% of the Accumulation Value without incurring the Withdrawal Charges shown in this table:

Policy Year	Issue Age				
	0 to 55	56	57	58	59 to 80
1	12%	11%	10%	10%	8¼%
2	11	11	10	10	8¼
3	10	10	10	9	7¼
4	9	9	9	8	6¼
5	8	8	8	7	5
6	7	7	7	6	4
7	6	6	6	5	3
8	5	5	5	4	2
9	4	4	4	3	1
10	3	3	3	2	0
11	2	2	2	1	0
12	1	1	1	0	0
13+	0	0	0	0	0

Withdrawal Charges do not apply to any death benefit paid on death of the Annuitant.

How do I get income (payouts) from my annuity?

You can ask LSW to convert your annuity's value to an income (a series of payments) at any time. If you do so after the 5th Policy Year, any applicable Withdrawal Charges will be waived. You can choose how to get the income. Your annuity policy describes your options in detail (see Part 7: The Payment Options in your annuity policy). Your current choices are:

- Designated period of time: Guarantees income for the selected period, available for periods of 5 to 25 years.

I have read and the agent has explained the information presented on this page. _____ (initial)

- Life: Guarantees income for as long as you live.
- Life income with a period certain: Guarantees income for as long as you live or for a chosen period, whichever is longer. If you die within the period certain, the income continues to your beneficiary for the remainder of the period certain. Periods certain are 10 years, 20 years, and Installment Refund (income continues until the amount paid is at least the amount applied).
- Joint and survivor life: Guarantees income for as long as you or your joint annuitant (for instance, your spouse) live.

What happens after I die?

If you die before we start to pay you income from your annuity as an Annuity Benefit, your beneficiary can choose to receive the death benefit as one payment or as a series of payments over time. If you are the Annuitant, the death benefit is the greater of the Accumulation Value or the Policy Value (this is described later). If your death occurs after these income payments have begun, any payments which remain to be paid under your payment option selection will be paid to your beneficiary.

SECTION III — Fees, Expenses, & Other Charges

Do I pay any fees or charges?

SecurePlus Elite 5 has no fees or expenses charged against your accumulation value except for the Withdrawal Charges. Some states charge a premium tax on annuities. A few states levy the tax when you pay a premium. Others charge it upon withdrawal or selection of a payment option. If we must pay this tax, we will deduct it from your policy benefits. Charges may apply for any rider attached to the policy.

SECTION IV — Taxes

How will payout and withdrawals from my annuity be taxed?

All amounts in your annuity accumulate with federal income tax deferred until withdrawn or received as income. When you receive income or make a withdrawal, you pay ordinary income taxes on the taxable value. If you make a withdrawal before age 59½, you will be subject to a 10% federal income tax penalty unless you qualify under one of the exceptions provided by law. Neither LSW nor any of its agents or representatives give legal, tax, or accounting advice. You should consult your own tax advisor for tax advice.

SECTION V — Interest

How is interest credited to my Policy?

Interest can be credited to your policy as interest to the Premium Account, as interest to a Declared Interest Account, and/or as interest to an Indexed Interest Account, and if certain requirements are met, as transfers from the Bonus Accumulation Value.

- Premium Account — Your money in the Premium Account is credited with interest daily. The rate will be shown in your policy.
- Declared Interest Accounts — Your money in the Declared Interest Accounts is credited with interest daily. LSW sets the rate in advance for each Account Year. The rate declared for the first premium and the minimum rate thereafter will be shown in your policy.
- Indexed Interest Accounts — The two types of Indexed Interest Accounts that credit interest annually at the end of each Account Year, based in part on the annual change of an Index, are:
 - S&P 500 Indexed Interest Account
 - Russell 2000 Indexed Interest Account

I have read and the agent has explained the information presented on this page. _____ (initial)

Each premium payment is placed in the Premium Account on the day received. The Premium Account is credited with interest to the next Reset Date (unless the premium is received on the Reset Date). Then we transfer, on the Reset Date of each calendar month, all amounts in the Premium Account to new Interest Accounts. You may allocate your transfers from the Premium Account to any combination of the three types of Interest Accounts above. Allocations must be in whole percentages.

The two Indexes available in *SecurePlus Elite 5* are:

- The S&P 500 Index; and
- The Russell 2000 Index

These are widely used market-value weighted Indexes which reflect capital growth only and do not include dividends paid on stocks included in the Indexes.

The method for calculating interest for the two types of Indexed Interest Accounts is commonly referred to as the annual reset, point-to-point method. An Indexed Interest Account is credited with interest based on a formula which considers the positive change in the Index from the beginning of the Account Year to the end of the Account Year. The Annual Percentage Change is the change from the Index value at the beginning of the Account Year to the Index value at the end of the Account Year. Interest is only credited to the Account at the end of the Account Year.

The Index Rates and Caps for the two types of Indexed Interest Accounts are guaranteed never to be set less than 30% and 3%, respectively. Index Rates and Caps for each Indexed Interest Account are declared annually in advance.

How Interest is Calculated — The Annual Percentage

Change in the Index over the Account Year is first expressed as a percent gain (or loss). That percent gain is multiplied by an Index Rate, a value that LSW declares at the start of the Account Year.

The result is then limited to a maximum percentage change called the Cap which is also declared at the start of the Account Year. If the result is less than the Cap, the result of the multiplication is the credited interest rate for the year. If the result is greater than the Cap, the credited interest rate is the Cap.

If the change in the Index over the Account Year is negative or zero, then no interest is credited for the Account Year. However and quite importantly, the value of the Indexed Interest Account is protected from the negative Annual Percentage Change (in other words, the floor for the interest credited is zero). This happens because you are not investing in the Index. You are purchasing an annuity where interest can only be credited, adding to your value. Amounts cannot be deducted from your Accumulation Value due to a negative Annual Percentage Change.

The starting point for the Index value for the new Account Year is the ending Index value for the year then ended.

D. Bonus Accumulation Value (BAV) – Your annuity contains a feature, called the Bonus Accumulation Value, that will increase the value of your annuity if certain requirements are met. During policy years one through ten, the Bonus Accumulation Value is equal to 5% of the Accumulation Value. On the next or concurrent Reset Date following policy anniversaries 11 through 15, a portion of the BAV is transferred to the Premium Account if your annuity meets the Premium Test and your annuity is in force on the transfer date. The Premium Test is met if either or both of the following two conditions are met on the tenth policy anniversary:

- The total premiums paid less Partial Withdrawals taken is at least two times the total premiums paid in the first Policy Year, or
- The total premiums paid less Partial Withdrawals taken is greater than or equal to \$20,000.

I have read and the agent has explained the information presented on this page. _____ (initial)

The portion of the remaining BAV that is transferred to the Premium Account is as follows

- Policy Anniversary Date 11: 20%
- Policy Anniversary Date 12: 25%
- Policy Anniversary Date 13: 33%
- Policy Anniversary Date 14: 50%
- Policy Anniversary Date 15: 100%

Once an amount is transferred, it becomes part of the Accumulation Value and is no longer part of the BAV. Please understand, you have no right to or interest in the BAV until it is transferred to the Accumulation Value. All of the BAV will transfer into the Accumulation Value by the sixteenth policy year. No annuitization is required to receive this benefit. Withdrawals reduce the value of the BAV.

SECTION VI — Policy Guarantees

Your policy provides a number of guaranteed benefits as described below:

- Death Benefit – Accumulation Value, if you are the Annuitant;
- Cash Value – Accumulation Value less a withdrawal charge, if any; and
- Guaranteed Income – minimum payment amounts for various income options are provided in the policy form.

Your policy also provides a guaranteed minimum to the Death Benefit and the Cash Value. This minimum is calculated separately and is called the Policy Value. The Policy Value has the potential to increase the Death Benefit and the Cash Value that are described above. This guarantee can be valuable if you were to allocate most of your value in the annuity to Indexed Interest Accounts during multiple years of declines in the Index or Indexes. The Policy Value equals 90% of premiums paid, less withdrawals taken, accumulated at the Policy Value interest rate shown in your policy.

SECTION VII — Other Information

- Issue age limits for this annuity are owner /annuitant age 0 to 70 (actual age).
- This annuity is designed for people who are willing to let their savings build for at least 15 years.
- This annuity does not participate directly in any stock or equity investments. You are not buying shares of stock or shares in the Index.
- We may change your annuity contract from time-to-time only to follow federal or state laws and regulations. If we do, we will tell you about the changes in writing.
- Right to Examine: You have a right to a complete refund of your premium paid at any time within 30 days of receiving your annuity policy. To exercise this right, you must return your Policy with a written request for a refund.

What Should I Know About Life Insurance Company of the Southwest?

When an annuity seems to be the right fit for your financial plan, you want the assurance that your money is safe. *SecurePlus Elite 5* is backed by the full assets of Life Insurance Company of the Southwest (“LSW”). LSW has a corporate investment policy that strongly emphasizes quality investments and safety. LSW is a life insurance company that specializes in annuity and life insurance products. LSW’s goal is to provide products that benefit policyholders regardless of market conditions. LSW was incorporated in 1955 under the laws of Texas as a legal reserve insurance company. The Company is licensed in 49 states and the District of Columbia.

I have read and the agent has explained the information presented on this page. _____ (initial)

Questions?

If you have questions, you may ask them of your agent. You may also call our Home Office. Our telephone number is 800-579-2878. When you call, please say that you have questions about your *SecurePlus Elite Indexed and Declared Interest Rate Annuity*. We will be glad to hear from you.

Please Tell Us If You Understand

Please do not rely on any statements about SecurePlus Elite that are not consistent with what is described in this Summary, in the annuity Policy form, or in other material published by LSW. In case of any ambiguity, conflict, or question regarding interpretation of this Summary or any other published material or statements, the provisions of the Policy form prevail. Please consult your annuity Policy form for further details.

Understanding

My signature as Owner below acknowledges that I have read and the agent has explained the contents of this Summary. I understand that I am applying for an indexed annuity that provides benefits linked to an external equity index but does not participate directly in the equity market. I understand this original Summary will be enclosed with my application and a copy of it will be sent with my Policy.

Print Owner Name

Owner Signature

Date

Print Agent Name

Agent No.

Agent Signature

Date

Thank You.
We Appreciate Your Business and
Your Confidence in LSW.

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The Russell 2000 Index is a group of unmanaged securities used to measure the performance of small-capitalization U.S. stocks. An investment cannot be made directly into an index.

LSW Home Office: 1300 West Mockingbird Lane, Dallas, Texas 75247 / Telephone: 800-579-2878 / www.lifeofsouthwest.com

National Life Home Office: One National Life Drive / Montpelier, Vermont 05604 / Telephone: 800-277-9929 / www.nationallife.com

National Life Group is a trade name of National Life Insurance Company and its affiliates. Each company of the National Life Group is solely responsible for its own financial condition and contractual obligations. LSW is not authorized to sell insurance in New York.



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APPLICATION FOR ANNUITY

Notice to Residents of AZ: The annuity to which this application is attached may be returned within 31 days after it is received. Return it to our Home Office or to the agent through whom it was purchased. If returned, we will cancel the annuity and return any premium paid. Upon written request from the Owner, we will provide within a reasonable time, factual information regarding the benefits and provisions of the annuity to which this application is attached.

Section I – Owner/Joint Owner/Annuitant

S0105

Owner's Name		SS No or Taxpayer ID		DOB (m/d/yy)		Age		Sex	
Home Address		City		County		State		Zip Code	
Home Phone Number		Home Fax Number		Home e-mail Address					
Annuitant's Name (if different from Owner)		SS No or Taxpayer ID		DOB (m/d/yy)		Age		Sex	
Home Address		City		County		State		Zip Code	
Home Phone Number		Home Fax Number		Home e-mail Address					
Joint Owner's Name (if applicable, non-qualified only)		SS No or Taxpayer ID		DOB (m/d/yy)		Age		Sex	
Home Address		City		County		State		Zip Code	
Home Phone Number		Home Fax Number		Home e-mail Address					
Employer		Work e-mail Address							
Work Address		City		County		State		Zip Code	
Work Phone Number		Work Fax Number		Occupation or Job Title		Hire Date (m/d/yy)		Annual Salary	

Do Not Detach

Section II – Beneficiary

S0201

Beneficiary	Relationship	Share
1)		%
2)		%
Contingent Beneficiary	Relationship	Share
1)		%
2)		%

Section III – Premium

S0306

Amount Paid with Application	Rollover/Transfer/1035 (Approximate)	Planned Premium Per Pay

If Salary Reduction, first on (m/d/yy)

Payable How? Salary Reduction/Deduction Pre-Authorized Check Plan Direct (Check) Transfer/1035

Payable How Often? Monthly (12 payments) Semi-Monthly (24 payments) Bi-Weekly (26 payments) Single Other _____

Check Months to Skip Payments: Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

Special Instructions for Future Billing Changes _____

Premium Allocation – Must be whole numbers and sum to 100%. Selection required.

Standard Allocation: Ending Index Account _____% + Average Index Account _____% + Declared Interest Account _____% = 100%
(003) (005) (007)
Initial Single Sum Transfer (If Different): Ending Index Account _____% + Average Index Account _____% + Declared Interest Account _____% = 100%
(003) (005) (007)

Section IV – Plan Selected

So403

✓ Lone Star SecurePlus® Elite Flexible Premium Indexed and Declared Interest Annuity

Section V – Plan Qualification

So504

403 (b) TSA ERISA 403(b) ROTH 403(b) IRA ROTH IRA SIMPLE IRA 457 Def. Comp Pension/Profit Sharing IRA Rollover Non-Qualified 412(i) 401(k) SEP ERISA ROTH 403(b) Other (specify)

Section VI – Existing Insurance

So602

Do you, the applicant, know that replacement of existing life insurance or an existing annuity is or may be involved in the purchase of this annuity? Yes No Applicant's Initials

Do you, the agent, know that replacement of existing life insurance or an existing annuity is or may be involved in the purchase of this annuity? Yes No Agent's Initials

If the answer to either or both questions is yes, you must complete the appropriate replacement and exchange forms. However, if your state has adopted the NAIC Model Regulations for replacements, you must complete the appropriate forms regardless of your answers to the above questions. Please refer to LSW's "2630-Required States Forms" to determine the form(s) needed.

Section VII – Remarks

So701

Section VIII – For Home Office Endorsement Only

So801

(Not applicable in Pennsylvania or West Virginia)

Section IX – Fraud Warnings and Notices

So901

DC/LA/MD – Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. FL – Notice: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony in the third degree. KY/ME/OH – Any person who knowingly and with intent to injure, defraud, or deceive any insurer files an application for insurance containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime. NJ – Notice: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties. AR/NM/PA – Warning: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties. VA – Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may have violated state law. WA – It is a crime to knowingly provide false incomplete or misleading information to an insurance company for the purposes of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Section X – Acknowledgments

S1003

The Annuitant and the Owner, if other than the Annuitant; (1) represents, to the best of their knowledge and belief, that all statements and answers contained herein are full, complete and true as written and are correctly recorded; and, (2) expressly agrees as follows:

- 1. This application and the answers and agreements contained herein shall be the basis of, a part of the consideration for and a part of the annuity hereby applied for.
2. The payment of premium constitutes consideration to the Company for the granting of an annuity and upon payment becomes the absolute property of the Company.
3. If proof of age is not given with this application, the Annuitant(s) will furnish the Company with such proof before annuity payments begin.
4. The annuity applied for shall take effect on the date the premium is received by the Company in its Home Office. The SecurePlus single premium deferred annuities shall take effect on the 7th, 14th, 21st or 28th of the month following or coincident with the date the premium is received by the Company in its Home Office.
5. The Company is authorized to amend this application by an appropriate notation in the space designated "For Home Office Endorsement Only" in order to correct apparent errors or omissions. The acceptance of any annuity issued on this application shall constitute acceptance and ratification of the beneficiary designation, if any, in such annuity and of any amendments contemplated above except that no change shall be made in the plan of annuity or benefits without the written acceptance of the Annuitant(s) or of the Owner if other than the Annuitant(s).

Wg: Under the penalties of perjury, I certify that: (1) the number shown on this application is my correct taxpayer identification number; (2) the IRS has never notified me that I am subject to backup withholding, or has notified me that I am no longer subject to such withholding or I am exempt from such withholding; and (3) I am a U.S. person (including a U.S. resident alien). You must cross out item 2 if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

Section XI – Signature and Agent Information

S1102

Dated at (city/state) on (month/day/year)

Signature of Owner Signature of Annuitant (if different from Owner)

Signature of Joint Owner (if applicable)

To the best of my knowledge, a replacement is is not involved in this transaction. (Agent to check box.) Florida License ID No.

Signature of Agent Soliciting Agent (print) Agent No. Percent

Agent Phone Number Other Agent (print) Agent No. Percent

Trail Commission Option for SecurePlus Elite 5

Section XII – Disclosure Information

S1202

I have received a copy of the disclosure material and understand that the results shown, other than the guaranteed minimum values, are not guarantees, promises or warranties.

Applicant Signature Date

I certify that the disclosure material has been presented to the applicant and a copy was provided to the applicant. I have not made statements that differ from this material nor have I made any promises about the expected future equity values of this contract.

Agent Signature Date

Do Not Detach



**Arkansas Certification of Compliance with External Index Guidelines
Policy Form 7967**

1. I certify that Life Insurance Company of the Southwest has reviewed and evaluated the contract summary disclosure which will be used with the submitted policy form. I also certify that the contract summary is in no way deceptive, confusing or misleading and provides the information as provided in the External Index Contract Guidelines document.
2. I certify that Indexed policies will not be solicited by a person who is not trained and qualified. In making this statement, I am relying on assurances given me by the Senior Vice President of Sales and the Vice President of Marketing.
3. I certify that Life Insurance Company of the Southwest will address external-indexed contracts separately in the annual (Section 8) actuarial opinion and memorandum addressing each year the amount and type of assets held and the level of reserves and how developed.
4. I certify that Life Insurance Company of the Southwest will establish and maintain a detailed file defining the system for hedging. Such file will include the results of regular analysis of the effectiveness of the system.

Geoffrey Bird, FSA, MAAA
Vice-President, Actuarial

May 11, 2010

Date