

SERFF Tracking Number: NALF-127071253 State: Arkansas
 Filing Company: National Life Insurance Company State Tracking Number: 48363
 Company Tracking Number: 8918(0511)
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.103 External Indexed - Joint (Last Survivor)
 Adjustable Life
 Product Name: NL LifeCycle Solution
 Project Name/Number: NL LifeCycle Solution/8918(0511)

Filing at a Glance

Company: National Life Insurance Company

Product Name: NL LifeCycle Solution

TOI: L09I Individual Life - Flexible Premium
 Adjustable Life

Sub-TOI: L09I.103 External Indexed - Joint
 (Last Survivor)

Filing Type: Form

SERFF Tr Num: NALF-127071253 State: Arkansas

SERFF Status: Closed-Approved-
 Closed State Tr Num: 48363

Co Tr Num: 8918(0511)

State Status: Approved-Closed

Reviewer(s): Linda Bird

Authors: Susan Carey, Michelle
 Goodwin, Susan Sawyer

Disposition Date: 04/05/2011

Date Submitted: 03/29/2011

Disposition Status: Approved-
 Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name: NL LifeCycle Solution

Project Number: 8918(0511)

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Deemer Date:

Submitted By: Susan Sawyer

Filing Description:

National Life Insurance Company

NAIC No. 0634-66680

FEIN No. 03-0144090

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Individual Market Type:

Filing Status Changed: 04/05/2011

State Status Changed: 04/05/2011

Created By: Susan Sawyer

Corresponding Filing Tracking Number:

Form Numbers:

8918AR(0511), Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option.

Sex Distinct Version.

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8919AR(0511), Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Unisex Version.

8920(0511), Aircraft Limitation Rider.

8921(0511), Aircraft Limitation Rider - Military.

8925AR(0511), Additional Protection Benefit Rider. Sex Distinct Version.

8926AR(0511), Additional Protection Benefit Rider. Unisex Version.

8927(0511), Balance Sheet Benefit Rider.

8928(0511), Death Benefit Protection Rider.

8929(0511), Estate Preservation Rider.

8930(0511), Survivor Protection Rider. Sex Distinct Version.

8931(0511), Survivor Protection Rider. Unisex Version.

8932(0511), Lifetime Income Benefit Rider.

8933(0511), Overloan Protection Rider.

8934(0511), Policy Split Option Rider.

9212AR(0511), Life Insurance Application.

ICC11-1465(0511), Request to Amend New Issue Application.

Today we submit for consideration two new Indexed Flexible Premium Adjustable Benefit Survivorship Life Insurance policies, twelve new riders, and two revised applications. The marketing product name for the submitted policies is LifeCycle Solution. The policies are identical, save that form 8919AR(0511) is a Unisex Version of the policy. This Unisex Version will be used exclusively when a unisex plan of insurance is required pursuant to the Norris decision and/or Title VII of the Civil Rights Act of 1964.

These policies and riders are new to our portfolio and will not replace any previously approved forms.

These policies provide flexible premium adjustable benefit survivorship life insurance with an index-linked interest option until the earlier of the death of both insureds or termination of the policy. Six interest-crediting strategies will be made available with one-year strategy durations. Both a Fixed Net Cost Loan option and a Variable Net Cost Loan option will be offered. Accumulated Value in the policies will be apportioned into one or more segments of the interest crediting strategies. The policies target the affluent market and will be marketed with an illustration by our licensed agents and available to Insureds ages 0 to 90. The minimum face amount is \$250,000; minimum base increase is \$25,000. Insureds will be assigned to one of the following six rate classes: Elite Non-Smoker, Preferred Non-Smoker, Standard Non-Smoker, Preferred Smoker, Standard Smoker, and Uninsurable. Flat extra substandard ratings and percentage substandard ratings may be applied to the Standard Non-Tobacco and Standard Tobacco rate classifications. Temporary flat extras are available with any rate classification. The policy does not have a stated maturity date.

The policy provides two premium test options for qualification as life insurance for tax purposes under the Internal

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Revenue Code: Guideline Premium Test or Cash Value Accumulation Test. The premium test election is made at the time of application and cannot be changed after the policy is issued.

The policy provides for two Death Benefit Options prior to the date the younger of the Insureds reaches Attained Age 121. Under Death Benefit Option A, the Death Benefit is equal to the Face Amount of the policy. Under Death Benefit Option B, the Death Benefit is equal to the Face Amount of the policy plus the Accumulated Value on the date of the second Insured's death. The Death Benefit will be reduced by any monthly deductions then due and any debt owed to the Company on the policy. If the policy is still in force on the date the younger of the Insureds reaches Attained Age 121, the Face Amount will be set equal to the Accumulated Value and the Death Benefit Option will automatically revert to Option A.

Aircraft Limitation Rider, Form 8920(0511) and Aircraft Limitation Rider – Military, Form 8921(0511)
Forms 8920(0511) and 8921(0511) differ only in that the Military version, form 8921(0511), includes the modifier “in use by the military forces of any country” in item 1 of the opening paragraph. There are no premiums charged for these riders. They are used at the discretion of the underwriters when reviewing the client's application.

Additional Protection Benefit Rider, Forms 8925AR(0511) and 8926AR(0511)
The Additional Protection Benefit Rider provides for increased Face Amount by providing additional coverage. The Cost of Insurance charges assessed for this rider will be the same as those assessed on Base Coverage. The amount of Additional Protection Benefit that will be provided under this rider is capped at nine times the Base Coverage amount, and must be at least \$25,000. This rider will be available both at and after issue. Form 8925AR(0511) is the sex distinct version of this rider; while form 8926AR(0511) is its unisex companion.

Balance Sheet Benefit Rider, form 8927(0511)
This is a new rider to our portfolio and will not replace any currently approved rider. Use of the Balance Sheet Benefit Rider will allow a waiver of surrender charges on the policy to which this rider is attached. At time of application the policyholder will select a percentage of Surrender Charges that will be waived should a surrender be made within the policy. Once the percentage is elected, it cannot be changed. The policyholder may choose the percent of surrender charges to be waived between 1% and 100% in whole percentages. The percentage will apply to all increases in Face Amount. This rider is only available at time of policy issue.

Death Benefit Protection Rider, Form 8928(0511)
This is a new rider to our portfolio and will not replace any currently approved rider. The policy to which this rider is attached will be guaranteed not to lapse during the death benefit protection period, provided all of the conditions of this rider are met. This rider will be made available at all issue ages of 0 – 75. This rider will only be made available at policy issue and will have a death benefit protection period of 20 years. It will be available only on Option A policies. This rider will be made available on all pension plans except 412(e)(3) plans.

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Estate Preservation Rider, Form 8929(0511)

This is a new rider to our portfolio and will not replace any currently approved rider. The Estate Preservation Rider provides four years of second-to-die term coverage, and is designed to be used in those cases where the base second-to-die coverage is issued outside of an irrevocable life insurance trust but is due to be transferred into such a trust within a year after policy issue. The purpose of the rider is to provide a policy death benefit (net of estate taxes) equal to the death benefit provided by the base policy. This rider is only available at issue.

Lifetime Income Benefit Rider, Form 8932(0511)

This is a new rider to our portfolio and will not replace any currently approved rider. The Lifetime Income Benefit Rider will provide a guaranteed lifetime income until the death of the second insured, provided all of the conditions of the rider are met. Income will first be deducted from the policy values through loans and then will be paid from the company's general account. There is a minimum waiting period of ten years for this rider. There will be a minimum net death benefit of \$15,000 while the rider is being exercised.

Overloan Protection Rider, Form 8933(0511)

This is a new rider to our portfolio and will not replace any currently approved rider. In the absence of the Overloan Protection Rider, if debt to us on the policy causes the policy to enter a Grace Period, additional premium must be paid or the policy will lapse. Alternatively, exercise of the rider before the policy lapses will maintain life insurance protection. There is no charge for this rider until it is exercised, at which point there is a one-time fee called the Exercise Charge. The Exercise Charge will be deducted from the Basic Strategy of the policy. This rider may be exercised if certain specific conditions are met, as outlined in the rider language. We will notify the policyholder when these conditions have been met.

Policy Split Option Rider, Form 8934(0511)

This is a new rider to our portfolio and will not replace any currently approved rider. The Policy Split Option Rider provides the means to split the joint-life policy into two individual permanent life policies on the lives of the two insureds. The policy may be converted into any whole life, universal life, indexed universal life, or variable universal life policy available for sale at the time of the split. No evidence of insurability will be required. There is no charge for this rider until exercised, at which time a \$200 charge will be levied at the time of split to handle administrative costs.

Survivor Protection Rider, Forms 8930(0511) and 8931(0511)

This is a new rider to our portfolio and will not replace any currently approved rider. The Survivor Protection Rider provides term coverage on a joint first-to-die basis. The minimum coverage amount is \$25,000; the maximum coverage amount is two times the sum of the base coverage plus any additional protection benefit coverage amounts. There is a one-year minimum payout and a thirty-year maximum payout. The rider will remain in force until the first death, the older insured reaches attained age 100, or the owner requests termination of the rider. This rider may be added at and

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after issue. Form 8930(0511) is the sex distinct version of this rider, while form 8931(0511) is its unisex companion.

Application for Life Insurance, Form 9212AR(0511)

We have revised the application to accommodate its use with the enclosed policy forms. It is our intent to use the revised application with today's submitted policies, as well as with all other life insurance products offered through our portfolio of products. Application form 9212AR(0511) replaces form 9212AR(0210) which was approved by your Department on 01/26/2010 under State Tracking No. 44648.

Request to Amend New Issue Application, Form ICC11-1465(0511)

This application will be used when a change must be made to the Application for Life Insurance, Form ICC11-1465(0511). It is a general form used to acknowledge policies issued other than as applied for and will be attached to and become part of the policy just as the Application for Life Insurance form will be. Form ICC11-1465(0511) will replace previously approved form 1465A-82 approved by your Department on 08/25/1982.

We would also like to extend the use of a Foreign Travel Exclusion Endorsement previously approved by your Department for use with the policies submitted today. The form number is 9496(0204) and the approval date was 02/12/2004.

General Information

1. The attached Actuarial Memorandum for policies 8918AR(0511) and 8919AR(0511) describes the method of computation of rates and values, and provides information on all charges applicable to the form. We have also attached actuarial memoranda for each rider.
2. A "Statement of Variability" is enclosed.
3. Policies 8918AR(0511) and 8919AR(0511) will be sold with a sales illustration. We have attached the Illustration Actuary's Certification.
4. We have attached a Flesh Score Certification for the forms.
5. Policies 8918AR(0511) and 8919AR(0511) will be applied for on application 9212AR(0511).
6. Upon the death of the first insured to die, the owner may request than any accelerated benefits rider be added to the existing policy, if such rider is available. Currently our accelerated benefits riders are only available for single-life policies and therefore could not be added to the submitted policy until one of the insureds dies.

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7. We are concurrently making a similar filing for our associate company, Life Insurance Company of the Southwest. The product and riders are identical, varying only by form numbers and company information.

Company and Contact

Filing Contact Information

Susan Sawyer, Policy Forms Business Analyst SSawyer@NationalLife.com
 One National Life Drive 802-229-7387 [Phone]
 Montpelier, VT 05604

Filing Company Information

National Life Insurance Company	CoCode: 66680	State of Domicile: Vermont
One National Life Drive	Group Code: -99	Company Type:
Montpelier, VT 05604	Group Name:	State ID Number:
(802) 229-3333 ext. [Phone]	FEIN Number: 03-0144090	

Filing Fees

Fee Required? Yes
 Fee Amount: \$800.00
 Retaliatory? No
 Fee Explanation: \$50 per form (16) forms submitted.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
National Life Insurance Company	\$800.00	03/29/2011	46071922

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	04/05/2011	04/05/2011

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	04/04/2011	04/04/2011	Susan Sawyer	04/04/2011	04/04/2011

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Form	Flexible Premium Adjustable Benefit Survivorship Life Insurance	Susan Sawyer	04/01/2011	04/01/2011

SERFF Tracking Number: NALF-127071253 *State:* Arkansas
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Disposition

Disposition Date: 04/05/2011

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	Health - Actuarial Justification		No
Supporting Document	Outline of Coverage		No
Supporting Document	Sample Illustration		Yes
Supporting Document	Illustration Actuary Certification		No
Supporting Document	Responsible Officer Certification		Yes
Supporting Document	Sample Annual Statement		Yes
Supporting Document	Statement of Variability		Yes
Supporting Document	Actuarial Memoranda		No
Supporting Document	Certifications		Yes
Form (revised)	Flexible Premium Adjustable Benefit Survivorship Life Insurance		Yes
Form	Flexible Premium Adjustable Benefit Survivorship Life Insurance	Replaced	Yes
Form	Flexible Premium Adjustable Benefit Survivorship Life Insurance	Replaced	Yes
Form (revised)	Flexible Premium Adjustable Benefit Survivorship Life Insurance Unisex		Yes
Form	Flexible Premium Adjustable Benefit Survivorship Life Insurance Unisex	Replaced	Yes
Form	Aircraft Limitation Rider		Yes
Form	Aircraft Limitation Rider Military		Yes
Form	Additional Protection Benefit Rider		Yes
Form	Additional Protection Benefit Rider Unisex		Yes
Form	Balance Sheet Benefit Rider		Yes
Form	Death Benefit Protection Rider		Yes
Form	Estate Preservation Rider		Yes
Form	Lifetime Income Benefit Rider		Yes
Form	Overloan Protection Rider		Yes
Form	Policy Split Option Rider		Yes
Form	Survivor Protection Rider		Yes
Form	Survivor Protection Rider Unisex		Yes
Form	Life Insurance Application		Yes

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Form Request to Amend New Issue Application **Yes**

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 04/04/2011
Submitted Date 04/04/2011
Respond By Date 05/04/2011

Dear Susan Sawyer,

This will acknowledge receipt of the captioned filing.

Objection 1

Comment: Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue.

Regulation 19s10B requires that all new or revised filings submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of this Department.

Filings of "universal life" type contracts are subject to Regulation 34. Please assure us that you are in compliance with Regulation 34. If cost of insurance may be changed by the company subject to a maximum and/or accumulation rates may be changed by the company subject to a minimum, then the contract must comply with Bulletin 11-83.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

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Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/04/2011
Submitted Date 04/04/2011

Dear Linda Bird,

Comments:

Thank you for your response to this filing submission. Please find our response to your Objections below.

Response 1

Comments: Please find attached Certifications for compliance with Ark. Code Ann. 23-79-138, Regulation 19s10B and Regulation 34.

Revised policies have been attached to comply with Bulletin 15-2009.

Related Objection 1

Comment:

Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue.

Regulation 19s10B requires that all new or revised filings submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of this Department.

Filings of "universal life" type contracts are subject to Regulation 34. Please assure us that you are in compliance with Regulation 34. If cost of insurance may be changed by the company subject to a maximum and/or accumulation rates may be changed by the company subject to a minimum, then the contract must comply with Bulletin 11-83.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Certifications

Comment:

Form Schedule Item Changes

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Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Flexible Premium Adjustable Benefit Survivorship Life Insurance	8918AR(0511)		Policy/Contract/Fraternal Certificate	Initial		70.600	8918AR.pdf
Previous Version							
Flexible Premium Adjustable Benefit Survivorship Life Insurance	8918AR(0511)		Policy/Contract/Fraternal Certificate	Initial		70.600	8918AR.pdf
Flexible Premium Adjustable Benefit Survivorship Life Insurance	8918AR(0511)		Policy/Contract/Fraternal Certificate	Initial		70.600	8918AR.pdf
Flexible Premium Adjustable Benefit Survivorship Life Insurance Unisex	8919AR(0511)		Policy/Contract/Fraternal Certificate	Initial		70.600	8919AR.pdf
Previous Version							
Flexible Premium Adjustable Benefit Survivorship Life Insurance Unisex	8919AR(0511)		Policy/Contract/Fraternal Certificate	Initial		70.600	8919AR.pdf

No Rate/Rule Schedule items changed.

Thank you for your continued consideration of this filing.

Sincerely,
 Michelle Goodwin, Susan Carey, Susan Sawyer

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Amendment Letter

Submitted Date: 04/01/2011

Comments:

We wish to replace policy form 8918AR(0511) with the revised version. The Data Pages used were incorrect. Please accept our apologies for this inconvenience.

Changed Items:

Form Schedule Item Changes:

Form Schedule Item Changes:

Form Number	Form Type	Form Name	Action	Form Action Other	Previous Filing #	Replaced Form #	Readability Score	Attachments
8918AR(0511)	Policy/Contract/Certificate	Flexible Premium Adjustable Benefit Survivorship Life Insurance	Initial				70.600	8918AR.pdf

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Form Schedule

Lead Form Number:

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	8918AR(0511)	Policy/Cont Flexible Premium ract/Fratern Adjustable Survivorship Life Certificate Insurance	Initial		70.600	8918AR.pdf
	8919AR(0511)	Policy/Cont Flixible Premium ract/Fratern Adjustable Survivorship Life Certificate Insurance Unisex	Initial		70.600	8919AR.pdf
	8920(0511)	Policy/Cont Aircraft Limitation ract/Fratern Rider al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		62.800	8920(0511).pdf
	8921(0511)	Policy/Cont Aircraft Limitation ract/Fratern Rider Military al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		61.300	8921(0511).pdf
	8925AR(0511)	Policy/Cont Additional Protection ract/Fratern Benefit Rider al Certificate:	Initial		68.700	8925AR.pdf

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<p>Amendmen t, Insert Page, Endorseme nt or Rider</p>	<p>8926AR(05 11)</p>	<p>Policy/Cont Additional Protection Initial ract/Fratern Benefit Rider Unisex al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider</p>	<p>Initial</p>	<p>68.700</p>	<p>8926AR.pdf</p>
<p>Amendmen t, Insert Page, Endorseme nt or Rider</p>	<p>8927(0511)</p>	<p>Policy/Cont Balance Sheet ract/Fratern Benefit Rider al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider</p>	<p>Initial</p>	<p>83.500</p>	<p>8927(0511).p df</p>
<p>Amendmen t, Insert Page, Endorseme nt or Rider</p>	<p>8928(0511)</p>	<p>Policy/Cont Death Benefit ract/Fratern Protection Rider al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider</p>	<p>Initial</p>	<p>59.900</p>	<p>8928(0511).p df</p>
<p>Amendmen t, Insert Page, Endorseme nt or Rider</p>	<p>8929(0511)</p>	<p>Policy/Cont Estate Preservation ract/Fratern Rider al Certificate: Amendmen</p>	<p>Initial</p>	<p>89.000</p>	<p>8929(0511).p df</p>

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8932(0511)	Policy/Cont Lifetime Income	Initial	70.300	8932(0511).p
	ract/Fratern Benefit Rider			df
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8933(0511)	Policy/Cont Overloan Protection	Initial	62.200	8933(0511).p
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8934(0511)	Policy/Cont Policy Split Option	Initial	86.300	8934(0511).p
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8930(0511)	Policy/Cont Survivor Protection	Initial	89.100	8930(0511).p
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 Product Name: NL LifeCycle Solution
 Project Name/Number: NL LifeCycle Solution/8918(0511)

<p> Page, Endorseme nt or Rider 8931(0511) Policy/Cont Survivor Protection Initial ract/Fratern Rider Unisex al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider 9212AR(05 Application/Life Insurance Initial 11) Enrollment Application 64.800 9212AR(0511 Form).pdf ICC11- Application/Request to Amend Initial 71.300 ICC11- 1465(0511) Enrollment New Issue 1465(0511).p Form Application df </p>
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NATIONAL LIFE

National Life Insurance Company
Montpelier, Vermont 05604
Tel: 802-229-3333

Should You Need to Call

Your agent is, and should continue to be, the primary contact for information about your National Life coverage. However, there may be times when it is necessary to contact our Home Office for assistance.

If you need to contact our Home Office directly, please dial 1-800-732-8939. Contract information is also available at www.nationallife.com, where you can self-register to access policy information in a secure setting.

Limitations and Exclusions Under the Arkansas Life and Health Insurance Guaranty Association Act

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”) may not provide coverage for your policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. **However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.**

The Arkansas Life and Health Insurance Guaranty Association
C/O The Liquidation Division
1023 West Capitol

Little Rock, Arkansas 72201
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act (*Act*). On the next page is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

Coverage

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

Exclusions From Coverage

However, persons owning such policies are **NOT** protected by the Guaranty Association if:

- they are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- the insurer was not authorized to do business in this state;
- their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does **NOT** provide coverage for:

- any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- any policy of reinsurance (unless an assumption certificate was issued);
- interest rate yields that exceed an average rate;
- dividends and voting rights and experience rating credits;
- credits given in connection with the administration of a policy by a group contract holder;
- employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- unallocated annuity contracts (which give rights to group contract holders, not individuals);
- unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation (*FPBC*) (whether the FPBC is yet liable or not);
- portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

Limits on Amount of Coverage

The Act also limits the amount the Guaranty Association is obligated to cover. The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.



We, National Life Insurance Company (the Company), agree to pay the Death Benefit to the Beneficiary, subject to the terms of this policy, when we receive at our Home Office due proof that both Insureds died while this policy was in force.

Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Flexible premiums are payable through the end of the Premium Payment Period or until the death of both Insureds. The adjustable Death Benefit is payable upon the death of the second of the Insureds to die. This policy is nonparticipating. Although the policy values may be affected by an external index, the policy does not directly participate in any stock or equity investments.

Right to Review Policy. This policy, at any time within ten days after its receipt by the Owner, may be returned in person or by mail to us or to the agent through whom it was bought. Upon such return, the policy will be deemed void as of its Effective Date. We will then refund any premium paid.

Effective Date:	03/15/2011
Policy Number:	NL1234567
Face Amount:	\$250,000
First Insured:	Ethan Allen
Issue Age:	35
Second Insured:	Edna Allen
Issue Age:	35
Owner:	As stated in the application unless later changed.
Beneficiary:	As stated in the application unless later changed.

The data and the terms on this and all following pages are part of this policy.

This policy is a legal contract between the policy Owner and National Life Insurance Company. READ YOUR POLICY CAREFULLY.

Signed for National Life Insurance Company at Montpelier, Vermont, as of the Effective Date, by

Mehran Assad
President & Chief Executive Officer

James K. McQuade
Secretary

Registrar

National Life Insurance Company

NOTICE TO POLICYHOLDERS

For additional information about your policy benefits or claims, please write or call:

National Life Insurance Company
One National Life Drive
Montpelier, Vermont 05604
Attention: Customer Service

Telephone: 1-800-732-8939

or call your agent:

Agent's Name: _____
Agent's Address: _____
Agent's Phone Number: _____

If you are not satisfied, you may write or call:

Arkansas Insurance Division
Consumer Services Division
1200 West Third Street
Little Rock, Arkansas 72201-1904

(501) 371-2640

Toll free within Arkansas:

1-800-852-5494

DATA SECTION

POLICY NUMBER: [NL12345657]

FIRST INSURED: [ETHAN ALLEN]

ISSUE AGE: [35]

SECOND INSURED: [EDNA ALLEN]

ISSUE AGE: [35]

FACE AMOUNT: [\$25,000.00]

OWNER: [AS STATED IN THE APPLICATION UNLESS LATER CHANGED].

BENEFICIARY: [AS STATED IN THE APPLICATION UNLESS LATER CHANGED.]

MONTHLY POLICY DATE: [15TH]

DEATH BENEFIT OPTION: [A]

MINIMUM MONTHLY PREMIUM: [\$47.52]

POLICY PROTECTION PERIOD: [MARCH 15, 2011 – MARCH 14, 2021]

[MONTHLY GUARANTEED PREMIUM:] [\$ 60.15]

PLANNED PERIODIC PREMIUM: [\$1,200.00] PAYABLE [ANNUALLY]

FOR PREMIUM PAYMENT PERIOD: [MARCH 15, 2011 TO MARCH 16, 2096]

THIS POLICY MAY TERMINATE PRIOR TO THE END OF THE PREMIUM PAYMENT PERIOD IF PREMIUMS PAID ARE INSUFFICIENT TO CONTINUE COVERAGE. PREMIUMS IN ADDITION TO THE PLANNED PERIODIC PREMIUM MAY BE NECESSARY TO KEEP THIS COVERAGE IN FORCE.

POLICY LOANS AND WITHDRAWALS WILL REDUCE THE CASH SURRENDER VALUE OF THIS POLICY AND MAY RESULT IN TERMINATION OF THIS POLICY PRIOR TO THE DEATH OF THE INSURED.

MINIMUM COVERAGE AMOUNT: \$250,000.00

MINIMUM FACE AMOUNT PER COVERAGE SEGMENT: \$25,000.00

MINIMUM WITHDRAWAL AMOUNT: \$ 500.00

MAXIMUM WITHDRAWAL FEE: \$25.00 FOR EACH WITHDRAWAL

ADDITIONAL BENEFIT RIDERS:

[ADDITIONAL PROTECTION BENEFIT RIDER]

[BALANCE SHEET BENEFIT RIDER]

[DEATH BENEFIT PROTECTION RIDER]

[ESTATE PRESERVATION RIDER]

[LIFETIME INCOME BENEFIT RIDER]

[OVERLOAN PROTECTION RIDER]

[POLICY SPLIT OPTION RIDER]

[SURVIVOR PROTECTION RIDER]

THE LOAN INTEREST RATE IS VARIABLE. THE LOAN INTEREST RATE AT THE EFFECTIVE DATE IS [5.50%].

DATA SECTION

GUARANTEED BASIS OF CALCULATIONS

FACE AMOUNT: [\$25,000.00]
EFFECTIVE DATE: [MARCH 15, 2011]

ACCUMULATED VALUE INTEREST RATE: 0.20598% COMPOUNDED MONTHLY, WHICH IS
EQUIVALENT TO 2.50% COMPOUNDED PER YEAR

MORTALITY TABLE: 2001 COMMISSIONERS STANDARD ORDINARY [SEX DISTINCT]
SMOKER/NON-SMOKER ULTIMATE AGE NEAREST BIRTHDAY

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
(PER \$1,000 PER MONTH)

<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>	<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>	<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>
[01	0.00008	21	0.03695	41	1.24527
02	0.00026	22	0.04547	42	1.45678
03	0.00048	23	0.05561	43	1.70511
04	0.00073	24	0.06702	44	1.99759
05	0.00102	25	0.08041	45	2.33783
06	0.00136	26	0.09647	46	2.72825
07	0.00177	27	0.11609	47	3.21523
08	0.00228	28	0.14025	48	3.76975
09	0.00291	29	0.16889	49	4.37520
10	0.00369	30	0.20234	50	5.06393
11	0.00467	31	0.24143	51	5.85338
12	0.00584	32	0.28636	52	6.67629
13	0.00730	33	0.33768	53	7.72437
14	0.00888	34	0.39743	54	8.86433
15	0.01077	35	0.46574	55	10.10084
16	0.01316	36	0.54748	56	11.33218
17	0.01607	37	0.64438	57	12.22439
18	0.01980	38	0.76481	58	13.42338
19	0.02430	39	0.90311	59	14.98048
20	0.02992	40	1.06159	60	16.88145]

DATA SECTION

GUARANTEED BASIS OF CALCULATIONS

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES (CONTINUED)
(PER \$1,000 PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>
[61	19.21169	71	45.73402	81	83.33333
62	21.49846	72	50.58032	82	83.33333
63	23.94682	73	55.90819	83	83.33333
64	24.75310	74	61.68802	84	83.33333
65	26.35975	75	68.20117	85	83.33333]
66	28.73671	76	75.47304		
67	31.23543	77	83.17981		
68	34.13909	78	83.33333		
69	37.45990	79	83.33333		
70	41.31436	80	83.33333		

DEFINITION OF LIFE INSURANCE TEST: [GUIDELINE PREMIUM TEST]

[GUIDELINE SINGLE PREMIUM: \$ 39,833.70]

[GUIDELINE LEVEL PREMIUM: \$ 3,879.63]

TABLE OF DEATH BENEFIT STANDARD FACTORS

<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>	<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>	<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>
0 - 40	2.50	54	1.57	68	1.17
41	2.43	55	1.50	69	1.16
42	2.36	56	1.46	70	1.15
43	2.29	57	1.42	71	1.13
44	2.22	58	1.38	72	1.11
45	2.15	59	1.34	73	1.09
46	2.09	60	1.30	74	1.07
47	2.03	61	1.28	75 - 90	1.05
48	1.97	62	1.26	91	1.04
49	1.91	63	1.24	92	1.03
50	1.85	64	1.22	93	1.02
51	1.78	65	1.20	94+	1.01
52	1.71	66	1.19		
53	1.64	67	1.18		

DATA SECTION

AS OF THE EFFECTIVE DATE, THE FOLLOWING RATES ARE APPLICABLE TO INTEREST CREDITING STRATEGIES TO WHICH YOU MAY DIRECT YOUR PREMIUM. THESE RATES ARE IN EFFECT UNTIL FURTHER NOTICE.

FIXED-TERM STRATEGY

FIXED-TERM SEGMENT LENGTH:	1 YEAR
MINIMUM FIXED-TERM SEGMENT INTEREST RATE:	2.50% ANNUAL EFFECTIVE RATE
INITIAL FIXED-TERM SEGMENT INTEREST RATE:	[5.50%] ANNUAL EFFECTIVE RATE

INDEXED STRATEGY 1 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[100%]
GUARANTEED MINIMUM PARTICIPATION RATE:	100%
INITIAL INDEX EARNINGS CAP:	[13.5%]
GUARANTEED MINIMUM INDEX EARNINGS CAP:	3.1%

INDEXED STRATEGY 2 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[140%]
GUARANTEED MINIMUM PARTICIPATION RATE:	110%
INITIAL INDEX EARNINGS CAP:	[12.0%]
GUARANTEED MINIMUM INDEX EARNINGS CAP:	3.0%

INDEXED STRATEGY 3 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[62%]
GUARANTEED MINIMUM PARTICIPATION RATE:	25%
INITIAL INDEX EARNINGS CAP:	NO CAP

INDEXED STRATEGY 4 – POINT TO AVERAGE

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[105%]
GUARANTEED MINIMUM PARTICIPATION RATE:	30%
INITIAL INDEX EARNINGS CAP:	NO CAP

INDEX-LINKED RETURNS DO NOT INCLUDE THE PORTION OF RETURNS GENERATED BY THE UNDERLYING INDEX THAT COMES FROM DIVIDENDS.

THE ELEMENTS USED IN DETERMINING THE CREDITED RATES FROM THE INDEX ARE NOT GUARANTEED AND CAN BE CHANGED BY THE COMPANY, SUBJECT TO THE GUARANTEES IN THE POLICY AND THAT ANY SUCH CHANGES CAN AFFECT THE RETURN.

DATA SECTION

FACE AMOUNT: [\$25,000.00]
EFFECTIVE DATE: [MARCH 15, 2011]

PERCENT OF PREMIUM EXPENSE CHARGE: 6%
MONTHLY EXPENSE CHARGE: [\$74.10]

MONTHLY POLICY FEE: \$5.00

SURRENDER CHARGES

TWELVE MONTH PERIOD BEGINNING <u>POLICY YEAR</u>	<u>SURRENDER CHARGE</u>
[MAR 15, 2011	\$329.44
MAR 15, 2012	300.00
MAR 15, 2013	269.81
MAR 15, 2014	238.88
MAR 15, 2015	207.19
MAR 15, 2016	174.75
MAR 15, 2017	141.56
MAR 15, 2018	107.44
MAR 15, 2019	72.38
MAR 15, 2020	36.56
MAR 15, 2021 AND LATER	0.00]

DATA SECTION
ADDITIONAL PROTECTION BENEFIT RIDER

SUM INSURED: [\$225,000.00]

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
RIDER EFFECTIVE DATE: [MAR 15, 2011]

GUARANTEED BASIS OF CALCULATIONS

ACCUMULATED VALUE INTEREST RATE: 0.20598% COMPOUNDED MONTHLY, WHICH IS
EQUIVALENT TO 2.50% COMPOUNDED PER YEAR

MORTALITY TABLE: 2001 COMMISSIONERS STANDARD ORDINARY [SEX DISTINCT]
SMOKER/NON-SMOKER ULTIMATE AGE NEAREST BIRTHDAY

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

POLICY YEARS FOR THIS RIDER ARE MEASURED FROM THE RIDER EFFECTIVE DATE.

DATA SECTION
 ADDITIONAL PROTECTION BENEFIT RIDER

SUM INSURED: [\$225,000.00]

RIDER EFFECTIVE DATE: [MAR 15, 2011]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
 (PER \$1,000 PER MONTH)

POLICY YEAR	RATE	POLICY YEAR	RATE	POLICY YEAR	RATE
[01	0.00008	30	0.20234	59	14.98048
02	0.00026	31	0.24143	60	16.88145
03	0.00048	32	0.28636	61	19.21169
04	0.00073	33	0.33768	62	21.49846
05	0.00102	34	0.39743	63	23.94682
06	0.00136	35	0.46574	64	24.75310
07	0.00177	36	0.54748	65	26.35975
08	0.00228	37	0.64438	66	28.73671
09	0.00291	38	0.76481	67	31.23543
10	0.00369	39	0.90311	68	34.13909
11	0.00467	40	1.06159	69	37.45990
12	0.00584	41	1.24527	70	41.31436
13	0.00730	42	1.45678	71	45.73402
14	0.00888	43	1.70511	72	50.58032
15	0.01077	44	1.99759	73	55.90819
16	0.01316	45	2.33783	74	61.68802
17	0.01607	46	2.72825	75	68.20117
18	0.01980	47	3.21523	76	75.47304
19	0.02430	48	3.76975	77	83.17981
20	0.02992	49	4.37520	78	83.33333
21	0.03695	50	5.06393	79	83.33333
22	0.04547	51	5.85338	80	83.33333
23	0.05561	52	6.67629	81	83.33333
24	0.06702	53	7.72437	82	83.33333
25	0.08041	54	8.86433	83	83.33333
26	0.09647	55	10.10084	84	83.33333
27	0.11609	56	11.33218	85	83.33333]
28	0.14025	57	12.22439		
29	0.16889	58	13.42338		

DATA SECTION

BALANCE SHEET BENEFIT RIDER

PERCENTAGE OF SURRENDER CHARGES TO BE WAIVED: [25%]*

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

EFFECTIVE DATE: [MARCH 15, 2011]

FACE AMOUNT: [\$25,000.00]

TABLE OF GUARANTEED MONTHLY BALANCE SHEET BENEFIT RIDER CHARGES

<u>POLICY YEARS</u>	<u>AMOUNT</u>
0 - 10	[\$0.09]

*SEE SURRENDER CHARGE SCHEDULE FOR APPLICABLE CHARGE AMOUNT

DATA SECTION

DEATH BENEFIT PROTECTION RIDER

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

EFFECTIVE DATE: [MAR 15, 2011]

DEATH BENEFIT PROTECTION INTEREST RATE: 5.00%

THE DEATH BENEFIT PROTECTION IS IN EFFECT THROUGH [MAR 14, 2041.]

DATA SECTION

DATA SECTION

ESTATE PRESERVATION RIDER

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

ESTATE PRESERVATION BENEFIT: [\$134,615.38]

POLICY YEARS FOR THIS RIDER ARE MEASURED FROM THE RIDER EFFECTIVE DATE.

TABLE OF GUARANTEED MAXIMUM COST OF ESTATE PRESERVATION BENEFIT RATES
(PER \$1,000 OF ESTATE PRESERVATION BENEFIT PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>
1	[0.00008]
2	[0.00026]
3	[0.00048]
4	[0.00073]

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

RIDER EFFECTIVE DATE: [MAR 15, 2011]

POLICY EFFECTIVE DATE: [MAR 15, 2011]

FIRST INSURED'S ISSUE AGE: [35]

SECOND INSURED'S ISSUE AGE: [35]

MINIMUM EXERCISE PERIOD: [10] YEARS

MINIMUM EXERCISE DATE: [MAR 15, 2036]

MINIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: [60]

MAXIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: [85]

INCOME PAYMENT THRESHOLD: [\$100.00]

MINIMUM DEATH BENEFIT: [\$15,000.00]

MINIMUM CASH SURRENDER VALUE: [\$1,000.00]

GUARANTEED RIDER CHARGE PERCENTAGE: [1.50%] Annual

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF BASE PAYOUT PERCENTAGES
DEATH BENEFIT OPTION: [A]

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
[60	3.70%	73	4.35%
61	3.75%	74	4.40%
62	3.80%	75	4.45%
63	3.85%	76	4.50%
64	3.90%	77	4.55%
65	3.95%	78	4.60%
66	4.00%	79	4.65%
67	4.05%	80	4.70%
68	4.10%	81	4.70%
69	4.15%	82	4.70%
70	4.20%	83	4.70%
71	4.25%	84	4.70%
72	4.30%	85	4.70%]

TABLE OF MAXIMUM DEATH BENEFIT RATIO PERCENTAGES

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	400%	73	270%
61	390%	74	260%
62	380%	75	250%
63	370%	76	240%
64	360%	77	230%
65	350%	78	220%
66	340%	79	210%
67	330%	80	200%
68	320%	81	190%
69	310%	82	180%
70	300%	83	170%
71	290%	84	160%
72	280%	85	150%

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF GUARANTEED INCOME PERCENTAGE ADJUSTMENT FACTORS

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	0.65%	73	1.30%
61	0.70%	74	1.35%
62	0.75%	75	1.40%
63	0.80%	76	1.45%
64	0.85%	77	1.50%
65	0.90%	78	1.55%
66	0.95%	79	1.60%
67	1.00%	80	1.65%
68	1.05%	81	1.65%
69	1.10%	82	1.65%
70	1.15%	83	1.65%
71	1.20%	84	1.65%
72	1.25%	85	1.65%

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF LIFETIME INCOME BENEFIT RIDER
PROTECTION PROVISION CHARGE PERCENTAGES

THE FIRST INSURED HAS BEEN CLASSIFIED [STANDARD NON-SMOKER]

THE SECOND INSURED HAS BEEN CLASSIFIED [STANDARD NON-SMOKER]

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	2.87%	91	3.30%
61	2.87%	92	2.53%
62	2.87%	93	1.72%
63	2.87%	94	0.88%
64	2.87%	95	0.89%
65	2.87%	96	0.91%
66	2.87%	97	0.92%
67	2.87%	98	0.94%
68	2.87%	99	0.97%
69	2.87%	100	0.97%
70	2.87%	101	0.97%
71	2.87%	102	0.97%
72	2.87%	103	0.97%
73	2.87%	104	0.97%
74	2.87%	105	0.97%
75	2.87%	106	0.97%
76	2.98%	107	0.97%
77	3.08%	108	0.97%
78	3.18%	109	0.97%
79	3.28%	110	0.97%
80	3.37%	111	0.97%
81	3.46%	112	0.97%
82	3.54%	113	0.97%
83	3.62%	114	0.97%
84	3.69%	115	0.97%
85	3.76%	116	0.97%
86	3.82%	117	0.97%
87	3.88%	118	0.97%
88	3.94%	119	0.97%
89	4.00%	120	0.97%]
90	4.05%		

DATA SECTION

DATA SECTION

RIDER FOR OVERLOAN PROTECTION

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER]

PERCENT OF ACCUMULATED VALUE EXERCISE CHARGE

ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE
[75	2.87%	84	3.69%	93	1.72%
76	2.98%	85	3.76%	94	0.88%
77	3.08%	86	3.82%	95	0.89%
78	3.18%	87	3.88%	96	0.91%
79	3.28%	88	3.94%	97	0.92%
80	3.37%	89	4.00%	98	0.94%
81	3.46%	90	4.05%	99+	0.97%]
82	3.54%	91	3.30%		
83	3.62%	92	2.53%		

DATA SECTION

DATA SECTION
SURVIVOR PROTECTION RIDER

POLICY NUMBER: [NL1234567]
 FIRST INSURED: [ETHAN ALLEN]
 SECOND INSURED: [EDNA ALLEN]
 EFFECTIVE DATE: [MARCH 15, 2011]
 BENEFIT AMOUNT: [\$10,000.00]
 LUMP SUM EQUIVALENT AMOUNT: [\$153,237.99]
 PAYOUT YEARS: [20]
 BENEFIT AMOUNT INTEREST RATE: [3.00%]
 RIDER TERMINATION DATE: [MARCH 15, 2076]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
(PER \$1,000 PER MONTH)

POLICY YEAR	RATE	POLICY YEAR	RATE	POLICY YEAR	RATE
[01	0.05916	23	0.59976	45	4.90446
02	0.06915	24	0.66119	46	5.42861
03	0.07915	25	0.72509	47	6.06258
04	0.09164	26	0.81385	48	6.74268
05	0.10164	27	0.89511	49	7.44964
06	0.11413	28	0.98959	50	8.22808
51	0.12579	29	1.09396	51	9.09576
08	0.13828	30	1.20323	52	9.98497
09	0.15160	31	1.32071	53	11.07503
10	0.16742	32	1.44388	54	12.22228
11	0.18573	33	1.57192	55	13.42793
12	0.20654	34	1.71223	56	14.61598
13	0.22984	35	1.86066	57	15.53065
14	0.25398	36	2.03367	58	16.68544
15	0.27561	37	2.22954	59	18.07986
16	0.29807	38	2.47123	60	19.66675
17	0.32801	39	2.72735	61	21.45868
18	0.36128	40	3.00108	62	23.11015
19	0.39952	41	3.30135	63	24.81270
20	0.44108	42	3.62963	64	25.78039
21	0.48928	43	4.00128	65	27.16098]
22	0.54245	44	4.42661		

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We, National Life Insurance Company (the Company), agree to pay the Death Benefit to the Beneficiary, subject to the terms of this policy, when we receive at our Home Office due proof that both Insureds died while this policy was in force.

GENERAL TERMS OF THIS POLICY

CONSIDERATION

This policy is issued in consideration of the application and payment of the first premium. We will incur no liability if no premium is paid.

ENTIRE CONTRACT

On the Effective Date the entire contract between the parties is this policy and a copy of the application and all riders and endorsements which are attached at issue. Any change of this contract must be written and may be made only by one of our authorized officers or registrars. We will send the Owner a copy of any application for a change which we approve. It and any additional Data Section shall become part of this contract on the effective date of such change.

REPRESENTATIONS

Any statement made by or for either or both of the Insureds shall be deemed a representation and not a warranty. Unless such statement is in the attached application or in any subsequent application, it shall not be used to:

1. make this policy void; or
2. make any increase in Face Amount void; or
3. make any Reinstatement void; or
4. defend any claim.

INCONTESTABILITY

After this policy has been in force during the life of each Insured for two years from the Effective Date of the policy, we will not contest it; however,

1. we may contest any increase in Face Amount for which an application is required until such increase has been in force during the life of each Insured for two years from its Effective Date; and
2. we may contest any Reinstatement until such Reinstatement has been in force during the life of each Insured who was living at the time of Reinstatement for two years from its Effective Date.

The statement on which the contest will be based shall be material to the risk accepted or hazard assumed by the Company.

Notwithstanding the above, we may contest your policy at any time if it was procured by fraud, as permitted by law of the state in which your policy was delivered.

*National Life Insurance Company
One National Life Drive * Montpelier, Vermont 05604 * (800) 732-8939*

POLICY EFFECTIVE
DATES

The insurance coverage goes into effect on the Effective Date shown in the Data Section.

Any increase in Face Amount for which an application is required shall become effective on the Monthly Policy Date on or next following the date we approve the application for such increase in Face Amount.

Any increase in Face Amount for which an application is not required shall become effective on the Monthly Policy Date on or next following the date we receive the request for such increase unless otherwise provided by the policy.

Any decrease in Face Amount requested shall become effective on the Monthly Policy Date on or next following the date we receive the request for such decrease.

Any Reinstatement of this policy shall become effective on the Monthly Policy Date on or next following the date we approve the application for Reinstatement.

Any change of Death Benefit Option shall become effective on the Monthly Policy Date on or next following the date we receive the request for such change.

POLICY MONTHS,
YEARS AND
ANNIVERSARIES

Policy Months, Years and Anniversaries shall be measured from the Effective Date. The Monthly Policy Date shown in the Data Section occurs on the same day each month or on the last day of any month having no such date. The Effective Date is the first Monthly Policy Date.

MISSTATEMENT OF
AGE OR SEX

The Issue Ages shown in the Data Section are the ages of the Insureds on their birthdays nearest to the Effective Date. These are based on the dates of birth shown in the application.

If the age or sex of either Insured has been misstated, we will adjust the Death Benefit to be the amount which would have been purchased at the correct ages or sexes of the Insureds in consideration of the most recent Monthly Cost of Insurance. The revised Death Benefit is calculated by adjusting the Net Amount at Risk by the ratio of the incorrect Monthly Cost of Insurance Rate to the correct Monthly Cost of Insurance Rate. The adjustment shall take effect on the Monthly Policy Date on or next following the date we receive proof to our satisfaction of such misstatement. If both Insureds have died, we will adjust the Death Benefit as of the last Monthly Policy Date prior to the date of death of the second of the Insureds to die.

ATTAINED AGE

The Attained Age of each Insured on any date is that Insured's Issue Age shown in the Data Section plus the number of Policy Years and Months which have passed since the Effective Date.

PAYMENT OF BENEFITS

We will pay all benefits under this policy at our Home Office. Before payment of any Death Benefit we may investigate the death.

POSTPONEMENT OF BENEFITS

We may delay payment of any amounts which are payable as a result of Cash Surrender or Withdrawal for up to six months after we receive written request in a form satisfactory to us. If we defer such payment for more than 30 days, we will pay interest at a rate not less than the Accumulated Value Interest Rate shown in the Data Section or as mandated by state law, from the date we receive such request to the date of payment.

We may also delay payment of any amounts which are payable as a result of a Policy Loan, except for loans used to pay premiums into this policy, for up to six months after we receive written request in a form satisfactory to us.

We have the right to postpone payment which is derived from any amount recently paid to us by check or draft, until we are satisfied the check or draft has been paid by the bank or other financial institution on which it is drawn.

DEFINITION OF LIFE INSURANCE

In order for you and the Beneficiary to receive the tax treatment accorded to life insurance contracts by Federal law, this policy must initially qualify and continue to qualify as life insurance under Section 7702 of the Internal Revenue Code of 1986 (the Code), as amended, and its rules and regulations. The definition of life insurance test shown in the Data Section is the specific method by which we determine whether your policy meets the definition of life insurance.

We have designed your policy to qualify as a life insurance contract under the Code. We reserve the right to make any reasonable adjustments to the terms or conditions of this policy if it becomes necessary to allow it to qualify as life insurance.

BASIS OF VALUES

The Cash Surrender Values for this policy are greater than or equal to those required by or pursuant to the NAIC Universal Life Insurance Regulation, model #585. A detailed statement of the method of computing values has been filed in the state in which this policy is delivered.

The Cash Surrender Values are based on the Accumulated Value Interest Rate and Mortality Table shown in the Data Section. For issue ages up to 15, we use guaranteed mortality rates from the Composite tables until Attained Age 15. When the Insured reaches Attained Age 16, we use guaranteed mortality rates from the Nonsmoker table.

The Paid Up Annuity Values, and all tabled values in Payment Options, are based on the 2000 Table for Individual Annuitant Mortality (IAM) and compound interest at a rate of 1.50% per year.

NOTICES

Unless this policy provides otherwise, any requests for changes or notices:

1. from us to the Owner shall be sent to the last address known to us of the Owner; and
2. from us to an assignee shall be sent to the last address known to us of such assignee; and
3. from the Owner or an assignee to us must be in writing and received by us at our Home Office in Montpelier, Vermont.

ANNUAL REPORT

At least once each Policy Year we will send a report to the Owner without charge. The report will show, as of its date:

1. the beginning and ending dates of the reporting period; and
2. the Accumulated Value at the beginning and ending of the reporting period; and
3. the Transaction Summary for the reporting period; and
4. the Cash Surrender Value; and
5. any debt to us on this policy; and
6. the current Death Benefit; and
7. a disclosure notice if the policy will not maintain insurance in force until the end of the next reporting period unless further premiums are made.

The report will also show a summary of transactions of the previous year and any information required by law.

PROJECTION REPORT

The Owner may request, in writing, a report which projects future values and future Death Benefits for this policy. The report will also show any information required by law. One such report will be made available free of charge each year. We may charge a fee for any additional reports requested during that year, such charge not to exceed \$25. The Projection Report will be based on:

1. data the Owner gives us as to Face Amount and premiums; and
2. such assumptions as either the Owner or we specify.

ROLES IN THIS POLICY

OWNER

The Owner may:

1. exercise the rights under this policy; and
2. assign the policy; and
3. release or discharge the policy; and
4. change the policy if we agree to such change; and
5. enjoy the benefits under this policy.

These actions may be taken without the consent and against the interest of any revocable Beneficiary and any contingent owner. If the Owner has waived the right to change the Beneficiary, these actions may be taken by the Owner only with the written consent of all irrevocable Beneficiaries. These actions may be taken only during the lives of one or both of the Insureds.

Changes to Owner designation, unless otherwise specified by the Owner, shall take effect on the date the notice of change is signed by the Owner, subject to any payments made or action taken by us prior to receipt of the notice.

INSUREDS

The Death Benefit becomes payable upon the death of the second of the Insureds to die. The Insureds, in their role as the Insureds, have no rights and receive no benefits under this policy.

BENEFICIARY

The Owner has the right to change the Beneficiary which shall take effect on the date the notice of change is signed by the Owner, subject to any payments made or action taken by the Company prior to receipt of this notice. If the Owner expressly waives this right, no change can be made. Unless later changed, the Beneficiary shall be as stated in the application. The interest of any Beneficiary who dies before the Insureds shall vest in the Owner unless otherwise stated.

Where two or more Beneficiaries are designated to take in the alternative based on the order of the Insureds deaths and there is not sufficient evidence that the Insureds died other than simultaneously, one half of the Death Benefit shall be paid as if the first Insured had survived the second Insured, and one half shall be paid as if the second Insured had survived the first Insured. This shall not apply if the application or the Owner has provided for a different payment.

If used, the term "children" of any person shall include only lawful children born to or legally adopted by that person.

We may rely on an affidavit by any person who in our judgment knows the facts to identify any Beneficiary or payee not specified by name. All our liability shall cease when we pay on the basis of such affidavit.

TRUST BENEFICIARY

Unless an authorized officer or registrar of the Company explicitly agrees in writing, the following provision shall apply when a trust is named as Beneficiary.

In no event is the Company responsible for the application or disposition of any proceeds it pays to a Trust Beneficiary. Payment to a Trust Beneficiary is a full discharge of the liability of the Company. If a designated trust provides for successor trustees, the designation in this policy includes successor trustees. Likewise, if the trust allows amendments, the trust, if so amended, remains as a designated Beneficiary.

A Trust Beneficiary is considered to be a Beneficiary who did not survive the Insureds if:

1. the trust has been terminated; or
2. the specified testamentary trust does not qualify as such; or
3. for any other reason a Trust Beneficiary is not entitled to any proceeds.

CHANGE OF BENEFICIARY

If the Owner has the right, a new Beneficiary may be named from time to time during the lives of one or both of the Insureds by filing at our Home Office written notice in such form as we may require. When notice is received at our Home Office, the change shall take effect on the date the notice is signed by the Owner whether or not either Insured is living at the time of receipt, subject to any payments made or actions taken by the Company prior to receipt of this notice. We will not be liable for any payment we make before receipt of the written notice at our Home Office.

ASSIGNMENTS

We are not responsible for the validity or effect of any assignment of this policy. We will not recognize any assignment until it has been filed at our Home Office. When notice is received at our Home Office, the change shall take effect on the date the notice is signed by the Owner whether or not either Insured is living at the time of receipt, subject to any payments made or actions taken by the Company prior to receipt of this notice. The interest of any Beneficiary whom the assignor can change and of any contingent owner shall be transferred to the assignee by the terms of any assignment. If the assignee acquires a right to proceeds, they shall be paid in one sum even though a Payment Option may be in effect at the time the assignment was signed.

SPENDTHRIFT PROVISION

If we receive at our Home Office written request by the Owner for this Spendthrift Provision, then, to the extent allowed by law:

1. only the Owner may transfer, anticipate, commute, or encumber the proceeds of this policy; and
2. only legal process against the Owner may affect the proceeds of this policy.

Any proceeds payable after this request is withdrawn by the Owner shall not be affected by this provision.

PREMIUMS

POLICY PROTECTION PERIOD

The Policy Protection Period is shown in the Data Section. An increase in coverage does not initiate a new Policy Protection Period.

PAYMENT OF PREMIUMS

The first premium is due on or before the date of issue. This first premium cannot be less than the Minimum Monthly Premium shown in the Data Section. Premium payments shall be permitted during the Premium Payment Period shown in the Data Section while one or both of the Insureds are living.

During the Policy Protection Period the payment of cumulative premiums, in excess of withdrawals and loans, at least equal to the Minimum Monthly Premiums payable since the Effective Date of the policy will keep the policy in force to the next Monthly Policy Date, as long as the Accumulated Value is sufficient to provide for Monthly Deductions. Otherwise, this policy will remain in force as long as the Cash Surrender Value is sufficient to provide for Monthly Deductions.

The Planned Periodic Premiums are the premiums the Applicant has chosen to pay. Planned Periodic Premiums may be paid on an annual, semi-annual, quarterly, or monthly basis. The Owner may change the amount or frequency of such premiums at any time by sending a written notice to us at our Home Office. However, we may limit any increase in either amount or frequency.

Premiums in addition to the Planned Periodic Premiums may be necessary to keep this policy and the coverages provided by this policy and any additional benefit riders in force.

We will accept *Unscheduled Premiums*, which are premiums in addition to the Planned Periodic Premiums. We may limit the number and amount of *Unscheduled Premiums* if payment of the premium results in more than a dollar for dollar increase in the Death Benefit.

All premiums are limited by a minimum and a maximum. The minimum is \$25 per premium. The maximum is the limit imposed by the Internal Revenue Code for qualifying the policy as Life Insurance for Federal Income Tax purposes.

We will not accept any premium in excess of the maximum. We will return any premiums not accepted and any interest credited to such premiums to the Owner within 60 days after the end of the Policy Year in which the premiums were received.

The first premium may be paid to us either through our duly authorized agent in exchange for a receipt signed by that agent or at our Home Office. All later premiums must be paid to us at our Home Office.

NET PREMIUM

A Net Premium is determined by multiplying a premium received times the difference of 1 minus the Percent of Premium Expense Charge stated in the Data Section.

GRACE PERIOD

If on any Monthly Policy Date the Cash Surrender Value is less than the Monthly Deduction on such date, a Grace Period shall start, unless:

1. the policy is within the Policy Protection Period; and
2. the Accumulated Value less any debt to us on this policy is greater than the Monthly Deduction on that date; and
3. the cumulative premiums paid since the policy's Effective Date, less any withdrawals and less any debt to us on this policy, are greater than or equal to the cumulative Minimum Monthly Premiums due since the policy's Effective Date.

A Grace Period shall be 61 days. During a Grace Period this policy shall remain in force.

The premium needed to keep the policy in force beyond a Grace Period which ends during the Policy Protection Period shall equal the greater of (a) or (b) where:

- a) equals the sum of the Minimum Monthly Premiums in effect on the policy over all of the months from the Effective Date of the policy to the start of the Grace Period, plus all withdrawals, plus three times the Minimum Monthly Premium in effect at the beginning of the Grace Period, plus any debt to us on this policy, less all premiums paid; and where
- b) equals the premium which will be sufficient to produce an Accumulated Value, net of policy debt, equal to two times the Monthly Deduction due on the date the Grace Period began.

The premium needed to keep the policy in force beyond a Grace Period which ends after the Policy Protection Period shall be the premium sufficient to produce a Cash Surrender Value equal to three times the Monthly Deduction due on the date the Grace Period began.

We will mail notice of the premium needed to the last known address of the Owner or any assignee of record at least 30 days prior to the termination of coverage. The Owner has the entire Grace Period within which to remit the necessary premium. Any premium sent by U.S. mail shall be postmarked within the Grace Period. If such premium is unpaid on the later of:

1. the first day following the 61-day Grace Period; or
2. the 31st day after such notice is sent;

then this policy shall terminate without value.

A Grace Period will not begin solely because payments of Planned Periodic Premiums are discontinued. Whether or not premiums are paid, Monthly Deductions will be made from the Accumulated Value. The terms of this Grace Period provision will determine if and when a Grace Period starts.

REINSTATEMENT

If this policy terminates after the end of a Grace Period, it may be reinstated. It must be reinstated on a Monthly Policy Date within five years from the start of such Grace Period and prior to the end of the Premium Payment Period.

For Reinstatement we will require:

1. an application for Reinstatement; and
2. proof to our satisfaction that each Insured who was living at the end of the Grace Period is living and insurable; and
3. payment of an amount determined as follows:
 - a) If Reinstatement occurs during a Policy Protection Period, the required payment shall be an amount equal to the premium which will be sufficient to produce an Accumulated Value, net of policy debt, four times the Monthly Deduction due on the date the Grace Period began, or, if greater:
 - i. the sum of the Minimum Monthly Premiums in effect on the policy over all the months from the Effective Date of this policy to the start of the Grace Period; plus
 - ii. all withdrawals; plus
 - iii. three times the Minimum Monthly Premium in effect at the beginning of the Grace Period; plus
 - iv. any debt to us on this policy; less
 - v. all premiums paid.

The above amount not to exceed the premium required to make the Cash Surrender Value sufficient to provide:

- i. two times the Monthly Deduction due on the date the Grace Period began; plus
 - ii. three times the Monthly Deduction due on the date of Reinstatement.
- b) If Reinstatement occurs after the Policy Protection Period, the required payment shall be a premium which will make the Cash Surrender Value sufficient to provide:
 - i. two times the Monthly Deduction due on the date the Grace Period began; plus
 - ii. three times the Monthly Deduction due on the date of Reinstatement.

We will send the Owner notice of the required payment upon request.

In the event of Reinstatement:

1. the Accumulated Value of the policy at the time of final lapse will be restored along with the Cash Value available for deductions at the time that the Grace Period began; and
2. the schedule of Surrender Charges for the policy months following the date the Grace Period began shall become the schedule of Surrender Charges for the policy months following the date of Reinstatement; and
3. the schedule of Monthly Expense Charges for the policy months following the date the Grace Period began shall become the schedule of Monthly Expense Charges for the policy months following the date of Reinstatement; and
4. any Policy Loan that was in force at the time that the Grace Period began may be repaid or may be reinstated.

DEATH BENEFIT AND POLICY CHANGES

DEATH BENEFIT

We will pay the Death Benefit to the Beneficiary when we receive at our Home Office due proof that both Insureds died while this policy was in force. We will pay the Death Benefit in one sum unless a Payment Option is chosen. If the Death Benefit is paid in one sum, it shall be increased by interest from the date of death of the second of the Insureds to die to the date of payment. We will set the rate of interest at not less than the rate applicable for the funds left on deposit. If the Death Benefit is not paid within 30 days after we receive at our Administrative Office due proof of the second Insured died while this policy was in force, the rate of interest shall be 8% per year.

COVERAGE AT AND AFTER AGE 121

If your policy is in force when the younger Insured reaches Attained Age 121, the Face Amount of this policy will be set equal to the Accumulated Value, and the Death Benefit Option will automatically revert to Option A. The Death Benefit Option may not thereafter be changed, and no additional premium will be accepted on this policy. All Monthly Deductions on this policy will cease. The Owner may, however, continue to access the Cash Surrender Value and to make or repay Policy Loans.

You may surrender your policy if you do not want coverage to continue past the younger Insured reaching Attained Age 121.

Continuing coverage beyond the younger Insured's Attained Age 121 may cause your policy to fail to qualify as life insurance under the Internal Revenue Code and you may be subject to adverse tax consequences. You should consult a tax advisor before you choose to continue your policy after the younger Insured's Attained Age 121.

*National Life Insurance Company
One National Life Drive * Montpelier, Vermont 05604 * (800) 732-8939*

NOTICE OF DEATH AND CLAIMS

The Owner must notify us within 180 days after the date of death of each Insured. We may require proof whether both Insureds are living two years from the Effective Date. Within 180 days after the date of death of the first Insured to die, we will require the Owner to provide us with evidence of death and proof of age and, if the death is within two years from the Effective Date, the cause of death.

DEATH BENEFIT OPTIONS

The Owner may elect either of two Death Benefit Options, Option A or Option B, for the period prior to the Attained Age 121 of the younger of the Insureds. The Death Benefit Option is stated in the Data Section.

Option A. Under Option A, the Death Benefit is equal to the greater of:

1. the Face Amount of the policy on the date of the death of the second of the Insureds to die; or
2. the Death Benefit Factor shown in the Data Section multiplied by the Accumulated Value on the date of the death of the second of the Insureds to die;

less the amount of any Monthly Deductions then due and any debt to us on this policy.

Option B. Under Option B, the Death Benefit is equal to the greater of:

1. the Face Amount plus the Accumulated Value of the policy on the date of the death of the second of the Insureds to die; or
2. the Death Benefit Factor shown in the Data Section multiplied by the Accumulated Value on the date of the death of the second of the Insureds to die;

less the amount of any Monthly Deductions then due and any debt to us on this policy.

CHANGES IN FACE AMOUNT AND DEATH BENEFIT OPTION

The Owner may request any of the following changes. We will make a change subject to the conditions stated. These changes may be made prior to the younger Insured reaching Attained Age 121 and after the first Policy Anniversary. We will send the Owner a revised or additional Data Section if any of these changes are made.

Face Amount Increases. We will require an application from the Owner and proof to our satisfaction that both of the Insureds are alive and either of the Insureds are then insurable. An increase in Face Amount must satisfy the Minimum Face Amount per Coverage Segment requirements of the policy and must be initiated before the end of the younger Insured's Attained Age 90 and shall be effective upon the Monthly Policy Date on or next following our approval.

Each increase in Face Amount will have its own coverage segment that has its own Monthly Cost of Insurance charges, Monthly Expense Charge, and Surrender Charges, as well as new incontestability and suicide exclusion periods.

Face Amount Decreases. We will require a written request from the Owner. A decrease in Face Amount shall be effective upon the Monthly Policy Date on or next following our receipt of the request.

Decreases shall not be permitted which would reduce the sum of the Face Amount plus the Sums Insured of any riders for Additional Protection Benefit attached to this policy to less than any of the following:

1. the minimum insurance amount for which the policy would qualify as "Life Insurance" for Federal Income Tax purposes under the Internal Revenue Code; or
2. the Minimum Coverage Amount shown in the Data Section; or
3. 75% of the largest sum of the Face Amount plus the Sums Insured of any Riders for Additional Protection Benefit attached to this policy in force at any time in the twelve policy months prior to our receipt of the request. This restriction applies only during the first ten Policy Years.

A decrease in total insurance coverage shall apply in the following order:

1. first, to any increases in Face Amount or to the addition of any rider for Additional Protection Benefit providing coverage on the life of the Insureds, in the reverse order in which they were made;
2. second, to the Face Amount on the date of issue.

If both an increase in Face Amount and the addition of a rider for Additional Protection Benefit providing coverage on the life of the Insureds became effective on the same date, a decrease in total insurance coverage made effective on that date shall apply in the following order:

1. first, to any increase in total insurance coverage resulting from the addition of a Rider for Additional Protection Benefit providing coverage on the life of both Insureds;
2. second, to any increase in Face Amount;
3. third, to the Face Amount on the date of issue.

Death Benefit Option Changes.The Death Benefit Option may be changed once each Policy Year after the first Policy Anniversary prior to the younger Insureds Attained Age 121. We will require a written request from the Owner. A change will be effective on any Monthly Policy Date requested. The change may be made only if after such change the policy would qualify as "Life Insurance" for Federal Income Tax purposes under the Internal Revenue Code. The Minimum Monthly Premium will be recomputed to reflect the change in Options.

1. Upon a change from Option A to Option B, we may require evidence satisfactory to us that both Insureds are living and of the continued insurability of one or both of the Insureds at the time of the change. The Face Amount shall decrease by an amount equal to the Accumulated Value of the policy just prior to the Effective Date of the change. However, the change may be made only if after such change the Face Amount would not be less than the Minimum Coverage Amount shown in the Data Section.
2. Upon a change from Option B to Option A, the Face Amount shall increase by an amount equal to the Accumulated Value just prior to the Effective Date of the change. No additional Surrender Charges shall be imposed solely because of this change.

SUICIDE LIMITATION

If either of the Insureds dies within two years of the Effective Date as the result of suicide, while sane or insane, we will pay only a sum equal to:

1. the premiums paid; less
2. any withdrawals made; less
3. any debt to us on this policy.

This policy shall immediately terminate on the first such death by suicide. Payment will be made to the Beneficiary.

A similar two-year period shall apply to any increase in Face Amount for which an application is required. Such period shall begin on the Effective Date of any such increase. During such period if either Insured dies as the result of suicide, we will terminate the increase segment, and will refund to the Owner only a sum equal to the Cost of Insurance Charges that we have deducted from the Accumulated Value for such increase.

INTEREST CREDITING STRATEGIES

Accumulated Value in this policy is apportioned into one or more segments distinguished by their interest crediting strategies. Six interest crediting strategies are made available under this policy. Interest is nonforfeitable after crediting except indirectly due to surrender charges. The rates of interest will never be less than the Accumulated Value Interest Rate shown in the Data Section.

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BASIC STRATEGY

Interest will be credited to the Accumulated Value in the Basic Strategy on a daily basis at a rate not less than the Accumulated Value Interest Rate shown in the Data Section.

The Basic Strategy Minimum Value for a Policy Year is equal to 12.5 times the Monthly Deduction due on the first day of that Policy Year. It will remain unchanged until the first day of the next Policy Year.

All Net Premiums are paid into the Basic Strategy. On the 21st day of each month, the Accumulated Value in the Basic Strategy that is in excess of the Basic Strategy Minimum Value, subject to a minimum amount of \$50.00, will be transferred to one or more of five interest crediting strategies, including the Fixed-Term Strategy and Strategies 1, 2, 3, and 4, according to an allocation selected by the Applicant at the time of policy application. The Owner has the right to change the allocation selection.

FIXED-TERM STRATEGY

Each transfer of Accumulated Value made to this strategy creates a distinct Fixed-Term Segment. Each Fixed-Term Segment will have a duration of one year. Interest will be credited to the Accumulated Value in each Fixed-Term Segment on a daily basis at a rate not less than the Accumulated Value Interest Rate shown in the Data Section.

Accumulated Value cannot be transferred out of any Fixed-Term Segment prior to the end of its one-year duration and at that time will be automatically transferred to the Basic Strategy. Different Fixed-Term Segments may be credited interest at different rates.

INDEXED STRATEGIES

Each transfer of Accumulated Value made to an Indexed Strategy creates a distinct Indexed Segment. Each Indexed Segment will have a crediting period of one year. Index Earnings will be credited to the Accumulated Value in each segment at the end of the crediting period.

The Index Earnings for Indexed Strategies 1, 2, and 3 will be credited to Accumulated Value in each Indexed Segment at the end of the crediting period based on the performance of the Index on such day (Point-to-Point). The Index Earnings for Indexed Strategy 4 will be credited to Accumulated Value in each Indexed Segment at the end of the crediting period based on the performance of the Index averaged throughout the preceding twelve months (Point-to-Average).

Index. Index refers to the Standard & Poor's 500 Index, excluding dividend income. It will be used in the determination of Index Earnings made to each segment within an Indexed Strategy. If the publication of the Index is discontinued, a suitable index will be substituted and you will be notified of such index.

Index Value. The Index Value as of any date is the published value of the Index at the close of business on that date. If no value was published on that date, the last published value of the Index will be used.

Index Growth. The Index Growth for an Indexed Segment is calculated at the end of the segment's crediting period.

The Index Growth for the Indexed Strategies 1, 2, and 3 is the following:

1. the Index Value as of the one-year anniversary of the Indexed Segment; minus
2. the Index Value as of the inception of the Indexed Segment; this difference divided by
3. the Index Value as of the inception of the Indexed Segment.

The Index Growth for Indexed Strategy 4 is the following:

1. the sum of the Index Values for each day the Index Value was published between the inception of the Indexed Segment and the one-year anniversary of the Indexed Segment, excluding the Index Value at the inception but including the Index Value on its anniversary; divided by
2. the number of days the Index Value was published between the inception of the Indexed Segment and the one-year anniversary of the Indexed Segment excluding the day it was created but including the anniversary; minus
3. the Index Value as of the inception of the Indexed Segment; this difference divided by
4. the Index Value as of the inception of the Indexed Segment.

Participation Rate. Each Indexed Segment will have a Participation Rate. The Participation Rate is determined in advance of establishment of an Indexed Segment. The Participation Rate will never be less than the Guaranteed Minimum Participation Rate for the applicable strategy shown in the Data Section.

Index Earnings Cap. Each Indexed Segment will have an Index Earnings Cap. The Index Earnings Cap is determined in advance of establishment of an Indexed Segment. The Index Earnings Cap for a segment will never be less than the Guaranteed Minimum Cap for the applicable strategy shown in the Data Section.

Index Earnings. The Index Earnings for each Indexed Segment are calculated at the end of the crediting period of such segment as follows:

1. the Index Growth for the segment multiplied by the segment's Participation Rate, with this product adjusted so that it is no less than zero and no greater than the segment's Index Earnings Cap; multiplied by
2. the value of the Indexed Segment at the end of the crediting period.

The Owner may not request that Accumulated Value in an Indexed Segment be transferred out of that segment prior to the end of the segment's crediting period. Accumulated Value in an Indexed Segment may be transferred out of that segment prior to the end of the segment's crediting period for the payment of Monthly Deductions, for the creation of a Fixed Net Cost Loan, due to a partial Withdrawal, or due to the termination of the policy. Indexed Earnings will be credited on the Accumulated Value remaining in an Indexed Segment at the end of the segment's crediting period. At the end of the crediting period the Accumulated Value in the Indexed Segment is automatically transferred to the Basic Strategy.

POLICY VALUES

ACCUMULATED VALUE

The Accumulated Value on the policy Effective Date is the initial Net Premium minus the initial Monthly Deduction.

The Accumulated Value on any other date is equal to the sum of the values of the Basic Strategy, the Fixed-Term Strategy, Indexed Strategies 1, 2, 3, and 4, and the value of any loan collateral account. Upon termination of the policy, however, the Accumulated Value will be no less than the accumulation at the Accumulated Value Interest Rate shown in the Data Section of Net Premiums minus Monthly Deductions minus Withdrawals.

MONTHLY DEDUCTION

The Monthly Deduction due on a Monthly Policy Date shall be the Monthly Cost of Insurance, plus the Monthly Expense Charge, plus the Monthly Policy Fee, plus the monthly cost of any additional benefit riders in force on this policy.

Monthly Deductions will be taken from the Accumulated Value of the policy in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from the Indexed Strategy 4 until exhausted;
4. fourth, from the Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, deductions are made in the reverse order in which the segments were created.

MONTHLY COST OF INSURANCE

The Monthly Cost of Insurance shall be based on the risk classification and duration of this policy, and the sex and Issue Ages of both Insureds.

The Monthly Cost of Insurance for a given policy is equal to the applicable Monthly Cost of Insurance Rate multiplied by the Net Amount at Risk.

The Net Amount at Risk is the excess of:

1. the Death Benefit plus any debt to us on such date, divided by the sum of 1 plus the monthly Accumulated Value Interest Rate shown in the Data Section; over
2. the Accumulated Value of this policy on such date.

We may change the Cost of Insurance rates from time to time based on our expectations of future experience. Future experience can include, but is not limited to, investment earnings, mortality, persistency, taxes and expenses. Any change in the Cost of Insurance rates shall apply to all policies of the same size and duration, insuring persons of the same sex, Issue Age, and risk classification as the Insureds. The Cost of Insurance rates shall not be greater than the rates set forth in the Table of Guaranteed Maximum Cost of Insurance rates shown in the Data Section. These rates are based on the Mortality Table named in the Data Section.

CASH SURRENDER AND WITHDRAWALS

CASH SURRENDER VALUE

The Owner may, by written request to us, surrender this policy while one or both of the Insureds are living for its Cash Surrender Value. We may require that the policy be returned to us. When this policy has been surrendered, it shall be null and void and all rights shall cease.

The Cash Surrender Value on any day shall be equal to:

1. the Accumulated Value on such day; less
2. any Surrender Charge which applies on such day; less
3. any debt to us on this policy.

The Surrender Charges are shown in the Data Section.

WITHDRAWALS

After the first Policy Anniversary and prior to the last day of the Premium Payment Period while one or both of the Insureds are living, the Owner may make withdrawals by written request to us. Withdrawals shall be subject to all of the following terms.

1. Withdrawals may be made only on a Monthly Policy Date which follows receipt of such request.
2. The amount withdrawn may not be less than the Minimum Withdrawal Amount shown in the Data Section.
3. For each withdrawal made, a Withdrawal Fee may be assessed not to exceed the Maximum Withdrawal Fee shown in the Data Section.
4. The amount withdrawn may not exceed the Cash Surrender Value on the Monthly Policy Date less three times the Monthly Deduction for such Monthly Policy Date.
5. The Accumulated Value will be decreased by the amount of the withdrawal plus the Withdrawal Fee if any.
6. If Death Benefit Option A is in effect on the date of the withdrawal, the Face Amount of the policy will be reduced by an amount equal to the amount of the withdrawal plus the Withdrawal Fee if any.

Withdrawals, including the Withdrawal Fee if any, are made from the Accumulated Value in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from Indexed Strategy 4 until exhausted;
4. fourth, from Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, withdrawals are made in the reverse order of which the segments were created.

GENERAL CASH SURRENDER VALUE AND WITHDRAWAL TERMS

We may delay payment of any amounts which are payable as a result of Cash Surrender or Withdrawal. Please refer to the Postponement of Benefits provision.

POLICY LOANS

POLICY LOANS

We will loan an amount up to the Loan Value of the policy less the amount of any outstanding debt, at any time after the first Policy Year. At the time of the loan the policy must be in force and one or both of the Insureds are living. The policy shall be the sole security for the loan and must be duly assigned to us.

Two policy loan options are available with this policy: a Fixed Net Cost Loan and a Variable Net Cost Loan. The loan option is selected at the time a loan is taken, and all outstanding loans must use the same loan option. The Owner may change the loan option only on a Policy Anniversary.

LOAN VALUE

The Loan Value on any day is equal to:

1. the Accumulated Value on such day; less
2. the Surrender Charge on such day, if applicable; less
3. three times the Monthly Deductions due on the most recent prior Monthly Policy Date.

LOAN INTEREST RATE

Any loan shall bear interest from the date the loan is made. The Loan Interest Rate may change from Policy Year to Policy Year.

The Loan Interest Rate on the Effective Date of the policy is stated in the Data Section. Such rate shall apply to any debt to us on this policy until the rate is changed by us. We may change the Loan Interest Rate only on a Policy Anniversary, after which the changed rate will apply to any new or existing debt to us on the policy. The Loan Interest Rate is subject to a minimum annual interest rate of 3.00% and shall not exceed the Maximum Rate allowed. The Maximum Rate allowed is the greater of:

1. the Published Monthly Average for the calendar month ending two months before the calendar month in which the Policy Anniversary occurs; or
2. the yearly Accumulated Value Interest Rate shown in the Data Section plus 1%.

The Published Monthly Average shall be the Moody's Corporate Bond Yield Average - Monthly Average Corporates, as published by Moody's Investors Service, Inc., or any successor to it. If at any time that Published Monthly Average is no longer published, a substantially similar average, established under the law of the state where this policy was delivered, shall be used.

If on any Policy Anniversary the Maximum Rate then allowed is at least 0.50% per year less than the Loan Interest Rate in effect for this policy during the prior Policy Year, we will decrease the Loan Interest Rate for this policy. If on any Policy Anniversary the Maximum Rate then allowed is at least 0.50% per year more than the Loan Interest Rate in effect on this policy during the prior Policy Year, we may increase such Loan Interest Rate. If increased, it shall be increased to a rate not greater than the Maximum Rate then allowed.

We will give to the Owner:

1. notice of the Loan Interest Rate in effect for this policy at the time a loan is made; and
2. at least 30 days' advance notice of any increase in the Loan Interest Rate, if there is any debt to us on this policy.

In no event shall the Loan Interest Rate exceed the highest loan interest rate allowed by law of the state in which this policy is delivered.

FIXED NET COST LOAN

Accumulated Value in the amount of the Fixed Net Cost Loan plus any unpaid loan interest will be removed from the Interest Crediting Strategies of the policy and held in a Loan Collateral Account. Accumulated Value will be removed from the Interest Crediting Strategies in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from Indexed Strategy 4 until exhausted;
4. fourth, from Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, deductions will be made in the reverse order in which the segments were created.

The Accumulated Value removed from the Interest Crediting Strategies to establish a Loan Collateral Account will be held apart from other Accumulated Value in this policy and may be credited interest at a different rate than that of other Accumulated Value in the policy.

Repayments of the loan, including payments of loan interest, will be applied to the outstanding loan balance, and the amount repaid will be deposited into the Basic Strategy. The amount of Accumulated Value held in the Loan Collateral Account will be reduced by the amount of the repayment.

VARIABLE NET COST LOAN

Accumulated Value is not removed from the Interest Crediting Strategies if a Variable Net Cost Loan is taken. All Accumulated Value in this policy will continue to earn interest or Index Earnings as stated in the Interest Crediting Strategies section of this policy.

A Variable Net Cost Loan will be charged interest at the Loan Interest Rate. There is no fixed relationship between the interest credited to Accumulated Value in this policy and the interest assessed on a Variable Net Cost Loan.

GENERAL LOAN TERMS

After the loan is made, loan interest shall be due on the next and all later Policy Anniversaries. If any interest is not paid when due, it shall be added to the loan and bear interest on the same terms.

The debt secured by this policy includes loans, unpaid loan interest and accrued loan interest not otherwise due.

All or any part of the debt may be paid to us at any time prior to:

1. the death of the second of the Insureds; and
2. surrender of the policy.

However, during a Grace Period the debt may not be repaid. Unless the Owner specifies, any payment to us shall be deemed a premium payment and not payment of the debt. At the death of the second of the Insureds or upon the surrender of the policy, all debt shall become due at once. It shall be paid from the policy values.

We may delay payment of any amounts which are payable as a result of a Policy Loan. Please refer to the Postponement of Benefits provision.

PAYMENT OPTIONS

In lieu of a lump sum settlement, all or part of the proceeds of this policy may be applied under a Payment Option. When proceeds are applied under a Payment Option, all other rights and benefits under this policy shall cease.

In addition to the following options, other payment options may be available.

OPTION EFFECTIVE DATE

The Option Effective Date is the date the proceeds become payable.

GENERAL PAYMENT
OPTION TERMS

If the proceeds to be placed under a Payment Option are less than \$5,000, we may pay them in one sum to the payee who otherwise would receive the first payment under the option. If any payments would be less than \$100, we will change the frequency to provide payments of at least \$100.

If the proceeds are assigned on the Option Effective Date, we will pay the assignee's share in one sum and place only the balance under the option. After the Option Effective Date neither the payments nor the remaining value may be assigned or encumbered. To the extent the law permits, they are not subject to any claims against the payee.

We may require proof to our satisfaction that any payee is alive on the date any payment is due.

CHOICE OF
OPTION

Choice of an option may be made:

1. by the Owner if one or both of the Insureds are living; or
2. by the Beneficiary if neither Insured is living and no option is in effect.

Equivalent payments for 12-, 6-, 3-, or 1-month intervals may be chosen. The options are described in terms of monthly payments. We will quote the amount of other payments on request.

We may issue a document stating the terms of the option.

CHANGE OF
PAYMENT OPTION

The right to change Payment Options exists under Options 1, 2, and 4. At the time of change the remaining value under the old option shall become the proceeds to be placed under the new option.

LUMP SUM
REMOVAL OF
PROCEEDS APPLIED
UNDER A PAYMENT
OPTION

Lump sum payments may be taken from the remaining proceeds placed under Payment Options 1, 2, and 4.

Under Options 1 and 4 all or any part of the remaining value may be taken at any time, though no more than four transactions may be made during any calendar year.

Under Option 2 the entire remaining value may be taken at any time.

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No lump sum removal of proceeds may be made under Options 3, 5, 6, or 7.

OPTION 1
-PAYMENT OF
INTEREST ONLY

Interest at a rate of 1.50% per year shall be paid either for:

1. the life of a chosen human being; or
2. a chosen period.

We may pay more interest in any given year. Upon the earlier of the death of the chosen human being or the end of the chosen period, any remaining value will be paid. The first payment shall be made one month after the Option Effective Date. If the payee is not a human being, payments may not continue for more than 30 years.

OPTION 2
-PAYMENTS FOR A
STATED TIME

Equal monthly payments shall be made for a stated number of years. The first payment shall be made on the Option Effective Date. The amount of each monthly payment is shown in the table. The monthly payments are based on an interest rate of 1.50% per year. We may pay more interest in any year.

Option 2 Table
 Monthly Payments for Each \$1,000 of Proceeds

Stated Number of Years	Monthly Payments
5	17.28
6	14.51
7	12.53
8	11.04
9	9.89
10	8.96
11	8.21
12	7.58
13	7.05
14	6.59
15	6.20
16	5.85
17	5.55
18	5.27
19	5.03
20	4.81
21	4.62
22	4.44
23	4.28
24	4.13
25	3.99
26	3.86
27	3.75
28	3.64
29	3.54
30	3.44

OPTION 3
 -PAYMENTS FOR
 LIFE

Equal monthly payments shall be made for any guaranteed period chosen and thereafter during the life of a chosen human being. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the age and sex of the chosen human being on the Option Effective Date and on any guaranteed period chosen. We may require proof to our satisfaction of such age. We may require like proof that such human being is alive on the date any payment is due. The guaranteed period may be five or ten years or a Refund period. A Refund period extends until the sum of the payments is equal to the proceeds placed under the option. The monthly payments are based on an interest rate of 1.50% per year. We may pay more interest in any year during the guaranteed period. We will quote the amount of monthly payments for lower ages and guaranteed periods not shown in the Option 3 Table on request.

Option 3 Table
 Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Guaranteed Period

Age	Male			Female		
	None	10 Years	Refund	None	10 Years	Refund
50	\$3.24	\$3.22	\$3.02	\$3.00	\$2.99	\$2.86
51	3.31	3.29	3.08	3.06	3.05	2.91
52	3.39	3.36	3.13	3.13	3.11	2.96
53	3.47	3.44	3.19	3.19	3.18	3.02
54	3.55	3.51	3.25	3.26	3.25	3.07
55	3.63	3.60	3.31	3.34	3.32	3.13
56	3.73	3.68	3.38	3.41	3.39	3.19
57	3.82	3.77	3.45	3.50	3.47	3.26
58	3.92	3.87	3.52	3.58	3.56	3.32
59	4.03	3.97	3.60	3.68	3.64	3.39
60	4.15	4.07	3.67	3.78	3.74	3.46
61	4.27	4.19	3.76	3.88	3.83	3.54
62	4.40	4.30	3.84	3.99	3.94	3.62
63	4.54	4.42	3.93	4.11	4.05	3.70
64	4.69	4.55	4.02	4.23	4.16	3.79
65	4.85	4.69	4.12	4.37	4.28	3.88
66	5.02	4.83	4.23	4.51	4.41	3.98
67	5.20	4.98	4.33	4.66	4.55	4.08
68	5.39	5.13	4.45	4.83	4.69	4.19
69	5.60	5.29	4.57	5.00	4.84	4.30
70	5.82	5.45	4.70	5.19	5.00	4.43
71	6.05	5.62	4.82	5.39	5.17	4.55
72	6.30	5.79	4.96	5.61	5.34	4.68
73	6.57	5.96	5.11	5.85	5.52	4.82
74	6.85	6.14	5.25	6.11	5.71	4.98
75	7.15	6.32	5.41	6.39	5.91	5.13
76	7.47	6.51	5.59	6.69	6.11	5.30
77	7.82	6.69	5.75	7.01	6.31	5.47
78	8.19	6.87	5.93	7.36	6.52	5.66
79	8.59	7.05	6.14	7.74	6.73	5.85
80	9.01	7.22	6.34	8.16	6.93	6.04
81	9.47	7.39	6.55	8.60	7.13	6.29
82	9.95	7.56	6.77	9.09	7.33	6.50
83	10.47	7.71	7.00	9.61	7.52	6.76
84	11.02	7.86	7.25	10.18	7.69	7.00
85+	11.61	8.00	7.52	10.79	7.86	7.26

+ Higher ages the same

OPTION 4
-PAYMENTS OF A
STATED AMOUNT

Equal monthly payments of a stated amount shall be made until the proceeds, with interest at 1.50% per year on the unpaid balance, are used up. The first payment shall be made on the Option Effective Date. The amount chosen must be at least \$10 per month for each \$1,000 of proceeds placed under this option. We may add more interest to the unpaid balance in any year, which will extend the number of payments. The last payment will be for the balance only.

OPTION 5 - LIFE
ANNUITY

Equal monthly payments shall be made in the same manner as Option 3 except:

1. the amount of each payment shall be based on our current settlement rates on the Option Effective Date; and
2. no additional interest shall be paid.

OPTION 6 - JOINT
AND TWO-THIRDS
ANNUITY

Equal monthly payments shall be made while two chosen human beings are both living. Upon the death of either, two-thirds of the amount of such payments shall continue during the life of the survivor. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the ages and sexes of the chosen human beings on the Option Effective Date. We may require proof to our satisfaction of their ages. We may require like proof that any chosen human being is alive on the date any payment conditioned on the life of such human being is due. The initial amount of each monthly payment is shown in the table. We will quote the amount of monthly payments for any other age combination on request. The monthly payments are based on an interest rate of 1.50% per year. No additional interest shall be paid.

Option 6 Table
Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Ages of Both	One Male and One Female	Ages of Both	One Male and One Female
50	\$2.97	68	\$4.72
51	3.03	69	4.89
52	3.09	70	5.06
53	3.16	71	5.25
54	3.22	72	5.46
55	3.29	73	5.68
56	3.37	74	5.91
57	3.45	75	6.16
58	3.53	76	6.43
59	3.62	77	6.72
60	3.72	78	7.04
61	3.82	79	7.37
62	3.92	80	7.74
63	4.04	81	8.12
64	4.16	82	8.54
65	4.28	83	8.99
66	4.42	84	9.48
67	4.57	85+	9.99

+ Higher ages the same

OPTION 7 - 50%
SURVIVOR
ANNUITY

Equal monthly payments shall be made during the life of the chosen primary human being. Upon the death of the chosen primary human being, 50% of the amount of such payments shall continue during the life of the chosen secondary human being. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the ages and sexes of the chosen human beings on the Option Effective Date. We may require proof to our satisfaction of their ages. We may require like proof that any chosen human being is alive on the date any payment conditioned on the life of such human being is due. The initial amount of each monthly payment is shown in the table. We will quote the amount of monthly payments for any other age combination on request. The monthly payments are based on an interest rate of 1.50% per year. No additional interest shall be paid.

Option 7 Table
 Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Ages of Both	Male	Female	Ages of Both	Male	Female
	Primary Female Secondary	Primary Male Secondary		Primary Female Secondary	Primary Male Secondary
50	\$2.96	\$2.85	68	\$4.67	\$4.44
51	3.01	2.90	69	4.83	4.60
52	3.07	2.96	70	5.00	4.76
53	3.14	3.02	71	5.19	4.93
54	3.20	3.08	72	5.38	5.12
55	3.27	3.15	73	5.59	5.32
56	3.35	3.22	74	5.82	5.53
57	3.43	3.29	75	6.06	5.77
58	3.51	3.37	76	6.31	6.01
59	3.60	3.45	77	6.59	6.28
60	3.69	3.53	78	6.88	6.57
61	3.79	3.62	79	7.20	6.89
62	3.89	3.72	80	7.54	7.22
63	4.00	3.82	81	7.90	7.59
64	4.12	3.93	82	8.29	7.98
65	4.24	4.05	83	8.71	8.40
66	4.38	4.17	84	9.16	8.86
67	4.52	4.30	85+	9.64	9.34

+ Higher ages the same

NATIONAL LIFE IS A DYNAMIC AND GROWING FAMILY OF INSURANCE AND FINANCIAL SERVICE COMPANIES OFFERING A COMPREHENSIVE RANGE OF LIFE INSURANCE, ASSET ACCUMULATION AND RETIREMENT PLANNING PRODUCTS. OUR FLAGSHIP, NATIONAL LIFE INSURANCE COMPANY, HAS BEEN SERVING CUSTOMERS WITH VALUE AND INTEGRITY SINCE 1850, AND IS LICENSED IN ALL 50 STATES AND THE DISTRICT OF COLUMBIA.

Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Flexible premiums are payable through the end of the Premium Payment Period or until the death of both Insureds. The adjustable Death Benefit is payable upon the death of the second of the Insureds to die. This policy is non-participating. Although the policy values may be affected by an external index, the policy does not directly participate in any stock or equity investments.

The Owner is a member of National Life Holding Company while this contract is in force. The annual meetings of the Company are held at its Home Office in Montpelier, Vermont, on the second Friday in May in each year at 9 o'clock A.M.

NATIONAL LIFE INSURANCE COMPANY

HOME OFFICE: ONE NATIONAL LIFE DRIVE
MONTPELIER, VERMONT 05604 TELEPHONE: 800-732-8939
WWW.NATIONALLIFE.COM



NATIONAL LIFE

National Life Insurance Company
Montpelier, Vermont 05604
Tel: 802-229-3333

Should You Need to Call

Your agent is, and should continue to be, the primary contact for information about your National Life coverage. However, there may be times when it is necessary to contact our Home Office for assistance.

If you need to contact our Home Office directly, please dial 1-800-732-8939. Contract information is also available at www.nationallife.com, where you can self-register to access policy information in a secure setting.

Limitations and Exclusions Under the Arkansas Life and Health Insurance Guaranty Association Act

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”) may not provide coverage for your policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. **However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.**

The Arkansas Life and Health Insurance Guaranty Association
C/O The Liquidation Division
1023 West Capitol

Little Rock, Arkansas 72201
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act (*Act*). On the next page is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

Coverage

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

Exclusions From Coverage

However, persons owning such policies are **NOT** protected by the Guaranty Association if:

- they are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- the insurer was not authorized to do business in this state;
- their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does **NOT** provide coverage for:

- any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- any policy of reinsurance (unless an assumption certificate was issued);
- interest rate yields that exceed an average rate;
- dividends and voting rights and experience rating credits;
- credits given in connection with the administration of a policy by a group contract holder;
- employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- unallocated annuity contracts (which give rights to group contract holders, not individuals);
- unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation (*FPBC*) (whether the FPBC is yet liable or not);
- portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

Limits on Amount of Coverage

The Act also limits the amount the Guaranty Association is obligated to cover. The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.



We, National Life Insurance Company (the Company), agree to pay the Death Benefit to the Beneficiary, subject to the terms of this policy, when we receive at our Home Office due proof that both Insureds died while this policy was in force.

Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Unisex Version. Flexible premiums are payable through the end of the Premium Payment Period or until the death of both Insureds. The adjustable Death Benefit is payable upon the death of the second of the Insureds to die. This policy is nonparticipating. Although the policy values may be affected by an external index, the policy does not directly participate in any stock or equity investments.

Right to Review Policy. This policy, at any time within ten days after its receipt by the Owner, may be returned in person or by mail to us or to the agent through whom it was bought. Upon such return, the policy will be deemed void as of its Effective Date. We will then refund any premium paid.

Effective Date:	03/15/2011
Policy Number:	NL1234567
Face Amount:	\$250,000
First Insured:	Ethan Allen
Issue Age:	35
Second Insured:	Edna Allen
Issue Age:	35
Owner:	As stated in the application unless later changed.
Beneficiary:	As stated in the application unless later changed.

The data and the terms on this and all following pages are part of this policy.

This policy is a legal contract between the policy Owner and National Life Insurance Company. READ YOUR POLICY CAREFULLY.

Signed for National Life Insurance Company at Montpelier, Vermont, as of the Effective Date, by

Mehman Assad
President & Chief Executive Officer

James K. McQuade
Secretary

Registrar

One National Life Drive, Montpelier, Vermont 05604, Tel: 800-732-8939
National Life Group® is a trade name of National Life Insurance Company and its affiliates.

National Life Insurance Company

NOTICE TO POLICYHOLDERS

For additional information about your policy benefits or claims, please write or call:

National Life Insurance Company
One National Life Drive
Montpelier, Vermont 05604
Attention: Customer Service

Telephone: 1-800-732-8939

or call your agent:

Agent's Name: _____
Agent's Address: _____
Agent's Phone Number: _____

If you are not satisfied, you may write or call:

Arkansas Insurance Division
Consumer Services Division
1200 West Third Street
Little Rock, Arkansas 72201-1904

(501) 371-2640

Toll free within Arkansas:

1-800-852-5494

DATA SECTION

POLICY NUMBER: [NL12345657]

FIRST INSURED: [ETHAN ALLEN]
ISSUE AGE: [35]

SECOND INSURED: [EDNA ALLEN]
ISSUE AGE: [35]

FACE AMOUNT: [\$25,000.00]

OWNER: [AS STATED IN THE APPLICATION UNLESS LATER CHANGED.]
BENEFICIARY: [AS STATED IN THE APPLICATION UNLESS LATER CHANGED.]

MONTHLY POLICY DATE: [15TH]

DEATH BENEFIT OPTION: [A]

MINIMUM MONTHLY PREMIUM: [\$47.64]
POLICY PROTECTION PERIOD: [MARCH 15, 2011 – MARCH 14, 2021]
[MONTHLY GUARANTEED PREMIUM:] [\$58.62]
PLANNED PERIODIC PREMIUM: [\$1,200.00] PAYABLE [ANNUALLY]
FOR PREMIUM PAYMENT PERIOD: [MARCH 15, 2011 TO MARCH 16, 2096]

THIS POLICY MAY TERMINATE PRIOR TO THE END OF THE PREMIUM PAYMENT PERIOD IF PREMIUMS PAID ARE INSUFFICIENT TO CONTINUE COVERAGE. PREMIUMS IN ADDITION TO THE PLANNED PERIODIC PREMIUM MAY BE NECESSARY TO KEEP THIS COVERAGE IN FORCE.

POLICY LOANS AND WITHDRAWALS WILL REDUCE THE CASH SURRENDER VALUE OF THIS POLICY AND MAY RESULT IN TERMINATION OF THIS POLICY PRIOR TO THE DEATH OF THE INSURED.

MINIMUM COVERAGE AMOUNT: \$250,000.00
MINIMUM FACE AMOUNT PER COVERAGE SEGMENT: \$25,000.00
MINIMUM WITHDRAWAL AMOUNT: \$500.00
MAXIMUM WITHDRAWAL FEE: \$25.00 FOR EACH WITHDRAWAL

ADDITIONAL BENEFIT RIDERS:
[ADDITIONAL PROTECTION BENEFIT RIDER]
[BALANCE SHEET BENEFIT RIDER]
[DEATH BENEFIT PROTECTION RIDER]
[ESTATE PRESERVATION RIDER]
[LIFETIME INCOME BENEFIT RIDER]
[OVERLOAN PROTECTION RIDER]
[POLICY SPLIT OPTION RIDER]
[SURVIVOR PROTECTION RIDER]

THE LOAN INTEREST RATE IS VARIABLE. THE LOAN INTEREST RATE AT THE EFFECTIVE DATE IS [5.50%].

DATA SECTION

GUARANTEED BASIS OF CALCULATIONS

FACE AMOUNT: [\$25,000.00]
EFFECTIVE DATE: [MARCH 15, 2011]

ACCUMULATED VALUE INTEREST RATE: 0.20598% COMPOUNDED MONTHLY, WHICH IS
EQUIVALENT TO 2.50% COMPOUNDED PER YEAR

MORTALITY TABLE: 2001 COMMISSIONERS STANDARD ORDINARY [UNISEX]
SMOKER/NON-SMOKER ULTIMATE AGE NEAREST BIRTHDAY

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
(PER \$1,000 PER MONTH)

<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>	<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>	<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>
01	0.00008	21	0.03725	41	1.27340
02	0.00026	22	0.04584	42	1.48936
03	0.00048	23	0.05605	43	1.74370
04	0.00073	24	0.06755	44	2.04338
05	0.00103	25	0.08106	45	2.39302
06	0.00138	26	0.09731	46	2.79326
07	0.00180	27	0.11719	47	3.28726
08	0.00231	28	0.14177	48	3.84617
09	0.00296	29	0.17114	49	4.45608
10	0.00377	30	0.20544	50	5.14895
11	0.00476	31	0.24540	51	5.93974
12	0.00595	32	0.29142	52	6.76869
13	0.00744	33	0.34406	53	7.80701
14	0.00903	34	0.40508	54	8.93487
15	0.01091	35	0.47487	55	10.15521
16	0.01328	36	0.55847	56	11.37307
17	0.01619	37	0.65728	57	12.26392
18	0.01992	38	0.78112	58	13.44009
19	0.02443	39	0.92286	59	14.95892
20	0.03012	40	1.08534	60	16.81684

DATA SECTION

GUARANTEED BASIS OF CALCULATIONS

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES (CONTINUED)
(PER \$1,000 PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>
[61	19.10401	71	45.67466	81	83.33333
62	21.36559	72	50.53770	82	83.33333
63	23.80463	73	55.87899	83	83.33333
64	24.64035	74	61.66932	84	83.33333
65	26.25928	75	68.19093	85	83.33333]
66	28.62793	76	75.46882		
67	31.13870	77	83.17840		
68	34.02818	78	83.33333		
69	37.36503	79	83.33333		
70	41.23449	80	83.33333		

DEFINITION OF LIFE INSURANCE TEST: [GUIDELINE PREMIUM TEST]

[GUIDELINE SINGLE PREMIUM: \$ 39,361.38]

[GUIDELINE LEVEL PREMIUM: \$ 3,821.24]

TABLE OF DEATH BENEFIT STANDARD FACTORS

<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>	<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>	<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>
0 - 40	2.50	54	1.57	68	1.17
41	2.43	55	1.50	69	1.16
42	2.36	56	1.46	70	1.15
43	2.29	57	1.42	71	1.13
44	2.22	58	1.38	72	1.11
45	2.15	59	1.34	73	1.09
46	2.09	60	1.30	74	1.07
47	2.03	61	1.28	75 - 90	1.05
48	1.97	62	1.26	91	1.04
49	1.91	63	1.24	92	1.03
50	1.85	64	1.22	93	1.02
51	1.78	65	1.20	94+	1.01
52	1.71	66	1.19		
53	1.64	67	1.18		

DATA SECTION

AS OF THE EFFECTIVE DATE, THE FOLLOWING RATES ARE APPLICABLE TO INTEREST CREDITING STRATEGIES TO WHICH YOU MAY DIRECT YOUR PREMIUM. THESE RATES ARE IN EFFECT UNTIL FURTHER NOTICE.

FIXED-TERM STRATEGY

FIXED-TERM SEGMENT LENGTH:	1 YEAR
MINIMUM FIXED-TERM SEGMENT INTEREST RATE:	2.50% ANNUAL EFFECTIVE RATE
INITIAL FIXED-TERM SEGMENT INTEREST RATE:	[5.50%] ANNUAL EFFECTIVE RATE

INDEXED STRATEGY 1 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[100%]
GUARANTEED MINIMUM PARTICIPATION RATE:	100%
INITIAL INDEX EARNINGS CAP:	[13.5%]
GUARANTEED MINIMUM INDEX EARNINGS CAP:	3.1%

INDEXED STRATEGY 2 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[140%]
GUARANTEED MINIMUM PARTICIPATION RATE:	110%
INITIAL INDEX EARNINGS CAP:	[12.0%]
GUARANTEED MINIMUM INDEX EARNINGS CAP:	3.0%

INDEXED STRATEGY 3 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[62%]
GUARANTEED MINIMUM PARTICIPATION RATE:	25%
INITIAL INDEX EARNINGS CAP:	NO CAP

INDEXED STRATEGY 4 – POINT TO AVERAGE

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[105%]
GUARANTEED MINIMUM PARTICIPATION RATE:	30%
INITIAL INDEX EARNINGS CAP:	NO CAP

INDEX-LINKED RETURNS DO NOT INCLUDE THE PORTION OF RETURNS GENERATED BY THE UNDERLYING INDEX THAT COMES FROM DIVIDENDS.

THE ELEMENTS USED IN DETERMINING THE CREDITED RATES FROM THE INDEX ARE NOT GUARANTEED AND CAN BE CHANGED BY THE COMPANY, SUBJECT TO THE GUARANTEES IN THE POLICY AND THAT ANY SUCH CHANGES CAN AFFECT THE RETURN.

DATA SECTION

FACE AMOUNT: [\$25,000.00]
EFFECTIVE DATE: [MARCH 15, 2011]

PERCENT OF PREMIUM EXPENSE CHARGE: 6%
MONTHLY EXPENSE CHARGE: [\$74.10]

MONTHLY POLICY FEE: \$5.00

SURRENDER CHARGES

TWELVE MONTH PERIOD BEGINNING <u>POLICY YEAR</u>	<u>SURRENDER CHARGE</u>
[MAR 15, 2011	\$330.00
MAR 15, 2012	300.56
MAR 15, 2013	270.38
MAR 15, 2014	239.44
MAR 15, 2015	207.75
MAR 15, 2016	175.13
MAR 15, 2017	141.75
MAR 15, 2018	107.63
MAR 15, 2019	72.56
MAR 15, 2020	36.75
MAR 15, 2021 AND LATER	0.00]

DATA SECTION
ADDITIONAL PROTECTION BENEFIT RIDER

SUM INSURED: [\$225,000.00]

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
RIDER EFFECTIVE DATE: [MAR 15, 2011]

GUARANTEED BASIS OF CALCULATIONS

ACCUMULATED VALUE INTEREST RATE: 0.20598% COMPOUNDED MONTHLY, WHICH IS
EQUIVALENT TO 2.50% COMPOUNDED PER YEAR

MORTALITY TABLE: 2001 COMMISSIONERS STANDARD ORDINARY [UNISEX]
SMOKER/NON-SMOKER ULTIMATE AGE NEAREST BIRTHDAY

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

POLICY YEARS FOR THIS RIDER ARE MEASURED FROM THE RIDER EFFECTIVE DATE.

DATA SECTION
 ADDITIONAL PROTECTION BENEFIT RIDER

SUM INSURED: [\$225,000.00]

RIDER EFFECTIVE DATE: [MAR 15, 2011]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
 (PER \$1,000 PER MONTH)

POLICY YEAR	RATE	POLICY YEAR	RATE	POLICY YEAR	RATE
[01	0.00008	30	0.20544	59	14.95892
02	0.00026	31	0.24540	60	16.81684
03	0.00048	32	0.29142	61	19.10401
04	0.00073	33	0.34406	62	21.36559
05	0.00103	34	0.40508	63	23.80463
06	0.00138	35	0.47487	64	24.64035
07	0.00180	36	0.55847	65	26.25928
08	0.00231	37	0.65728	66	28.62793
09	0.00296	38	0.78112	67	31.13870
10	0.00377	39	0.92286	68	34.02818
11	0.00476	40	1.08534	69	37.36503
12	0.00595	41	1.27340	70	41.23449
13	0.00744	42	1.48936	71	45.67466
14	0.00903	43	1.74370	72	50.53770
15	0.01091	44	2.04338	73	55.87899
16	0.01328	45	2.39302	74	61.66932
17	0.01619	46	2.79326	75	68.19093
18	0.01992	47	3.28726	76	75.46882
19	0.02443	48	3.84617	77	83.17840
20	0.03012	49	4.45608	78	83.33333
21	0.03725	50	5.14895	79	83.33333
22	0.04584	51	5.93974	80	83.33333
23	0.05605	52	6.76869	81	83.33333
24	0.06755	53	7.80701	82	83.33333
25	0.08106	54	8.93487	83	83.33333
26	0.09731	55	10.15521	84	83.33333
27	0.11719	56	11.37307	85	83.33333]
28	0.14177	57	12.26392		
29	0.17114	58	13.44009		

DATA SECTION

BALANCE SHEET BENEFIT RIDER

PERCENTAGE OF SURRENDER CHARGES TO BE WAIVED: [25%]*

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

EFFECTIVE DATE: [MARCH 15, 2011]

FACE AMOUNT: [\$25,000.00]

TABLE OF GUARANTEED MONTHLY BALANCE SHEET BENEFIT RIDER CHARGES

<u>POLICY YEARS</u>	<u>AMOUNT</u>
0 - 10	[\$0.09]

*SEE SURRENDER CHARGE SCHEDULE FOR APPLICABLE CHARGE AMOUNT

DATA SECTION

DEATH BENEFIT PROTECTION RIDER

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

EFFECTIVE DATE: [MAR 15, 2011]

DEATH BENEFIT PROTECTION INTEREST RATE: 5.00%

THE DEATH BENEFIT PROTECTION IS IN EFFECT THROUGH [MAR 14, 2041.]

DATA SECTION

DATA SECTION

ESTATE PRESERVATION RIDER

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

ESTATE PRESERVATION BENEFIT: [\$134,615.38]

POLICY YEARS FOR THIS RIDER ARE MEASURED FROM THE RIDER EFFECTIVE DATE.

TABLE OF GUARANTEED MAXIMUM COST OF ESTATE PRESERVATION BENEFIT RATES
(PER \$1,000 OF ESTATE PRESERVATION BENEFIT PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>
1	[0.00008]
2	[0.00026]
3	[0.00048]
4	[0.00073]

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

RIDER EFFECTIVE DATE: [MAR 15, 2011]

POLICY EFFECTIVE DATE: [MAR 15, 2011]

FIRST INSURED'S ISSUE AGE: [35]

SECOND INSURED'S ISSUE AGE: [35]

MINIMUM EXERCISE PERIOD: [10] YEARS

MINIMUM EXERCISE DATE: [MAR 15, 2036]

MINIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: [60]

MAXIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: [85]

INCOME PAYMENT THRESHOLD: [\$100.00]

MINIMUM DEATH BENEFIT: [\$15,000.00]

MINIMUM CASH SURRENDER VALUE: [\$1,000.00]

GUARANTEED RIDER CHARGE PERCENTAGE: [1.50%] Annual

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF BASE PAYOUT PERCENTAGES
DEATH BENEFIT OPTION: [A]

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
[60	3.70%	73	4.35%
61	3.75%	74	4.40%
62	3.80%	75	4.45%
63	3.85%	76	4.50%
64	3.90%	77	4.55%
65	3.95%	78	4.60%
66	4.00%	79	4.65%
67	4.05%	80	4.70%
68	4.10%	81	4.70%
69	4.15%	82	4.70%
70	4.20%	83	4.70%
71	4.25%	84	4.70%
72	4.30%	85	4.70%]

TABLE OF MAXIMUM DEATH BENEFIT RATIO PERCENTAGES

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	400%	73	270%
61	390%	74	260%
62	380%	75	250%
63	370%	76	240%
64	360%	77	230%
65	350%	78	220%
66	340%	79	210%
67	330%	80	200%
68	320%	81	190%
69	310%	82	180%
70	300%	83	170%
71	290%	84	160%
72	280%	85	150%

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF GUARANTEED INCOME PERCENTAGE ADJUSTMENT FACTORS

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	0.65%	73	1.30%
61	0.70%	74	1.35%
62	0.75%	75	1.40%
63	0.80%	76	1.45%
64	0.85%	77	1.50%
65	0.90%	78	1.55%
66	0.95%	79	1.60%
67	1.00%	80	1.65%
68	1.05%	81	1.65%
69	1.10%	82	1.65%
70	1.15%	83	1.65%
71	1.20%	84	1.65%
72	1.25%	85	1.65%

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF LIFETIME INCOME BENEFIT RIDER
PROTECTION PROVISION CHARGE PERCENTAGES

THE FIRST INSURED HAS BEEN CLASSIFIED [STANDARD NON-SMOKER]

THE SECOND INSURED HAS BEEN CLASSIFIED [STANDARD NON-SMOKER]

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	2.89%	91	3.33%
61	2.89%	92	2.54%
62	2.89%	93	1.73%
63	2.89%	94	0.88%
64	2.89%	95	0.90%
65	2.89%	96	0.91%
66	2.89%	97	0.92%
67	2.89%	98	0.94%
68	2.89%	99	0.97%
69	2.89%	100	0.97%
70	2.89%	101	0.97%
71	2.89%	102	0.97%
72	2.89%	103	0.97%
73	2.89%	104	0.97%
74	2.89%	105	0.97%
75	2.89%	106	0.97%
76	3.00%	107	0.97%
77	3.10%	108	0.97%
78	3.20%	109	0.97%
79	3.30%	110	0.97%
80	3.39%	111	0.97%
81	3.48%	112	0.97%
82	3.57%	113	0.97%
83	3.64%	114	0.97%
84	3.72%	115	0.97%
85	3.79%	116	0.97%
86	3.85%	117	0.97%
87	3.91%	118	0.97%
88	3.97%	119	0.97%
89	4.02%	120	0.97%]
90	4.08%		

DATA SECTION

DATA SECTION

RIDER FOR OVERLOAN PROTECTION

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER]

PERCENT OF ACCUMULATED VALUE EXERCISE CHARGE

ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE
[75	2.89%	84	3.72%	93	1.73%
76	3.00%	85	3.79%	94	0.88%
77	3.10%	86	3.85%	95	0.90%
78	3.20%	87	3.91%	96	0.91%
79	3.30%	88	3.97%	97	0.92%
80	3.39%	89	4.02%	98	0.94%
81	3.48%	90	4.08%	99+	0.97%]
82	3.57%	91	3.33%		
83	3.64%	92	2.54%		

DATA SECTION

DATA SECTION
SURVIVOR PROTECTION RIDER

POLICY NUMBER: [NL1234567]
 FIRST INSURED: [ETHAN ALLEN]
 SECOND INSURED: [EDNA ALLEN]
 EFFECTIVE DATE: [MARCH 15, 2011]
 BENEFIT AMOUNT: [\$10,000.00]
 LUMP SUM EQUIVALENT AMOUNT: [\$153,237.99]
 PAYOUT YEARS: [20]
 BENEFIT AMOUNT INTEREST RATE: [3.00%]
 RIDER TERMINATION DATE: [MARCH 15, 2076]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
(PER \$1,000 PER MONTH)

POLICY YEAR	RATE	POLICY YEAR	RATE	POLICY YEAR	RATE
[01	0.05832	23	0.60058	45	4.81017
02	0.06832	24	0.66035	46	5.30607
03	0.07998	25	0.72508	47	5.90967
04	0.09164	26	0.81467	48	6.55413
05	0.10164	27	0.89425	49	7.21501
06	0.11496	28	0.98872	50	7.93805
51	0.12662	29	1.09306	51	8.73808
08	0.13828	30	1.20230	52	9.52913
09	0.15160	31	1.31808	53	10.52799
10	0.16658	32	1.44039	54	11.56491
11	0.18656	33	1.56756	55	12.64658
12	0.20654	34	1.70618	56	13.67129
13	0.22984	35	1.85292	57	14.32803
14	0.25480	36	2.02422	58	15.26514
15	0.27477	37	2.21673	59	16.50068
16	0.29807	38	2.45498	60	17.99819
17	0.32801	39	2.70600	61	19.79785
18	0.36127	40	2.97464	62	21.49199
19	0.39952	41	3.26733	63	23.25102
20	0.44108	42	3.58558	64	23.75940
21	0.48928	43	3.94549	65	24.85489]
22	0.54245	44	4.35490		

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We, National Life Insurance Company (the Company), agree to pay the Death Benefit to the Beneficiary, subject to the terms of this policy, when we receive at our Home Office due proof that both Insureds died while this policy was in force.

GENERAL TERMS OF THIS POLICY

CONSIDERATION

This policy is issued in consideration of the application and payment of the first premium. We will incur no liability if no premium is paid.

ENTIRE CONTRACT

On the Effective Date the entire contract between the parties is this policy and a copy of the application and all riders and endorsements which are attached at issue. Any change of this contract must be written and may be made only by one of our authorized officers or registrars. We will send the Owner a copy of any application for a change which we approve. It and any additional Data Section shall become part of this contract on the effective date of such change.

REPRESENTATIONS

Any statement made by or for either or both of the Insureds shall be deemed a representation and not a warranty. Unless such statement is in the attached application or in any subsequent application, it shall not be used to:

1. make this policy void; or
2. make any increase in Face Amount void; or
3. make any Reinstatement void; or
4. defend any claim.

INCONTESTABILITY

After this policy has been in force during the life of each Insured for two years from the Effective Date of the policy, we will not contest it; however,

1. we may contest any increase in Face Amount for which an application is required until such increase has been in force during the life of each Insured for two years from its Effective Date; and
2. we may contest any Reinstatement until such Reinstatement has been in force during the life of each Insured who was living at the time of Reinstatement for two years from its Effective Date.

The statement on which the contest will be based shall be material to the risk accepted or hazard assumed by the Company.

Notwithstanding the above, we may contest your policy at any time if it was procured by fraud, as permitted by law of the state in which your policy was delivered.

*National Life Insurance Company
One National Life Drive * Montpelier, Vermont 05604 * (800) 732-8939*

POLICY EFFECTIVE
DATES

The insurance coverage goes into effect on the Effective Date shown in the Data Section.

Any increase in Face Amount for which an application is required shall become effective on the Monthly Policy Date on or next following the date we approve the application for such increase in Face Amount.

Any increase in Face Amount for which an application is not required shall become effective on the Monthly Policy Date on or next following the date we receive the request for such increase unless otherwise provided by the policy.

Any decrease in Face Amount requested shall become effective on the Monthly Policy Date on or next following the date we receive the request for such decrease.

Any Reinstatement of this policy shall become effective on the Monthly Policy Date on or next following the date we approve the application for Reinstatement.

Any change of Death Benefit Option shall become effective on the Monthly Policy Date on or next following the date we receive the request for such change.

POLICY MONTHS,
YEARS AND
ANNIVERSARIES

Policy Months, Years and Anniversaries shall be measured from the Effective Date. The Monthly Policy Date shown in the Data Section occurs on the same day each month or on the last day of any month having no such date. The Effective Date is the first Monthly Policy Date.

MISSTATEMENT OF
AGE

The Issue Ages shown in the Data Section are the ages of the Insureds on their birthdays nearest to the Effective Date. These are based on the dates of birth shown in the application.

If the age of either Insured has been misstated, we will adjust the Death Benefit to be the amount which would have been purchased at the correct ages in consideration of the most recent Monthly Cost of Insurance. The revised Death Benefit is calculated by adjusting the Net Amount at Risk by the ratio of the incorrect Monthly Cost of Insurance Rate to the correct Monthly Cost of Insurance Rate. The adjustment shall take effect on the Monthly Policy Date on or next following the date we receive proof to our satisfaction of such misstatement. If both Insureds have died, we will adjust the Death Benefit as of the last Monthly Policy Date prior to the date of death of the second of the Insureds to die.

ATTAINED AGE

The Attained Age of each Insured on any date is that Insured's Issue Age shown in the Data Section plus the number of Policy Years and Months which have passed since the Effective Date.

PAYMENT OF BENEFITS

We will pay all benefits under this policy at our Home Office. Before payment of any Death Benefit we may investigate the death.

POSTPONEMENT OF BENEFITS

We may delay payment of any amounts which are payable as a result of Cash Surrender or Withdrawal for up to six months after we receive written request in a form satisfactory to us. If we defer such payment for more than 30 days, we will pay interest at a rate not less than the Accumulated Value Interest Rate shown in the Data Section or as mandated by state law, from the date we receive such request to the date of payment.

We may also delay payment of any amounts which are payable as a result of a Policy Loan, except for loans used to pay premiums into this policy, for up to six months after we receive written request in a form satisfactory to us.

We have the right to postpone payment which is derived from any amount recently paid to us by check or draft, until we are satisfied the check or draft has been paid by the bank or other financial institution on which it is drawn.

DEFINITION OF LIFE INSURANCE

In order for you and the Beneficiary to receive the tax treatment accorded to life insurance contracts by Federal law, this policy must initially qualify and continue to qualify as life insurance under Section 7702 of the Internal Revenue Code of 1986 (the Code), as amended, and its rules and regulations. The definition of life insurance test shown in the Data Section is the specific method by which we determine whether your policy meets the definition of life insurance.

We have designed your policy to qualify as a life insurance contract under the Code. We reserve the right to make any reasonable adjustments to the terms or conditions of this policy if it becomes necessary to allow it to qualify as life insurance.

BASIS OF VALUES

The Cash Surrender Values for this policy are greater than or equal to those required by or pursuant to the NAIC Universal Life Insurance Regulation, model #585. A detailed statement of the method of computing values has been filed in the state in which this policy is delivered.

The Cash Surrender Values are based on the Accumulated Value Interest Rate and Mortality Table shown in the Data Section. For issue ages up to 15, we use guaranteed mortality rates from the Composite tables until Attained Age 15. When the Insured reaches Attained Age 16, we use guaranteed mortality rates from the Nonsmoker table.

The Paid Up Annuity Values, and all tabled values in Payment Options, are based on the 2000 Table for Individual Annuitant Mortality (IAM) and compound interest at a rate of 1.50% per year.

NOTICES

Unless this policy provides otherwise, any requests for changes or notices:

1. from us to the Owner shall be sent to the last address known to us of the Owner; and
2. from us to an assignee shall be sent to the last address known to us of such assignee; and
3. from the Owner or an assignee to us must be in writing and received by us at our Home Office in Montpelier, Vermont.

ANNUAL REPORT

At least once each Policy Year we will send a report to the Owner without charge. The report will show, as of its date:

1. the beginning and ending dates of the reporting period; and
2. the Accumulated Value at the beginning and ending of the reporting period; and
3. the Transaction Summary for the reporting period; and
4. the Cash Surrender Value; and
5. any debt to us on this policy; and
6. the current Death Benefit; and
7. a disclosure notice if the policy will not maintain insurance in force until the end of the next reporting period unless further premiums are made.

The report will also show a summary of transactions of the previous year and any information required by law.

PROJECTION REPORT

The Owner may request, in writing, a report which projects future values and future Death Benefits for this policy. The report will also show any information required by law. One such report will be made available free of charge each year. We may charge a fee for any additional reports requested during that year, such charge not to exceed \$25. The Projection Report will be based on:

1. data the Owner gives us as to Face Amount and premiums; and
2. such assumptions as either the Owner or we specify.

ROLES IN THIS POLICY

OWNER

The Owner may:

1. exercise the rights under this policy; and
2. assign the policy; and
3. release or discharge the policy; and
4. change the policy if we agree to such change; and
5. enjoy the benefits under this policy.

These actions may be taken without the consent and against the interest of any revocable Beneficiary and any contingent owner. If the Owner has waived the right to change the Beneficiary, these actions may be taken by the Owner only with the written consent of all irrevocable Beneficiaries. These actions may be taken only during the lives of one or both of the Insureds.

Changes to Owner designation, unless otherwise specified by the Owner, shall take effect on the date the notice of change is signed by the Owner, subject to any payments made or action taken by us prior to receipt of the notice.

INSUREDS

The Death Benefit becomes payable upon the death of the second of the Insureds to die. The Insureds, in their role as the Insureds, have no rights and receive no benefits under this policy.

BENEFICIARY

The Owner has the right to change the Beneficiary which shall take effect on the date the notice of change is signed by the Owner, subject to any payments made or action taken by the Company prior to receipt of this notice. If the Owner expressly waives this right, no change can be made. Unless later changed, the Beneficiary shall be as stated in the application. The interest of any Beneficiary who dies before the Insureds shall vest in the Owner unless otherwise stated.

Where two or more Beneficiaries are designated to take in the alternative based on the order of the Insureds deaths and there is not sufficient evidence that the Insureds died other than simultaneously, one half of the Death Benefit shall be paid as if the first Insured had survived the second Insured, and one half shall be paid as if the second Insured had survived the first Insured. This shall not apply if the application or the Owner has provided for a different payment.

If used, the term "children" of any person shall include only lawful children born to or legally adopted by that person.

We may rely on an affidavit by any person who in our judgment knows the facts to identify any Beneficiary or payee not specified by name. All our liability shall cease when we pay on the basis of such affidavit.

TRUST BENEFICIARY

Unless an authorized officer or registrar of the Company explicitly agrees in writing, the following provision shall apply when a trust is named as Beneficiary.

In no event is the Company responsible for the application or disposition of any proceeds it pays to a Trust Beneficiary. Payment to a Trust Beneficiary is a full discharge of the liability of the Company. If a designated trust provides for successor trustees, the designation in this policy includes successor trustees. Likewise, if the trust allows amendments, the trust, if so amended, remains as a designated Beneficiary.

A Trust Beneficiary is considered to be a Beneficiary who did not survive the Insureds if:

1. the trust has been terminated; or
2. the specified testamentary trust does not qualify as such; or
3. for any other reason a Trust Beneficiary is not entitled to any proceeds.

CHANGE OF BENEFICIARY

If the Owner has the right, a new Beneficiary may be named from time to time during the lives of one or both of the Insureds by filing at our Home Office written notice in such form as we may require. When notice is received at our Home Office, the change shall take effect on the date the notice is signed by the Owner whether or not either Insured is living at the time of receipt, subject to any payments made or actions taken by the Company prior to receipt of this notice. We will not be liable for any payment we make before receipt of the written notice at our Home Office.

ASSIGNMENTS

We are not responsible for the validity or effect of any assignment of this policy. We will not recognize any assignment until it has been filed at our Home Office. When notice is received at our Home Office, the change shall take effect on the date the notice is signed by the Owner whether or not either Insured is living at the time of receipt, subject to any payments made or actions taken by the Company prior to receipt of this notice. The interest of any Beneficiary whom the assignor can change and of any contingent owner shall be transferred to the assignee by the terms of any assignment. If the assignee acquires a right to proceeds, they shall be paid in one sum even though a Payment Option may be in effect at the time the assignment was signed.

SPENDTHRIFT PROVISION

If we receive at our Home Office written request by the Owner for this Spendthrift Provision, then, to the extent allowed by law:

1. only the Owner may transfer, anticipate, commute, or encumber the proceeds of this policy; and
2. only legal process against the Owner may affect the proceeds of this policy.

Any proceeds payable after this request is withdrawn by the Owner shall not be affected by this provision.

PREMIUMS

POLICY PROTECTION PERIOD

The Policy Protection Period is shown in the Data Section. An increase in coverage does not initiate a new Policy Protection Period.

PAYMENT OF PREMIUMS

The first premium is due on or before the date of issue. This first premium cannot be less than the Minimum Monthly Premium shown in the Data Section. Premium payments shall be permitted during the Premium Payment Period shown in the Data Section while one or both of the Insureds are living.

During the Policy Protection Period the payment of cumulative premiums, in excess of withdrawals and loans, at least equal to the Minimum Monthly Premiums payable since the Effective Date of the policy will keep the policy in force to the next Monthly Policy Date, as long as the Accumulated Value is sufficient to provide for Monthly Deductions. Otherwise, this policy will remain in force as long as the Cash Surrender Value is sufficient to provide for Monthly Deductions.

The Planned Periodic Premiums are the premiums the Applicant has chosen to pay. Planned Periodic Premiums may be paid on an annual, semi-annual, quarterly, or monthly basis. The Owner may change the amount or frequency of such premiums at any time by sending a written notice to us at our Home Office. However, we may limit any increase in either amount or frequency.

Premiums in addition to the Planned Periodic Premiums may be necessary to keep this policy and the coverages provided by this policy and any additional benefit riders in force.

We will accept *Unscheduled Premiums*, which are premiums in addition to the Planned Periodic Premiums. We may limit the number and amount of *Unscheduled Premiums* if payment of the premium results in more than a dollar for dollar increase in the Death Benefit.

All premiums are limited by a minimum and a maximum. The minimum is \$25 per premium. The maximum is the limit imposed by the Internal Revenue Code for qualifying the policy as Life Insurance for Federal Income Tax purposes.

We will not accept any premium in excess of the maximum. We will return any premiums not accepted and any interest credited to such premiums to the Owner within 60 days after the end of the Policy Year in which the premiums were received.

The first premium may be paid to us either through our duly authorized agent in exchange for a receipt signed by that agent or at our Home Office. All later premiums must be paid to us at our Home Office.

NET PREMIUM

A Net Premium is determined by multiplying a premium received times the difference of 1 minus the Percent of Premium Expense Charge stated in the Data Section.

GRACE PERIOD

If on any Monthly Policy Date the Cash Surrender Value is less than the Monthly Deduction on such date, a Grace Period shall start, unless:

1. the policy is within the Policy Protection Period; and
2. the Accumulated Value less any debt to us on this policy is greater than the Monthly Deduction on that date; and
3. the cumulative premiums paid since the policy's Effective Date, less any withdrawals and less any debt to us on this policy, are greater than or equal to the cumulative Minimum Monthly Premiums due since the policy's Effective Date.

A Grace Period shall be 61 days. During a Grace Period this policy shall remain in force.

The premium needed to keep the policy in force beyond a Grace Period which ends during the Policy Protection Period shall equal the greater of (a) or (b) where:

- a) equals the sum of the Minimum Monthly Premiums in effect on the policy over all of the months from the Effective Date of the policy to the start of the Grace Period, plus all withdrawals, plus three times the Minimum Monthly Premium in effect at the beginning of the Grace Period, plus any debt to us on this policy, less all premiums paid; and where
- b) equals the premium which will be sufficient to produce an Accumulated Value, net of policy debt, equal to two times the Monthly Deduction due on the date the Grace Period began.

The premium needed to keep the policy in force beyond a Grace Period which ends after the Policy Protection Period shall be the premium sufficient to produce a Cash Surrender Value equal to three times the Monthly Deduction due on the date the Grace Period began.

We will mail notice of the premium needed to the last known address of the Owner or any assignee of record at least 30 days prior to the termination of coverage. The Owner has the entire Grace Period within which to remit the necessary premium. Any premium sent by U.S. mail shall be postmarked within the Grace Period. If such premium is unpaid on the later of:

1. the first day following the 61-day Grace Period; or
2. the 31st day after such notice is sent;

then this policy shall terminate without value.

A Grace Period will not begin solely because payments of Planned Periodic Premiums are discontinued. Whether or not premiums are paid, Monthly Deductions will be made from the Accumulated Value. The terms of this Grace Period provision will determine if and when a Grace Period starts.

REINSTATEMENT

If this policy terminates after the end of a Grace Period, it may be reinstated. It must be reinstated on a Monthly Policy Date within five years from the start of such Grace Period and prior to the end of the Premium Payment Period.

For Reinstatement we will require:

1. an application for Reinstatement; and
2. proof to our satisfaction that each Insured who was living at the end of the Grace Period is living and insurable; and
3. payment of an amount determined as follows:
 - a) If Reinstatement occurs during a Policy Protection Period, the required payment shall be an amount equal to the premium which will be sufficient to produce an Accumulated Value, net of policy debt, four times the Monthly Deduction due on the date the Grace Period began, or, if greater:
 - i. the sum of the Minimum Monthly Premiums in effect on the policy over all the months from the Effective Date of this policy to the start of the Grace Period; plus
 - ii. all withdrawals; plus
 - iii. three times the Minimum Monthly Premium in effect at the beginning of the Grace Period; plus
 - iv. any debt to us on this policy; less
 - v. all premiums paid.

The above amount not to exceed the premium required to make the Cash Surrender Value sufficient to provide:

- i. two times the Monthly Deduction due on the date the Grace Period began; plus
 - ii. three times the Monthly Deduction due on the date of Reinstatement.
- b) If Reinstatement occurs after the Policy Protection Period, the required payment shall be a premium which will make the Cash Surrender Value sufficient to provide:
 - i. two times the Monthly Deduction due on the date the Grace Period began; plus
 - ii. three times the Monthly Deduction due on the date of Reinstatement.

We will send the Owner notice of the required payment upon request.

In the event of Reinstatement:

1. the Accumulated Value of the policy at the time of final lapse will be restored along with the Cash Value available for deductions at the time that the Grace Period began; and
2. the schedule of Surrender Charges for the policy months following the date the Grace Period began shall become the schedule of Surrender Charges for the policy months following the date of Reinstatement; and
3. the schedule of Monthly Expense Charges for the policy months following the date the Grace Period began shall become the schedule of Monthly Expense Charges for the policy months following the date of Reinstatement; and
4. any Policy Loan that was in force at the time that the Grace Period began may be repaid or may be reinstated.

DEATH BENEFIT AND POLICY CHANGES

DEATH BENEFIT

We will pay the Death Benefit to the Beneficiary when we receive at our Home Office due proof that both Insureds died while this policy was in force. We will pay the Death Benefit in one sum unless a Payment Option is chosen. If the Death Benefit is paid in one sum, it shall be increased by interest from the date of death of the second of the Insureds to die to the date of payment. We will set the rate of interest at not less than the rate applicable for the funds left on deposit. If the Death Benefit is not paid within 30 days after we receive at our Administrative Office due proof of the second Insured died while this policy was in force, the rate of interest shall be 8% per year.

COVERAGE AT AND AFTER AGE 121

If your policy is in force when the younger Insured reaches Attained Age 121, the Face Amount of this policy will be set equal to the Accumulated Value, and the Death Benefit Option will automatically revert to Option A. The Death Benefit Option may not thereafter be changed, and no additional premium will be accepted on this policy. All Monthly Deductions on this policy will cease. The Owner may, however, continue to access the Cash Surrender Value and to make or repay Policy Loans.

You may surrender your policy if you do not want coverage to continue past the younger Insured reaching Attained Age 121.

Continuing coverage beyond the younger Insured's Attained Age 121 may cause your policy to fail to qualify as life insurance under the Internal Revenue Code and you may be subject to adverse tax consequences. You should consult a tax advisor before you choose to continue your policy after the younger Insured's Attained Age 121.

*National Life Insurance Company
One National Life Drive * Montpelier, Vermont 05604 * (800) 732-8939*

NOTICE OF DEATH AND CLAIMS

The Owner must notify us within 180 days after the date of death of each Insured. We may require proof whether both Insureds are living two years from the Effective Date. Within 180 days after the date of death of the first Insured to die, we will require the Owner to provide us with evidence of death and proof of age and, if the death is within two years from the Effective Date, the cause of death.

DEATH BENEFIT OPTIONS

The Owner may elect either of two Death Benefit Options, Option A or Option B, for the period prior to the Attained Age 121 of the younger of the Insureds. The Death Benefit Option is stated in the Data Section.

Option A. Under Option A, the Death Benefit is equal to the greater of:

1. the Face Amount of the policy on the date of the death of the second of the Insureds to die; or
2. the Death Benefit Factor shown in the Data Section multiplied by the Accumulated Value on the date of the death of the second of the Insureds to die;

less the amount of any Monthly Deductions then due and any debt to us on this policy.

Option B. Under Option B, the Death Benefit is equal to the greater of:

1. the Face Amount plus the Accumulated Value of the policy on the date of the death of the second of the Insureds to die; or
2. the Death Benefit Factor shown in the Data Section multiplied by the Accumulated Value on the date of the death of the second of the Insureds to die;

less the amount of any Monthly Deductions then due and any debt to us on this policy.

CHANGES IN FACE AMOUNT AND DEATH BENEFIT OPTION

The Owner may request any of the following changes. We will make a change subject to the conditions stated. These changes may be made prior to the younger Insured reaching Attained Age 121 and after the first Policy Anniversary. We will send the Owner a revised or additional Data Section if any of these changes are made.

Face Amount Increases. We will require an application from the Owner and proof to our satisfaction that both of the Insureds are alive and either of the Insureds are then insurable. An increase in Face Amount must satisfy the Minimum Face Amount per Coverage Segment requirements of the policy and must be initiated before the end of the younger Insured's Attained Age 90 and shall be effective upon the Monthly Policy Date on or next following our approval.

Each increase in Face Amount will have its own coverage segment that has its own Monthly Cost of Insurance charges, Monthly Expense Charge, and Surrender Charges, as well as new incontestability and suicide exclusion periods.

Face Amount Decreases. We will require a written request from the Owner. A decrease in Face Amount shall be effective upon the Monthly Policy Date on or next following our receipt of the request.

Decreases shall not be permitted which would reduce the sum of the Face Amount plus the Sums Insured of any riders for Additional Protection Benefit attached to this policy to less than any of the following:

1. the minimum insurance amount for which the policy would qualify as "Life Insurance" for Federal Income Tax purposes under the Internal Revenue Code; or
2. the Minimum Coverage Amount shown in the Data Section; or
3. 75% of the largest sum of the Face Amount plus the Sums Insured of any Riders for Additional Protection Benefit attached to this policy in force at any time in the twelve policy months prior to our receipt of the request. This restriction applies only during the first ten Policy Years.

A decrease in total insurance coverage shall apply in the following order:

1. first, to any increases in Face Amount or to the addition of any rider for Additional Protection Benefit providing coverage on the life of the Insureds, in the reverse order in which they were made;
2. second, to the Face Amount on the date of issue.

If both an increase in Face Amount and the addition of a rider for Additional Protection Benefit providing coverage on the life of the Insureds became effective on the same date, a decrease in total insurance coverage made effective on that date shall apply in the following order:

1. first, to any increase in total insurance coverage resulting from the addition of a Rider for Additional Protection Benefit providing coverage on the life of both Insureds;
2. second, to any increase in Face Amount;
3. third, to the Face Amount on the date of issue.

Death Benefit Option Changes.The Death Benefit Option may be changed once each Policy Year after the first Policy Anniversary prior to the younger Insureds Attained Age 121. We will require a written request from the Owner. A change will be effective on any Monthly Policy Date requested. The change may be made only if after such change the policy would qualify as "Life Insurance" for Federal Income Tax purposes under the Internal Revenue Code. The Minimum Monthly Premium will be recomputed to reflect the change in Options.

1. Upon a change from Option A to Option B, we may require evidence satisfactory to us that both Insureds are living and of the continued insurability of one or both of the Insureds at the time of the change. The Face Amount shall decrease by an amount equal to the Accumulated Value of the policy just prior to the Effective Date of the change. However, the change may be made only if after such change the Face Amount would not be less than the Minimum Coverage Amount shown in the Data Section.
2. Upon a change from Option B to Option A, the Face Amount shall increase by an amount equal to the Accumulated Value just prior to the Effective Date of the change. No additional Surrender Charges shall be imposed solely because of this change.

SUICIDE LIMITATION

If either of the Insureds dies within two years of the Effective Date as the result of suicide, while sane or insane, we will pay only a sum equal to:

1. the premiums paid; less
2. any withdrawals made; less
3. any debt to us on this policy.

This policy shall immediately terminate on the first such death by suicide. Payment will be made to the Beneficiary.

A similar two-year period shall apply to any increase in Face Amount for which an application is required. Such period shall begin on the Effective Date of any such increase. During such period if either Insured dies as the result of suicide, we will terminate the increase segment, and will refund to the Owner only a sum equal to the Cost of Insurance Charges that we have deducted from the Accumulated Value for such increase.

INTEREST CREDITING STRATEGIES

Accumulated Value in this policy is apportioned into one or more segments distinguished by their interest crediting strategies. Six interest crediting strategies are made available under this policy. Interest is nonforfeitable after crediting except indirectly due to surrender charges. The rates of interest will never be less than the Accumulated Value Interest Rate shown in the Data Section.

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BASIC STRATEGY

Interest will be credited to the Accumulated Value in the Basic Strategy on a daily basis at a rate not less than the Accumulated Value Interest Rate shown in the Data Section.

The Basic Strategy Minimum Value for a Policy Year is equal to 12.5 times the Monthly Deduction due on the first day of that Policy Year. It will remain unchanged until the first day of the next Policy Year.

All Net Premiums are paid into the Basic Strategy. On the 21st day of each month, the Accumulated Value in the Basic Strategy that is in excess of the Basic Strategy Minimum Value, subject to a minimum amount of \$50.00, will be transferred to one or more of five interest crediting strategies, including the Fixed-Term Strategy and Strategies 1, 2, 3, and 4, according to an allocation selected by the Applicant at the time of policy application. The Owner has the right to change the allocation selection.

FIXED-TERM STRATEGY

Each transfer of Accumulated Value made to this strategy creates a distinct Fixed-Term Segment. Each Fixed-Term Segment will have a duration of one year. Interest will be credited to the Accumulated Value in each Fixed-Term Segment on a daily basis at a rate not less than the Accumulated Value Interest Rate shown in the Data Section.

Accumulated Value cannot be transferred out of any Fixed-Term Segment prior to the end of its one-year duration and at that time will be automatically transferred to the Basic Strategy. Different Fixed-Term Segments may be credited interest at different rates.

INDEXED STRATEGIES

Each transfer of Accumulated Value made to an Indexed Strategy creates a distinct Indexed Segment. Each Indexed Segment will have a crediting period of one year. Index Earnings will be credited to the Accumulated Value in each segment at the end of the crediting period.

The Index Earnings for Indexed Strategies 1, 2, and 3 will be credited to Accumulated Value in each Indexed Segment at the end of the crediting period based on the performance of the Index on such day (Point-to-Point). The Index Earnings for Indexed Strategy 4 will be credited to Accumulated Value in each Indexed Segment at the end of the crediting period based on the performance of the Index averaged throughout the preceding twelve months (Point-to-Average).

Index. Index refers to the Standard & Poor's 500 Index, excluding dividend income. It will be used in the determination of Index Earnings made to each segment within an Indexed Strategy. If the publication of the Index is discontinued, a suitable index will be substituted and you will be notified of such index.

Index Value. The Index Value as of any date is the published value of the Index at the close of business on that date. If no value was published on that date, the last published value of the Index will be used.

Index Growth. The Index Growth for an Indexed Segment is calculated at the end of the segment's crediting period.

The Index Growth for the Indexed Strategies 1, 2, and 3 is the following:

1. the Index Value as of the one-year anniversary of the Indexed Segment; minus
2. the Index Value as of the inception of the Indexed Segment; this difference divided by
3. the Index Value as of the inception of the Indexed Segment.

The Index Growth for Indexed Strategy 4 is the following:

1. the sum of the Index Values for each day the Index Value was published between the inception of the Indexed Segment and the one-year anniversary of the Indexed Segment, excluding the Index Value at the inception but including the Index Value on its anniversary; divided by
2. the number of days the Index Value was published between the inception of the Indexed Segment and the one-year anniversary of the Indexed Segment excluding the day it was created but including the anniversary; minus
3. the Index Value as of the inception of the Indexed Segment; this difference divided by
4. the Index Value as of the inception of the Indexed Segment.

Participation Rate. Each Indexed Segment will have a Participation Rate. The Participation Rate is determined in advance of establishment of an Indexed Segment. The Participation Rate will never be less than the Guaranteed Minimum Participation Rate for the applicable strategy shown in the Data Section.

Index Earnings Cap. Each Indexed Segment will have an Index Earnings Cap. The Index Earnings Cap is determined in advance of establishment of an Indexed Segment. The Index Earnings Cap for a segment will never be less than the Guaranteed Minimum Cap for the applicable strategy shown in the Data Section.

Index Earnings. The Index Earnings for each Indexed Segment are calculated at the end of the crediting period of such segment as follows:

1. the Index Growth for the segment multiplied by the segment's Participation Rate, with this product adjusted so that it is no less than zero and no greater than the segment's Index Earnings Cap; multiplied by
2. the value of the Indexed Segment at the end of the crediting period.

The Owner may not request that Accumulated Value in an Indexed Segment be transferred out of that segment prior to the end of the segment's crediting period. Accumulated Value in an Indexed Segment may be transferred out of that segment prior to the end of the segment's crediting period for the payment of Monthly Deductions, for the creation of a Fixed Net Cost Loan, due to a partial Withdrawal, or due to the termination of the policy. Indexed Earnings will be credited on the Accumulated Value remaining in an Indexed Segment at the end of the segment's crediting period. At the end of the crediting period the Accumulated Value in the Indexed Segment is automatically transferred to the Basic Strategy.

POLICY VALUES

ACCUMULATED VALUE

The Accumulated Value on the policy Effective Date is the initial Net Premium minus the initial Monthly Deduction.

The Accumulated Value on any other date is equal to the sum of the values of the Basic Strategy, the Fixed-Term Strategy, Indexed Strategies 1, 2, 3, and 4, and the value of any loan collateral account. Upon termination of the policy, however, the Accumulated Value will be no less than the accumulation at the Accumulated Value Interest Rate shown in the Data Section of Net Premiums minus Monthly Deductions minus Withdrawals.

MONTHLY DEDUCTION

The Monthly Deduction due on a Monthly Policy Date shall be the Monthly Cost of Insurance, plus the Monthly Expense Charge, plus the Monthly Policy Fee, plus the monthly cost of any additional benefit riders in force on this policy.

Monthly Deductions will be taken from the Accumulated Value of the policy in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from the Indexed Strategy 4 until exhausted;
4. fourth, from the Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, deductions are made in the reverse order in which the segments were created.

MONTHLY COST OF INSURANCE

The Monthly Cost of Insurance shall be based on the risk classification and duration of this policy, and the Issue Ages of both Insureds.

The Monthly Cost of Insurance for a given policy is equal to the applicable Monthly Cost of Insurance Rate multiplied by the Net Amount at Risk.

The Net Amount at Risk is the excess of:

1. the Death Benefit plus any debt to us on such date, divided by the sum of 1 plus the monthly Accumulated Value Interest Rate shown in the Data Section; over
2. the Accumulated Value of this policy on such date.

We may change the Cost of Insurance rates from time to time based on our expectations of future experience. Future experience can include, but is not limited to, investment earnings, mortality, persistency, taxes and expenses. Any change in the Cost of Insurance rates shall apply to all policies of the same size and duration, insuring persons of the same Issue Age and risk classification as the Insureds. The Cost of Insurance rates shall not be greater than the rates set forth in the Table of Guaranteed Maximum Cost of Insurance rates shown in the Data Section. These rates are based on the Mortality Table named in the Data Section.

CASH SURRENDER AND WITHDRAWALS

CASH SURRENDER VALUE

The Owner may, by written request to us, surrender this policy while one or both of the Insureds are living for its Cash Surrender Value. We may require that the policy be returned to us. When this policy has been surrendered, it shall be null and void and all rights shall cease.

The Cash Surrender Value on any day shall be equal to:

1. the Accumulated Value on such day; less
2. any Surrender Charge which applies on such day; less
3. any debt to us on this policy.

The Surrender Charges are shown in the Data Section.

WITHDRAWALS

After the first Policy Anniversary and prior to the last day of the Premium Payment Period while one or both of the Insureds are living, the Owner may make withdrawals by written request to us. Withdrawals shall be subject to all of the following terms.

1. Withdrawals may be made only on a Monthly Policy Date which follows receipt of such request.
2. The amount withdrawn may not be less than the Minimum Withdrawal Amount shown in the Data Section.
3. For each withdrawal made, a Withdrawal Fee may be assessed not to exceed the Maximum Withdrawal Fee shown in the Data Section.
4. The amount withdrawn may not exceed the Cash Surrender Value on the Monthly Policy Date less three times the Monthly Deduction for such Monthly Policy Date.
5. The Accumulated Value will be decreased by the amount of the withdrawal plus the Withdrawal Fee if any.
6. If Death Benefit Option A is in effect on the date of the withdrawal, the Face Amount of the policy will be reduced by an amount equal to the amount of the withdrawal plus the Withdrawal Fee if any.

Withdrawals, including the Withdrawal Fee if any, are made from the Accumulated Value in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from Indexed Strategy 4 until exhausted;
4. fourth, from Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, withdrawals are made in the reverse order of which the segments were created.

GENERAL CASH SURRENDER VALUE AND WITHDRAWAL TERMS

We may delay payment of any amounts which are payable as a result of Cash Surrender or Withdrawal. Please refer to the Postponement of Benefits provision.

POLICY LOANS

POLICY LOANS

We will loan an amount up to the Loan Value of the policy less the amount of any outstanding debt, at any time after the first Policy Year. At the time of the loan the policy must be in force and one or both of the Insureds are living. The policy shall be the sole security for the loan and must be duly assigned to us.

Two policy loan options are available with this policy: a Fixed Net Cost Loan and a Variable Net Cost Loan. The loan option is selected at the time a loan is taken, and all outstanding loans must use the same loan option. The Owner may change the loan option only on a Policy Anniversary.

LOAN VALUE

The Loan Value on any day is equal to:

1. the Accumulated Value on such day; less
2. the Surrender Charge on such day, if applicable; less
3. three times the Monthly Deductions due on the most recent prior Monthly Policy Date.

LOAN INTEREST RATE

Any loan shall bear interest from the date the loan is made. The Loan Interest Rate may change from Policy Year to Policy Year.

The Loan Interest Rate on the Effective Date of the policy is stated in the Data Section. Such rate shall apply to any debt to us on this policy until the rate is changed by us. We may change the Loan Interest Rate only on a Policy Anniversary, after which the changed rate will apply to any new or existing debt to us on the policy. The Loan Interest Rate is subject to a minimum annual interest rate of 3.00% and shall not exceed the Maximum Rate allowed. The Maximum Rate allowed is the greater of:

1. the Published Monthly Average for the calendar month ending two months before the calendar month in which the Policy Anniversary occurs; or
2. the yearly Accumulated Value Interest Rate shown in the Data Section plus 1%.

The Published Monthly Average shall be the Moody's Corporate Bond Yield Average - Monthly Average Corporates, as published by Moody's Investors Service, Inc., or any successor to it. If at any time that Published Monthly Average is no longer published, a substantially similar average, established under the law of the state where this policy was delivered, shall be used.

If on any Policy Anniversary the Maximum Rate then allowed is at least 0.50% per year less than the Loan Interest Rate in effect for this policy during the prior Policy Year, we will decrease the Loan Interest Rate for this policy. If on any Policy Anniversary the Maximum Rate then allowed is at least 0.50% per year more than the Loan Interest Rate in effect on this policy during the prior Policy Year, we may increase such Loan Interest Rate. If increased, it shall be increased to a rate not greater than the Maximum Rate then allowed.

We will give to the Owner:

1. notice of the Loan Interest Rate in effect for this policy at the time a loan is made; and
2. at least 30 days' advance notice of any increase in the Loan Interest Rate, if there is any debt to us on this policy.

In no event shall the Loan Interest Rate exceed the highest loan interest rate allowed by law of the state in which this policy is delivered.

FIXED NET COST LOAN

Accumulated Value in the amount of the Fixed Net Cost Loan plus any unpaid loan interest will be removed from the Interest Crediting Strategies of the policy and held in a Loan Collateral Account. Accumulated Value will be removed from the Interest Crediting Strategies in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from Indexed Strategy 4 until exhausted;
4. fourth, from Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, deductions will be made in the reverse order in which the segments were created.

The Accumulated Value removed from the Interest Crediting Strategies to establish a Loan Collateral Account will be held apart from other Accumulated Value in this policy and may be credited interest at a different rate than that of other Accumulated Value in the policy.

Repayments of the loan, including payments of loan interest, will be applied to the outstanding loan balance, and the amount repaid will be deposited into the Basic Strategy. The amount of Accumulated Value held in the Loan Collateral Account will be reduced by the amount of the repayment.

VARIABLE NET COST LOAN

Accumulated Value is not removed from the Interest Crediting Strategies if a Variable Net Cost Loan is taken. All Accumulated Value in this policy will continue to earn interest or Index Earnings as stated in the Interest Crediting Strategies section of this policy.

A Variable Net Cost Loan will be charged interest at the Loan Interest Rate. There is no fixed relationship between the interest credited to Accumulated Value in this policy and the interest assessed on a Variable Net Cost Loan.

GENERAL LOAN TERMS

After the loan is made, loan interest shall be due on the next and all later Policy Anniversaries. If any interest is not paid when due, it shall be added to the loan and bear interest on the same terms.

The debt secured by this policy includes loans, unpaid loan interest and accrued loan interest not otherwise due.

All or any part of the debt may be paid to us at any time prior to:

1. the death of the second of the Insureds; and
2. surrender of the policy.

However, during a Grace Period the debt may not be repaid. Unless the Owner specifies, any payment to us shall be deemed a premium payment and not payment of the debt. At the death of the second of the Insureds or upon the surrender of the policy, all debt shall become due at once. It shall be paid from the policy values.

We may delay payment of any amounts which are payable as a result of a Policy Loan. Please refer to the Postponement of Benefits provision.

PAYMENT OPTIONS

In lieu of a lump sum settlement, all or part of the proceeds of this policy may be applied under a Payment Option. When proceeds are applied under a Payment Option, all other rights and benefits under this policy shall cease.

In addition to the following options, other payment options may be available.

OPTION EFFECTIVE DATE

The Option Effective Date is the date the proceeds become payable.

GENERAL PAYMENT
OPTION TERMS

If the proceeds to be placed under a Payment Option are less than \$5,000, we may pay them in one sum to the payee who otherwise would receive the first payment under the option. If any payments would be less than \$100, we will change the frequency to provide payments of at least \$100.

If the proceeds are assigned on the Option Effective Date, we will pay the assignee's share in one sum and place only the balance under the option. After the Option Effective Date neither the payments nor the remaining value may be assigned or encumbered. To the extent the law permits, they are not subject to any claims against the payee.

We may require proof to our satisfaction that any payee is alive on the date any payment is due.

CHOICE OF
OPTION

Choice of an option may be made:

1. by the Owner if one or both of the Insureds are living; or
2. by the Beneficiary if neither Insured is living and no option is in effect.

Equivalent payments for 12-, 6-, 3-, or 1-month intervals may be chosen. The options are described in terms of monthly payments. We will quote the amount of other payments on request.

We may issue a document stating the terms of the option.

CHANGE OF
PAYMENT OPTION

The right to change Payment Options exists under Options 1, 2, and 4. At the time of change the remaining value under the old option shall become the proceeds to be placed under the new option.

LUMP SUM
REMOVAL OF
PROCEEDS APPLIED
UNDER A PAYMENT
OPTION

Lump sum payments may be taken from the remaining proceeds placed under Payment Options 1, 2, and 4.

Under Options 1 and 4 all or any part of the remaining value may be taken at any time, though no more than four transactions may be made during any calendar year.

Under Option 2 the entire remaining value may be taken at any time.

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No lump sum removal of proceeds may be made under Options 3, 5, 6, or 7.

OPTION 1
-PAYMENT OF
INTEREST ONLY

Interest at a rate of 1.50% per year shall be paid either for:

1. the life of a chosen human being; or
2. a chosen period.

We may pay more interest in any given year. Upon the earlier of the death of the chosen human being or the end of the chosen period, any remaining value will be paid. The first payment shall be made one month after the Option Effective Date. If the payee is not a human being, payments may not continue for more than 30 years.

OPTION 2
-PAYMENTS FOR A
STATED TIME

Equal monthly payments shall be made for a stated number of years. The first payment shall be made on the Option Effective Date. The amount of each monthly payment is shown in the table. The monthly payments are based on an interest rate of 1.50% per year. We may pay more interest in any year.

Option 2 Table
 Monthly Payments for Each \$1,000 of Proceeds

Stated Number of Years	Monthly Payments
5	17.28
6	14.51
7	12.53
8	11.04
9	9.89
10	8.96
11	8.21
12	7.58
13	7.05
14	6.59
15	6.20
16	5.85
17	5.55
18	5.27
19	5.03
20	4.81
21	4.62
22	4.44
23	4.28
24	4.13
25	3.99
26	3.86
27	3.75
28	3.64
29	3.54
30	3.44

OPTION 3
 -PAYMENTS FOR
 LIFE

Equal monthly payments shall be made for any guaranteed period chosen and thereafter during the life of a chosen human being. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the age of the chosen human being on the Option Effective Date and on any guaranteed period chosen. We may require proof to our satisfaction of such age. We may require like proof that such human being is alive on the date any payment is due. The guaranteed period may be five or ten years or a Refund period. A Refund period extends until the sum of the payments is equal to the proceeds placed under the option. The monthly payments are based on an interest rate of 1.50% per year. We may pay more interest in any year during the guaranteed period. We will quote the amount of monthly payments for lower ages and guaranteed periods not shown in the Option 3 Table on request.

Option 3 Table
Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Guaranteed Period

Age	None	10 Years	Refund
50	\$3.10	\$3.08	\$2.92
51	3.16	3.14	2.97
52	3.23	3.21	3.03
53	3.30	3.28	3.08
54	3.37	3.35	3.14
55	3.45	3.43	3.20
56	3.53	3.50	3.26
57	3.62	3.59	3.33
58	3.71	3.68	3.39
59	3.81	3.77	3.46
60	3.92	3.87	3.54
61	4.03	3.97	3.62
62	4.15	4.08	3.70
63	4.27	4.19	3.79
64	4.41	4.31	3.88
65	4.55	4.44	3.97
66	4.70	4.57	4.07
67	4.86	4.71	4.17
68	5.04	4.86	4.28
69	5.22	5.01	4.40
70	5.42	5.17	4.52
71	5.63	5.33	4.64
72	5.86	5.51	4.78
73	6.11	5.69	4.93
74	6.38	5.87	5.08
75	6.66	6.06	5.22
76	6.97	6.25	5.39
77	7.30	6.45	5.57
78	7.65	6.65	5.75
79	8.04	6.84	5.93
80	8.45	7.04	6.15
81	8.90	7.23	6.37
82	9.38	7.41	6.59
83	9.90	7.59	6.85
84	10.46	7.75	7.06
85+	11.07	7.91	7.36

+ Higher ages the same

OPTION 4
-PAYMENTS OF A
STATED AMOUNT

Equal monthly payments of a stated amount shall be made until the proceeds, with interest at 1.50% per year on the unpaid balance, are used up. The first payment shall be made on the Option Effective Date. The amount chosen must be at least \$10 per month for each \$1,000 of proceeds placed under this option. We may add more interest to the unpaid balance in any year, which will extend the number of payments. The last payment will be for the balance only.

OPTION 5 - LIFE
ANNUITY

Equal monthly payments shall be made in the same manner as Option 3 except:

1. the amount of each payment shall be based on our current settlement rates on the Option Effective Date; and
2. no additional interest shall be paid.

OPTION 6 - JOINT
AND TWO-THIRDS
ANNUITY

Equal monthly payments shall be made while two chosen human beings are both living. Upon the death of either, two-thirds of the amount of such payments shall continue during the life of the survivor. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the ages of the chosen human beings on the Option Effective Date. We may require proof to our satisfaction of their ages. We may require like proof that any chosen human being is alive on the date any payment conditioned on the life of such human being is due. The initial amount of each monthly payment is shown in the table. We will quote the amount of monthly payments for any other age combination on request. The monthly payments are based on an interest rate of 1.50% per year. No additional interest shall be paid.

Option 6 Table
 Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Ages of Both	Initial Monthly Payment	Ages of Both	Initial Monthly Payment
50	\$2.95	68	\$4.68
51	3.01	69	4.84
52	3.07	70	5.02
53	3.14	71	5.20
54	3.20	72	5.40
55	3.27	73	5.62
56	3.35	74	5.85
57	3.43	75	6.10
58	3.51	76	6.36
59	3.60	77	6.65
60	3.69	78	6.96
61	3.79	79	7.29
62	3.89	80	7.65
63	4.00	81	8.03
64	4.12	82	8.45
65	4.25	83	8.90
66	4.38	84	9.38
67	4.52	85+	9.90

+ Higher ages the same

OPTION 7 - 50%
 SURVIVOR
 ANNUITY

Equal monthly payments shall be made during the life of the chosen primary human being. Upon the death of the chosen primary human being, 50% of the amount of such payments shall continue during the life of the chosen secondary human being. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the ages of the chosen human beings on the Option Effective Date. We may require proof to our satisfaction of their ages. We may require like proof that any chosen human being is alive on the date any payment conditioned on the life of such human being is due. The initial amount of each monthly payment is shown in the table. We will quote the amount of monthly payments for any other age combination on request. The monthly payments are based on an interest rate of 1.50% per year. No additional interest shall be paid.

Option 7 Table
 Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Ages of Both	Initial Monthly Payment	Ages of Both	Initial Monthly Payment
50	\$2.89	68	\$4.52
51	2.94	69	4.67
52	3.00	70	4.83
53	3.06	71	5.01
54	3.12	72	5.20
55	3.19	73	5.40
56	3.26	74	5.62
57	3.34	75	5.85
58	3.41	76	6.10
59	3.50	77	6.37
60	3.59	78	6.66
61	3.68	79	6.97
62	3.78	80	7.30
63	3.88	81	7.66
64	3.99	82	8.05
65	4.11	83	8.47
66	4.24	84	8.92
67	4.37	85+	9.40

+ Higher ages the same

NATIONAL LIFE IS A DYNAMIC AND GROWING FAMILY OF INSURANCE AND FINANCIAL SERVICE COMPANIES OFFERING A COMPREHENSIVE RANGE OF LIFE INSURANCE, ASSET ACCUMULATION AND RETIREMENT PLANNING PRODUCTS. OUR FLAGSHIP, NATIONAL LIFE INSURANCE COMPANY, HAS BEEN SERVING CUSTOMERS WITH VALUE AND INTEGRITY SINCE 1850, AND IS LICENSED IN ALL 50 STATES AND THE DISTRICT OF COLUMBIA.

Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Unisex Version. Flexible premiums are payable through the end of the Premium Payment Period or until the death of both Insureds. The adjustable Death Benefit is payable upon the death of the second of the Insureds to die. This policy is non-participating. Although the policy values may be affected by an external index, the policy does not directly participate in any stock or equity investments.

The Owner is a member of National Life Holding Company while this contract is in force. The annual meetings of the Company are held at its Home Office in Montpelier, Vermont, on the second Friday in May in each year at 9 o'clock A.M.

NATIONAL LIFE INSURANCE COMPANY

HOME OFFICE: ONE NATIONAL LIFE DRIVE
MONTPELIER, VERMONT 05604 TELEPHONE: 800-732-8939
WWW.NATIONALLIFE.COM

AIRCRAFT LIMITATION RIDER

We, National Life Insurance Company (the Company), will not pay any death benefit under this policy or any benefits provided by any of its riders if the death of either Insured results from:

1. operating, riding in, or descending from any kind of aircraft on which either of the Insureds is a pilot, officer, crew member, trainer or trainee or has any other duties; or
2. travel in or descent from any kind of aircraft, in use by the military forces of any country, that is transporting either of the Insureds between two points either of which is outside the United States and the Dominion of Canada.

If death of either Insured results from any of the above events we will pay only the greater of:

1. an amount equal to:
 - a) the premiums paid on the policy; less
 - b) any withdrawals made; less
 - c) any debt to us on this policy on the date that either of the Insureds died or, if default benefits are in effect on the date of death, any debt to us on and any debt incurred after the date default benefits became effective; or
2. an amount equal to the Cash Surrender Value on this policy on the date that either of the Insureds died.

However, in no event shall the amount we pay be more than what we would have paid if this rider were not attached.

Any policy issued in exchange for this policy shall contain a rider with provisions identical with those of this rider.

The Owner must notify us within 180 days after the date of death of the first Insured to die.

This rider is attached to and made part of the policy. The policy provision Incontestability is amended by adding "except for the conditions contained in the Aircraft Limitation Rider."

Signed for National Life Insurance Company at Montpelier, Vermont, as of the Effective Date of this rider, by

Mehran Assadi

President & Chief Executive Officer

AIRCRAFT LIMITATION RIDER - MILITARY

We, National Life Insurance Company (the Company), will not pay any death benefit under this policy or any benefits provided by any of its riders if the death of either Insured results from:

1. operating, riding in, or descending from any kind of aircraft, in use by the military forces of any country, on which either of the Insureds is a pilot, officer, crew member, trainer or trainee or has any other duties; or
2. travel in or descent from any kind of aircraft, in use by the military forces of any country, that is transporting either of the Insureds between two points either of which is outside the United States and the Dominion of Canada.

If death of either Insured results from any of the above events we will pay only the greater of:

1. an amount equal to:
 - a) the premiums paid on the policy; less
 - b) any withdrawals made; less
 - c) any debt to us on this policy on the date that either of the Insureds died or, if default benefits are in effect on the date of death, any debt to us on and any debt incurred after the date default benefits became effective; or
2. an amount equal to the Cash Surrender Value on this policy on the date that either of the Insureds died.

However, in no event shall the amount we pay be more than what we would have paid if this rider were not attached.

Any policy issued in exchange for this policy shall contain a rider with provisions identical with those of this rider.

The Owner must notify us within 180 days after the date of death of the first Insured to die.

This rider is attached to and made a part of the policy. The policy provision Incontestability is amended by adding "except for the conditions contained in the Aircraft Limitation Rider - Military."

Signed for National Life Insurance Company at Montpelier, Vermont, as of the Effective Date of this rider, by

Mehran Assadi

President & Chief Executive Officer

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ADDITIONAL PROTECTION BENEFIT RIDER

We, National Life Insurance Company (the Company), will pay the Additional Protection Benefit, subject to the terms of this rider, in addition to the Death Benefit of the policy, when we receive at our Home Office due proof that both Insureds died while this rider was in force.

The sum of the Face Amount provided by the base policy and the Sum Insured provided by this rider is the total Face Amount of the policy.

ADDITIONAL PROTECTION BENEFIT

Under Option A, the Additional Protection Benefit shall be the rider Sum Insured stated in the rider Data Section less any excess, of the policy Death Benefit Standard over the policy Face Amount on the date of death of the second Insured to die, but not less than zero.

Under Option B, the Additional Protection Benefit shall be the rider Sum Insured stated in the rider Data Section less any excess, of the policy Death Benefit Standard over:

1. the policy Face Amount on the date of death of the second Insured to die; plus
2. the Accumulated Value of the policy on the date of death of the second Insured to die;

but not less than zero.

We will pay the Additional Protection Benefit to the Beneficiary when we receive at our Home Office due proof that both Insureds died while this rider was in force. We will pay the Additional Protection Benefit in one sum unless a Payment Option, as described in the policy to which this rider is attached, is chosen. If the Additional Protection Benefit is paid in one sum, it shall be increased by interest as described in the policy to which this rider is attached.

If the Additional Protection Benefit is not paid within 30 days after we receive at our Home Office due proof that the second of the Insureds died while this rider was in force, the rate of interest shall be 8% per year.

COST OF ADDITIONAL PROTECTION BENEFIT

The cost of the Additional Protection Benefit shall be based on the risk classification and duration of this rider, and the sex and Issue Age of both Insureds.

On any Monthly Policy Date, the Monthly Cost of Insurance shall be:

1. the applicable Monthly Cost of Insurance Rate; multiplied by
2. the Additional Protection Benefit on such date, divided by the sum of 1 plus the monthly Accumulated Value Interest Rate shown in the rider's Data Section.

We may change the Monthly Cost of Insurance rates from time to time based on our expectations of future experience. Future experience can include, but is not limited to, investment earnings, mortality, persistency, taxes and expenses. Any change in the Monthly Cost of Insurance rates shall apply to all riders of the same duration, insuring persons of the same sex, Issue Age, and risk classification as the Insureds. The Monthly Cost of Insurance rates shall not be greater than the rates set forth in the Table of Guaranteed Maximum Cost of Insurance rates shown in the Data Section. These rates are based on the Mortality Table named in the Data Section.

SUM INSURED DECREASES

The Owner may request that the Sum Insured be decreased. Such decreases will be performed subject to the terms of the Face Amount Decreases provision of the base policy to which this rider is attached.

CONSIDERATION

This rider is issued in consideration of the application for this rider and assessment of a monthly cost of the rider. The rider and a copy of the application for the rider are attached to and made a part of the policy.

INCONTESTABILITY

For purposes of contestability, this rider shall be treated the same as any increase in Face Amount, as described in the policy to which this rider is attached.

BASIS OF VALUES

The Basis of Values for this rider will be the same as those described in the policy to which this rider is attached.

REINSTATEMENT

If this rider is in force at the time of policy lapse, it may be reinstated upon policy reinstatement.

SUICIDE
LIMITATION

If either of the Insureds dies within two years of the effective date of this rider as the result of suicide, while sane or insane, we will pay only the sum set forth in the Suicide Limitation provision of the policy. Payment will be made to the Beneficiary.

TERMINATION

This rider shall terminate on the earliest of:

1. the date the policy to which this rider is attached terminates; or
2. any Monthly Policy Date requested, if before that date we receive at our Home Office the Owner's written request for termination.

When this rider terminates:

1. all rights under this rider shall cease; and
2. no further Monthly Cost of Insurance charges shall be assessed for this rider; and
3. the policy will be considered separate and complete without this rider.

EFFECTIVE DATE

The effective date of this rider is the policy Effective Date unless a different date is indicated in the rider's Data Section.

Signed for National Life Insurance Company at Montpelier, Vermont, by



President & Chief Executive Officer

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ADDITIONAL PROTECTION BENEFIT RIDER

We, National Life Insurance Company (the Company), will pay the Additional Protection Benefit, subject to the terms of this rider, in addition to the Death Benefit of the policy, when we receive at our Home Office due proof that both Insureds died while this rider was in force.

The sum of the Face Amount provided by the base policy and the Sum Insured provided by this rider is the total Face Amount of the policy.

ADDITIONAL PROTECTION BENEFIT

Under Option A, the Additional Protection Benefit shall be the rider Sum Insured stated in the rider Data Section less any excess, of the policy Death Benefit Standard over the policy Face Amount on the date of death of the second Insured to die, but not less than zero.

Under Option B, the Additional Protection Benefit shall be the rider Sum Insured stated in the rider Data Section less any excess, of the policy Death Benefit Standard over:

1. the policy Face Amount on the date of death of the second Insured to die; plus
2. the Accumulated Value of the policy on the date of death of the second Insured to die;

but not less than zero.

We will pay the Additional Protection Benefit to the Beneficiary when we receive at our Home Office due proof that both Insureds died while this rider was in force. We will pay the Additional Protection Benefit in one sum unless a Payment Option, as described in the policy to which this rider is attached, is chosen. If the Additional Protection Benefit is paid in one sum, it shall be increased by interest as described in the policy to which this rider is attached.

If the Additional Protection Benefit is not paid within 30 days after we receive at our Home Office due proof that the second of the Insureds died while this rider was in force, the rate of interest shall be 8% per year.

COST OF
ADDITIONAL
PROTECTION
BENEFIT

The cost of the Additional Protection Benefit shall be based on the risk classification and duration of this rider, and the Issue Age of both Insureds.

On any Monthly Policy Date, the Monthly Cost of Insurance shall be:

1. the applicable Monthly Cost of Insurance Rate; multiplied by
2. the Additional Protection Benefit on such date, divided by the sum of 1 plus the monthly Accumulated Value Interest Rate shown in the rider's Data Section.

We may change the Monthly Cost of Insurance rates from time to time based on our expectations of future experience. Future experience can include, but is not limited to, investment earnings, mortality, persistency, taxes and expenses. Any change in the Monthly Cost of Insurance rates shall apply to all riders of the same duration, insuring persons of the same Issue Age, and risk classification as the Insureds. The Monthly Cost of Insurance rates shall not be greater than the rates set forth in the Table of Guaranteed Maximum Cost of Insurance rates shown in the Data Section. These rates are based on the Mortality Table named in the Data Section.

SUM INSURED
DECREASES

The Owner may request that the Sum Insured be decreased. Such decreases will be performed subject to the terms of the Face Amount Decreases provision of the base policy to which this rider is attached.

CONSIDERATION

This rider is issued in consideration of the application for this rider and assessment of a monthly cost of the rider. The rider and a copy of the application for the rider are attached to and made a part of the policy.

INCONTESTABILITY

For purposes of contestability, this rider shall be treated the same as any increase in Face Amount, as described in the policy to which this rider is attached.

BASIS OF VALUES

The Basis of Values for this rider will be the same as those described in the policy to which this rider is attached.

REINSTATEMENT

If this rider is in force at the time of policy lapse, it may be reinstated upon policy reinstatement.

SUICIDE LIMITATION

If either of the Insureds dies within two years of the effective date of this rider as the result of suicide, while sane or insane, we will pay only the sum set forth in the Suicide Limitation provision of the policy. Payment will be made to the Beneficiary.

TERMINATION

This rider shall terminate on the earliest of:

1. the date the policy to which this rider is attached terminates; or
2. any Monthly Policy Date requested, if before that date we receive at our Home Office the Owner's written request for termination.

When this rider terminates:

1. all rights under this rider shall cease; and
2. no further Monthly Cost of Insurance charges shall be assessed for this rider; and
3. the policy will be considered separate and complete without this rider.

EFFECTIVE DATE

The effective date of this rider is the policy Effective Date unless a different date is indicated in the rider's Data Section.

Signed for National Life Insurance Company at Montpelier, Vermont, by



President & Chief Executive Officer

BALANCE SHEET BENEFIT RIDER

Subject to the terms of this rider, we, National Life Insurance Company (the Company), will waive a percentage of Surrender Charges associated with the policy to which this rider is attached. The Percentage of Surrender Charges to be Waived is shown in the rider Data Section. This percentage was elected at time of policy issue and cannot be changed. The Surrender Charges schedule shown in the policy Data Section reflects the impact of this rider.

The Percentage of Surrender Charges to be Waived will apply to all increases in Face Amount, with the exception of any increases made by an Additional Protection Benefit Rider.

The effective date of this rider is the Effective Date of the policy.

RIDER COST

The Monthly Balance Sheet Benefit Rider Charges are shown in the rider Data Section. Monthly Deductions from the Accumulated Value of the policy will be assessed for this rider according to the terms of the policy to which this rider is attached.

CONSIDERATION

This rider is issued in consideration of the application for this rider and assessment of a monthly cost of the rider. The rider and a copy of the application for the rider are attached to and made a part of the policy.

INCONTESTABILITY

After this rider has been in force during the life of each Insured for two years from its effective date, we will not contest it.

However, we may contest any Reinstatement of this rider until such Reinstatement has been in force during the life of each Insured who was living at the time of Reinstatement for two years from its effective date.

The statement on which the contest will be based shall be material to the risk accepted or hazard assumed by the Company.

Notwithstanding the above, we may contest your policy at any time if it was procured by fraud, as permitted by law of the state in which your policy was delivered.

REINSTATEMENT

If this rider is in force at the time of policy lapse, it may be reinstated upon policy Reinstatement. The schedule of Monthly Balance Sheet Benefit Rider Charges for the policy months following the date the Grace Period began shall become the schedule of Monthly Balance Sheet Benefit Rider Charges for the policy months following the date of Reinstatement.

TERMINATION

This rider shall terminate on the earliest of:

1. the date that the policy to which this rider is attached terminates; or
2. the Monthly Policy Date following the receipt of the Owner's written request to terminate this rider.

When this rider terminates:

1. all rights under this rider shall cease; and
2. no further cost of insurance charges shall be assessed for this rider; and
3. the policy shall be considered separate and complete without this rider; and
4. surrender charges for the policy will be restated and a new Data Section will be provided to the Owner.

Signed for National Life Insurance Company at its Home Office in Montpelier, Vermont, by



President & Chief Executive Officer

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DEATH BENEFIT PROTECTION RIDER

We, National Life Insurance Company (the Company), guarantee that the policy will remain in force as long as the Conditions of this Rider are met. This guarantee ensures that a Death Benefit will be payable under the policy for as long as this rider remains in force.

The effective date of this rider is the Effective Date of the policy.

MONTHLY GUARANTEE PREMIUM

The Monthly Guarantee Premium specific to this rider is stated in the Data Section. It is subject to change upon increases or decreases in Face Amount, and additions or deletions of rider coverages.

CONDITIONS OF THIS RIDER

The Death Benefit Protection Period is shown in the Data Section. During the Death Benefit Protection Period, to keep this rider in force, the accumulation of premiums paid, net of the accumulation of withdrawals taken, and net of debt must, on each Monthly Policy Date equal at least the accumulated Monthly Guarantee Premiums in effect on each Monthly Policy Date since the Date of Issue. Compliance with this condition will be determined on every Monthly Policy Date during the Death Benefit Protection Period.

Premiums paid and withdrawals made will be accumulated with interest from the date of each premium payment or withdrawal (or from the Monthly Policy Date immediately preceding such date if the premium payment or withdrawal is not made on a Monthly Policy Date) to the Monthly Policy Date on which the evaluation is being made. The Monthly Guarantee Premiums in effect on each prior Monthly Policy Date will similarly be accumulated with interest to the same Monthly Policy Date. The interest rate used in these accumulations will be the Death Benefit Protection Period Interest Rate shown in the Data Section.

IMPACT OF WITHDRAWALS AND POLICY LOANS

Withdrawals and policy loans taken against the policy will impact the calculation described in the Conditions of this Rider. If a withdrawal made or a policy loan taken against the policy leaves the policy out of compliance with the Conditions of this Rider, a Notice of Pending Termination of this Rider will be sent to the Owner.

DEFINITION OF LIFE INSURANCE

In order for the Owner and the Beneficiary to receive the tax treatment accorded to life insurance contracts by Federal law, the policy to which this rider is attached, must initially qualify and continue to qualify as life insurance under Section 7702 of the Internal Revenue Code of 1986 ("the Code"), as amended, and its rules and regulations. The Definition of Life Insurance Test shown in the policy Data Section is the specific method by which we determine whether your policy meets the Definition of Life Insurance.

A premium will not be accepted which would cause the policy to which this rider is attached to violate the Definition of Life Insurance as defined in the above paragraph. If the minimum premium necessary to satisfy the Conditions of this Rider cannot be paid due to the Definition of Life Insurance premium limitations, this rider will terminate.

SUSPENSION OF MONTHLY DEDUCTIONS

If, while this rider is in force, the Cash Surrender Value of the policy is not sufficient to cover the Monthly Deductions, Monthly Deductions will be deducted from the Accumulated Value until the Accumulated Value is exhausted, and will thereafter be deferred until such time as the policy has positive Accumulated Value. Monthly Deductions in arrears will not be accumulated with interest.

Upon the death of both Insureds, we will waive any Monthly Deductions then in arrears. Otherwise, Monthly Deductions in arrears will be due from policy values upon termination of this rider.

SUICIDE LIMITATION

If either of the Insureds dies within two years of the effective date of this rider as the result of suicide, while sane or insane, we will pay only the sum set forth in the Suicide Limitation provision of the policy. Payment will be made to the Beneficiary.

INCONTESTABILITY

After this rider has been in force during the life of each Insured for two years from its effective date, we will not contest it.

However, we may contest any Reinstatement of this rider until such Reinstatement has been in force during the life of each Insured who was living at the time of Reinstatement for two years from its effective date.

The statement on which the contest will be based shall be material to the risk accepted or hazard assumed by the Company.

Notwithstanding the above, we may contest your policy at any time if it was procured by fraud, as permitted by law of the state in which your policy was delivered.

CONSIDERATION

This rider is issued in consideration of the application for this rider. This rider and a copy of the application for this rider will become part of the policy on its Effective Date.

NOTICE OF PENDING TERMINATION OF THIS RIDER

If on any Monthly Policy Date the Conditions of this Rider are not met, the Owner will be sent notice that unless the premium described below is paid during the first 61 days measured from the date we mailed such notice, this rider will terminate. The required premium will be the minimum premium accumulated with interest sufficient to satisfy the Conditions of this Rider on the Monthly Policy Date three months following the Monthly Policy Date on which the failure to meet the Conditions of this Rider prompted the mailing of such notice.

TERMINATION OF THIS RIDER

This rider will terminate on the earliest of:

1. the end of the 61st day following our mailing of a Notice of Pending Termination of this Rider, if prior to that time the premium described in Notice of Pending Termination of this Rider is not paid; or
2. the date the Death Benefit Option of the policy is changed to Option B; or
3. the date the policy terminates. If the policy is reinstated, this rider will not be reinstated; or
4. any Monthly Policy Date requested, if before that date we receive at our Home Office written request for termination of this rider; or
5. the end of the Death Benefit Protection Period as stated in this rider's Data Section; or
6. if the minimum premium necessary to satisfy the Conditions of this Rider cannot be paid due to the Definition of Life Insurance premium limitations.

When this rider terminates:

1. all rights under this rider will cease; and
2. it cannot be reinstated; and
3. the policy will be considered separate and complete without this rider.

If this rider terminates while the Cash Surrender Value of the policy is zero, the policy may enter a Grace Period and an additional payment, as determined by the Grace Period provision of the policy, may be required to keep the policy in force.

Signed for National Life Insurance Company at Montpelier, Vermont, as of the effective date of this rider, by

A handwritten signature in black ink that reads "Mehman Assadi". The signature is written in a cursive, flowing style.

President & Chief Executive Officer

ESTATE PRESERVATION RIDER

In addition to the Death Benefit of the policy, we, National Life Insurance Company (the Company), will pay the Estate Preservation Benefit, subject to the terms of this rider, when we receive at our Home Office due proof that both Insureds died while this rider was in force. The dollar amount of the Estate Preservation Benefit is stated in the Data Section.

The effective date of this rider is the Effective Date of the policy.

ESTATE PRESERVATION BENEFIT

This rider provides four-year level term insurance. We will pay the Estate Preservation Benefit to the Beneficiary when we receive at our Home Office due proof that both Insureds died while this rider was in force. We will pay the Estate Preservation Benefit in one sum unless a Payment Option, as described in the policy to which this rider is attached, is chosen. If the Estate Preservation Benefit is paid in one sum, it shall be increased by interest as described in the policy to which this rider is attached.

The Estate Preservation Benefit will be decreased in proportion to any decrease in the Face Amount of this policy.

COST OF ESTATE PRESERVATION BENEFIT

The Cost of Estate Preservation Benefit rate on any day shall be based on the duration of this rider and the risk classification of the Insureds on the Effective Date.

On any Monthly Policy Date, the Cost of Estate Preservation Benefit shall be:

1. the Cost of Estate Preservation Benefit rate on such date; multiplied times
2. the Estate Preservation Benefit, divided by 1,000.

We may change the Cost of Estate Preservation Benefit rates from time to time based on our expectations of future experience. Future experience can include, but is not limited to, investment earnings, mortality, persistency, taxes, and expenses. Any change in the Cost of Estate Preservation Benefit rates shall apply to all riders of the same duration, insuring persons of the same risk classification as the Insureds. The Cost of Estate Preservation Benefit rates shall not be greater than the rates set forth in the Table of Guaranteed Maximum Cost of Estate Preservation Benefit Rates shown in the Data Section.

REINSTATEMENT

Upon application for reinstatement of the policy, we will require evidence of insurability for both Insureds under this rider.

SUICIDE LIMITATION

If either of the Insureds dies within two years of the Effective Date of this rider as the result of suicide, while sane or insane, we will pay only the sum of the monthly deductions for this rider made since the Effective Date. Payment will be made to the Beneficiary.

CONVERSION

This rider may not be converted.

INCONTESTABILITY

After this rider has been in force during the life of each Insured for two years from its effective date, we will not contest it.

However, we may contest any Reinstatement of this rider until such Reinstatement has been in force during the life of each Insured who was living at the time of Reinstatement for two years from its effective date.

The statement on which the contest will be based shall be material to the risk accepted or hazard assumed by the Company.

Notwithstanding the above, we may contest your policy at any time if it was procured by fraud, as permitted by law of the state in which your policy was delivered.

CONSIDERATION

This rider is issued in consideration of the application for the rider and the monthly cost of the rider. The rider and a copy of the application for the rider shall become part of the policy on the effective date of the rider.

TERMINATION

This rider shall terminate on the earliest of:

1. the first Policy Anniversary, if the Owner of the policy to which this rider is attached is not an irrevocable life insurance trust on that date;
or
2. the date the policy terminates; or
3. any Monthly Policy Date requested, if before that date we receive at our Home Office written request for termination; or
4. the fourth Policy Anniversary.

When this rider terminates:

1. all rights under this rider shall cease; and
2. there will be no further monthly costs for this rider; and
3. the policy will be considered separate and complete without this rider.

Signed for National Life Insurance Company at Montpelier, Vermont, as of the Effective Date, by

A handwritten signature in black ink that reads "Mehman Assadi". The signature is written in a cursive, flowing style.

President & Chief Executive Officer

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LIFETIME INCOME BENEFIT RIDER

We, Life Insurance Company of the Southwest (the Company), agree to provide the option to elect a guaranteed lifetime income subject to the terms and conditions of this rider. After the conditions to exercise this rider are met, this rider guarantees a benefit payment until the death of the second of the Insureds to die in exchange for a charge from the policy's Accumulated Value.

EXERCISE OF THIS RIDER

To utilize the benefits under this rider, the Owner must make a written request to our Home Office. The Owner must provide us with the written consent of any collateral assignee and any irrevocable beneficiaries. We may request that a copy of the policy be returned to our Home Office.

The following conditions must be met in order to exercise this rider:

1. the date the rider is exercised is on or after the Minimum Exercise Date as shown in this rider's Data Section; and
2. the younger Insured is not older than the Maximum Exercise Age as shown in this rider's Data Section; and
3. any outstanding Policy Loans are repaid in full; and
4. the policy's Death Benefit Ratio is less than or equal to the Maximum Death Benefit Ratio as shown in this rider's Data Section; and
5. the Guaranteed Income Payment is greater than or equal to the Income Payment Threshold as shown in this rider's Data Section; and
6. the policy is not owned by a Qualified Pension or Profit Sharing Plan.

ACCUMULATION PERIOD

Prior to the date we make the first benefit payment under this Lifetime Income Benefit Rider, the rider is said to be in the Accumulation Period. The Accumulation Period is the period during which premiums may be paid by the Owner.

RIDER CHARGE

Once the rider is exercised, a charge is made on each Monthly Policy Date. It will be deducted from the policy's Accumulated Value during the Income Period until a Minimum Threshold criterion is met. The charge equals the current Rider Charge Percentage multiplied by the policy's Accumulated Value on each Monthly Policy Date as follows:

1. prior to all Monthly Cost of Insurance charges, other rider charges; and
2. after the Monthly Expense Charge Per Thousand and Monthly Policy Fee.

The Rider Charge Percentage will never be higher than the Guaranteed Rider Charge Percentage shown in this rider's Data Section.

*National Life Insurance Company
One National Life Drive * Montpelier, Vermont 05604 * (800) 732-8939*

INCOME PERIOD

The Income Period is the time during which benefit payments are made to the Owner. During the Income Period, no premiums will be allowed. The Accumulation Period terminates immediately prior to the start of the Income Period and cannot be reinstated.

INCOME BASE

The Income Base is used to determine the Guaranteed Income Payments that are made during the Income Period. The initial Income Base is set equal to the Cash Surrender Value at the end of the Accumulation Period.

The Income Base will automatically be recalculated on every fifth Lifetime Income Benefit Rider Anniversary during the Income Period. At that time if the Cash Surrender Value is higher than it was on the previous recalculation date, the Income Base will be increased to equal the higher Cash Surrender Value. The Guaranteed Income Payment will then be recalculated using the adjusted Income Base.

If the Cash Surrender Value is lower than it was on the previous recalculation date, the Income Base will not be reduced and the Guaranteed Income Payment will not be recalculated.

GUARANTEED INCOME PAYMENT

The Guaranteed Income Payment is the annual benefit amount paid to the Owner during the Income Period. This rider cannot be exercised if the Guaranteed Income Payment is less than the Income Payment Threshold as shown in this rider's Data Section.

The Guaranteed Income Payment is calculated at the end of the Accumulation Period and is equal to the Income Base multiplied by the Guaranteed Income Percentage. The Guaranteed Income Percentage is derived by a formula which uses the policy's Death Benefit Ratio, calculated at the end of the Accumulation Period, and the Base Payout Percentage, the Maximum Death Benefit Ratio, and the Guaranteed Income Percentage Adjustment Factor which are all shown in this rider's Data Section. The Guaranteed Income Percentage Adjustment Factor is multiplied by the difference between the Maximum Death Benefit Ratio and the Death Benefit Ratio. This product is added to the Base Payout Percentage to determine the Guaranteed Income Percentage.

Income payments may be paid monthly, quarterly, semi-annually or annually. For payments more frequent than annual, the Guaranteed Income Payment will be divided into equal modal income payments based upon the selected payment mode. A payment mode may not be selected if the resulting modal income payment is less than the Income Payment Threshold. We reserve the right to charge a processing fee for modal income payments.

Income Payments will be taken from the policy as Policy Loans until a Minimum Threshold criterion is met. Income payments will be made as Fixed Net Cost Loans.

MINIMUM THRESHOLD

The Minimum Threshold is reached when one of the following criteria is met:

1. any outstanding debt on the policy divided by the excess of the Accumulated Value over the Surrender Charge is greater than or equal to 0.95; or
2. the Cash Surrender Value is less than or equal to 105% of the next modal Guaranteed Income Payment.

When a Minimum Threshold criterion is met, the following conditions become effective:

1. Guaranteed Income Payments will no longer be made as Policy Loans. No Policy Loans will be allowed.
2. Guaranteed Income Payments will continue to be paid to the Owner from the Company's General Account until the termination of this rider.
3. A one time charge will be applied. The charge will be equal to the applicable Lifetime Income Benefit Rider Protection Provision Charge Percentage shown in this rider's Data Section multiplied by the Accumulated Value.
4. All values from the Fixed Term Strategy and the Indexed Strategies will then be transferred to the Basic Strategy. No further transfers from the Basic Strategy to any other strategy will be allowed.
5. The Accumulated Value held in the loan collateral account will be credited with interest at a rate equal to the loan interest rate.
6. Any riders, with the exception of any Additional Protection Benefit Riders, whose monthly cost was included in the Monthly Deductions, will be terminated.
7. All Monthly Deductions will cease.
8. The policy will remain in force.

GUARANTEED INCOME PAYMENT ACCUMULATOR

The Guaranteed Income Payment Accumulator is the cumulative Guaranteed Income Payments paid after a Minimum Threshold criterion is met.

LIFETIME INCOME
BENEFIT RIDER
DEATH BENEFIT

During the Income Period, the benefit paid to the Owner upon the death of the second of the Insureds to die will be the Lifetime Income Benefit Rider Death Benefit. The Lifetime Income Benefit Rider Death Benefit is equal to the greater of:

1. the Minimum Death Benefit as shown in this rider's Data Section; or
2. the Death Benefit as defined in the base policy form less the Guaranteed Income Payment Accumulator where the Face Amount is determined based on proportional Face Amount reductions as described in the Face Amount Adjustments provision of this rider.

If a Minimum Threshold criterion has not been met upon the requested termination of this rider, the benefit paid to the Beneficiary upon the death of the second Insured will be the Death Benefit as defined in the base policy form. If a Minimum Threshold criterion has been met upon the requested termination of this rider, the Lifetime Income Benefit Rider Death Benefit will remain in effect.

LIFETIME INCOME
BENEFIT RIDER
CASH SURRENDER
VALUE

During the Income Period, the Owner may request in writing to surrender the policy while one or both of the Insureds are living for the policy's Lifetime Income Benefit Rider Cash Surrender Value. The Lifetime Income Benefit Rider Cash Surrender Value is equal to the greater of:

1. the Minimum Cash Surrender Value as shown in this rider's Data Section; or
2. the Cash Surrender Value as defined in the base policy form less the Guaranteed Income Payment Accumulator.

If a Minimum Threshold criterion has not been met upon the requested termination of this rider, the value paid to the Owner upon surrender of the policy while one or both of the Insureds are living will be the Cash Surrender Value as defined in the base policy form. If a Minimum Threshold criterion has been met upon the requested termination of this rider, the Lifetime Income Benefit Rider Cash Surrender Value will remain in effect.

FACE AMOUNT
ADJUSTMENTS

The Owner may request Face Amount Increases and Face Amount Decreases until the end of the Accumulation Period. If a Face Amount Increase is made during the Accumulation Period, the Minimum Exercise Date will be recalculated from the date of the last term segment increase.

The Owner may not request a Face Amount Increase or Face Amount Decrease during the Income Period.

DEATH BENEFIT
OPTION CHANGE

The Death Benefit Option may be changed until the end of the Accumulation Period as long as your policy still qualifies as Life Insurance for Federal Income Tax purposes under the Internal Revenue Code. The Guaranteed Income Percentage will be calculated based on the Base Payout Percentage for the Death Benefit Option in force at the end of the Accumulation Period.

The Death Benefit Option cannot be changed during the Income Period.

IMPACT ON
PARTIAL
WITHDRAWALS
AND POLICY LOANS

Partial Withdrawals and Policy Loans will be allowed during the Accumulation Period. Any outstanding Policy Loan must be repaid prior to the beginning of the Income Period. This rider cannot be exercised unless the loan balance plus any accrued interest on the exercise date has been paid in full.

This rider will terminate if excess Policy Loans are requested by the Owner during the Income Period. The excess Policy Loan would be considered separate from any Policy Loan made to provide a Guaranteed Income Payment.

This rider will terminate if partial Withdrawals are requested by the Owner during the Income Period.

IMPACT ON BASIC
STRATEGY
MINIMUM VALUE

When the Lifetime Income Benefit Rider is exercised, the Basic Strategy Minimum Value will be increased by an amount equal to the Guaranteed Income Payments expected to be paid for the remainder of that Policy Year. Thereafter, during the Income Period, the Basic Strategy Minimum Value for a Policy Year will be equal to 12.5 times the Monthly Deduction due on the first day of that Policy Year plus the amount of Guaranteed Income Payments expected to be paid over that Policy Year. The Basic Strategy Minimum Value will remain unchanged until the first day of the next Policy Year.

INTERACTION WITH OTHER RIDERS

When this rider exists with other additional benefit riders, specific rules apply to the interaction of individual riders based upon the type and sequence of rider exercise.

INTERACTION WITH ACCELERATED BENEFITS

Upon the death of the first of the Insureds to die, the surviving Insured may add any available Accelerated Benefits Rider to the existing policy. Any Accelerated Benefit Rider will interact with the Lifetime Income Benefit Rider as follows:

1. The Lifetime Income Benefit Rider will remain in force when the Owner elects to receive a benefit amount from any Accelerated Benefit Rider during the Accumulation Period.
2. Any Accelerated Benefit Riders will remain in force when the Owner elects to receive Guaranteed Income Payments from the Lifetime Income Benefit Rider.
3. The Lifetime Income Benefit Rider will terminate when the Owner elects to receive a benefit amount from any Accelerated Benefit Rider during the Income Period.

INTERACTION WITH ADDITIONAL PROTECTION BENEFITS

Any existing Additional Protection Benefit Rider will remain in force when the Lifetime Income Benefit Rider is exercised. Further Additional Protection Benefit Riders may not be added during the Income Period.

INTERACTION WITH OVERLOAN PROTECTION BENEFITS

Any Overloan Protection Rider may be exercised only if the Lifetime Income Benefit Rider is terminated.

INTERACTION
WITH DEATH
BENEFIT
PROTECTION
BENEFITS

Any Death Benefit Protection Rider will remain in force when the Lifetime Income Benefit Rider is exercised. During the Income Period, no premiums will be allowed. However, compliance with the conditions of the Death Benefit Protection Rider will continue to be determined on every Monthly Policy Date.

INTERACTION
WITH POLICY
SPLIT OPTION
BENEFITS

Any Policy Split Option Rider may be exercised only if the Lifetime Income Benefit Rider is terminated.

INTERACTION
WITH SURVIVOR
PROTECTION
BENEFITS

Any Survivor Protection Rider will terminate when the Lifetime Income Benefit Rider is exercised.

TERMINATION OF THIS RIDER

This rider will terminate on the earliest of:

1. the date during the Income Period that any Accelerated Benefit Rider is exercised; or
2. the date the Policy Split Option Rider is exercised; or
3. the date a premium is paid during the Income Period; or
4. the date a partial Withdrawal is requested by the Owner during the Income Period; or
5. the date an excess Policy Loan is requested by the Owner during the Income Period; or
6. the date any Face Amount Increase or Face Amount Decrease is requested by the Owner during the Income Period; or
7. the date a Death Benefit Option change is requested by the Owner during the Income Period; or
8. the date the policy terminates. If the policy is reinstated, this rider will also be reinstated; or
9. at the request of the Owner.

When this rider terminates:

1. all rights under this rider will cease; and
2. the Lifetime Income Benefit Rider Death Benefit and the Lifetime Income Benefit Rider Cash Surrender Value will remain in effect if a Minimum Threshold criterion has been met; and
3. the policy will be considered separate and complete without this rider.

GENERAL TERMS

MINIMUM EXERCISE PERIOD

The Minimum Exercise Period is the number of years, measured from the date of the last term segment increase, that the policy must remain in force before this rider can be exercised.

MINIMUM EXERCISE DATE

The Minimum Exercise Date is the earliest date this rider can be exercised. The date is calculated such that the number of years the policy is in force is greater than or equal to the Minimum Exercise Period and the younger Insured is at least the Minimum Exercise Age. The date is calculated from the base policy Effective Date even if this rider is added after issue. If a Face Amount Increase is made, the date will be recalculated from the date of the last term segment increase.

MINIMUM EXERCISE AGE

The Minimum Exercise Age is the minimum age the younger Insured must be before this rider can be exercised.

MAXIMUM EXERCISE AGE

The Maximum Exercise Age is the maximum age the younger Insured can be to exercise this rider.

LIFETIME INCOME BENEFIT RIDER ANNIVERSARY

A Lifetime Income Benefit Rider Anniversary shall be measured annually from the first date a Guaranteed Income Payment is paid.

INCOME PAYMENT
THRESHOLD

The Income Payment Threshold is the minimum benefit amount that must be met in order to exercise this rider.

MINIMUM DEATH
BENEFIT

The Minimum Death Benefit is the lowest benefit paid to the Owner upon the death of the second of the Insureds to die during the Income Period.

MINIMUM CASH
SURRENDER VALUE

The Minimum Cash Surrender Value is the lowest value paid to the Owner upon surrender of the policy while one or both of the Insureds are living during the Income Period.

GUARANTEED
RIDER CHARGE
PERCENTAGE

The Guaranteed Rider Charge Percentage is the maximum rider charge applied to the policy's Accumulated Value on each Monthly Policy Date.

DEATH BENEFIT
RATIO

The Death Benefit Ratio is calculated at the end of the Accumulation Period and is the ratio of the Death Benefit to the Income Base.

MAXIMUM DEATH
BENEFIT RATIO

The Maximum Death Benefit Ratio is based upon the younger Insured's age when this rider is exercised. No Guaranteed Income Payment will be made if the policy's Death Benefit Ratio exceeds the Maximum Death Benefit Ratio.

BASE PAYOUT
PERCENTAGE

The Base Payout Percentage is the minimum payout percentage based upon the policy's Death Benefit Option and the younger Insured's age when the rider is exercised.

GUARANTEED
INCOME
PERCENTAGE
ADJUSTMENT
FACTOR

The Guaranteed Income Percentage Adjustment Factor is a factor used in the derivation of the Guaranteed Income Percentage and is based upon the younger Insured's age when the rider is exercised. It is the factor by which the Base Payout Percentage may be increased if the policy's Death Benefit Ratio is less than the Maximum Death Benefit Ratio.

Signed for National Life Insurance Company at Montpelier, Vermont, as of the effective date of this rider, by

A handwritten signature in black ink that reads "Mehman Assad". The signature is written in a cursive, flowing style.

President & Chief Executive Officer

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OVERLOAN PROTECTION RIDER

We, National Life Insurance Company (the Company), agree to the exercise of this rider subject to the conditions stated below.

In the absence of this Overloan Protection Rider, when the debt to us on the policy causes the policy to enter a Grace Period, additional premium must be paid or the policy will lapse. Alternatively, exercise of this rider before the policy lapses will maintain life insurance protection. This rider may be exercised, subject to the Conditions of Rider Exercise enumerated below, if all of the following conditions are met:

1. the younger Insureds Attained Age is greater than or equal to 75; and
2. the policy to which this rider is attached must have been in force for at least fifteen years from the policy Effective Date; and
3. outstanding debt on the policy must exceed the total Face Amount of the policy; and
4. the outstanding debt to us divided by the excess of the Accumulated Value over the Surrender Charge must exceed 0.95.

Notification will be sent to you when these conditions have been met. The rider must be exercised within sixty days of the date we mail notification. If not exercised within that sixty days, the rider will be terminated.

EXERCISE OF RIDER

Upon exercise of this rider, the policy to which it is attached will be modified as described below.

INTEREST CREDITING STRATEGIES

The Index Earnings for each Indexed Segment will be increased as necessary so that the annual rate of Index Earnings for the elapsed term of that segment is at least equal to 2.50%.

All the values from the Fixed Term Strategy and the Indexed Strategies will then be transferred to the Basic Strategy. No further transfers from the Basic Strategy to any other interest crediting strategy may be made, with the exception of transfers made for the initiation or repayment of a Fixed Net Cost Loan.

EFFECT ON POLICY LOANS

Any Policy Loan which is not a Fixed Net Cost Loan will be rewritten as a Fixed Net Cost Loan. No additional policy loans may be taken on the policy; however, capitalization of loan interest will be allowed.

Accumulated Value held in a Loan Collateral Account will be credited with interest at a rate equal to the Loan Rate of the policy.

CONDITIONS OF RIDER EXERCISE

The following conditions will become effective:

1. no additional premiums may be paid into the policy;
2. withdrawals will no longer be allowed;
3. Monthly Deductions will cease;
4. any additional benefit riders, excluding any Additional Protection Benefit Rider, whose monthly cost was included in the Monthly Deduction will be terminated; and
5. the policy Death Benefit Option will be switched to Option A if Option B is in effect. No adjustment will be made to the Face Amount of the policy following this change. No further change in Death Benefit Option will be permitted.

COST OF THIS RIDER

When this rider is exercised, there will be a one time Exercise Charge. The Exercise Charge will be equal to the product of the Exercise Charge Percentage shown on the Overloan Protection Rider Data Page for the Attained Age of the younger of the Insureds at the time of exercise multiplied times the Accumulated Value of the policy. The Exercise Charge will be deducted from the Basic Strategy of the policy.

REINSTATEMENT

If this rider is in force at the time of policy lapse, it may be reinstated upon policy reinstatement.

TERMINATION

This rider will terminate on the earliest of the following:

1. the date that the policy to which this rider is attached terminates; or
2. sixty days following our mailing of notification that the conditions for exercising this rider have been met; or
3. the Monthly Policy Date following the receipt of written request to terminate this rider.

EFFECTIVE DATE

The effective date of this rider is the policy Effective Date unless a different date is indicated in the rider's Data Section.

Signed for National Life Insurance Company at its Home Office in Montpelier, Vermont, by

A handwritten signature in black ink that reads "Mehman Assadi". The signature is written in a cursive, flowing style.

President & Chief Executive Officer

POLICY SPLIT OPTION RIDER

You may exchange the Original Policy, subject to the terms of this rider, for two new individual policies, one on each of the two Insureds, subject to the Exchange Conditions of this rider, described below.

The effective date of this rider is the Effective Date of the policy.

ORIGINAL POLICY

The policy to which this rider is attached.

EXCHANGE CONDITIONS

We will exchange the Original Policy only if one of the following events occurs:

1. A final decree of divorce is issued terminating a marriage of the two Insureds to each other.
2. There is a change in the Federal Estate Tax law which results in either:
 - a) an end to the unlimited marital deduction available to the Insureds if they were to die; or
 - b) a reduction in Federal Estate Tax rates so that the tax due at the second death of the Insureds to die is less than 50% of what it would have been before the change.

We must receive a written request from the Owner for an exchange within 180 days of the date a decree of divorce becomes final or the date a change in the Federal Estate Tax law becomes effective, whichever applies. We will require the return of the Original Policy.

A \$200 fee will be deducted from the Accumulated Value of the Original Policy on the day prior to the Exchange Date. This charge is to cover expenses associated with the policy split.

We reserve the right to deduct a charge from the Original Policy's Accumulated Value to cover our expenses arising from any state or federal taxes generated by the exchange.

EXCHANGE DATE

The exchange will be effective on the Exchange Date, which is the date all of the above Exchange Conditions are met.

NEW POLICIES

The exchange may be to any individual traditional whole life or flexible premium adjustable benefit life, which includes indexed and variable life policies that we regularly issue at the time of exchange, subject to the issue and amount limits of that policy form and our approval. The issue date of each of the two new individual policies will be the Exchange Date. The new policy on each Insured will be based on that Insured's Attained Age on the Exchange Date. The new policy on each Insured will be based on that Insured's risk classification as of the most recently issued Coverage Segment on the Original Policy.

The Face Amount of each new individual policy may not exceed 50% of the Face Amount of the Original Policy. Any Increase in Face Amount on the Original Policy which was made with either or both of the Insureds rated 250% or higher, or in an uninsurable class, will be surrendered at the time of the policy split.

The Accumulated Value and debt of the Original Policy on the day prior to the Exchange Date will be divided and allocated to the two new individual policies in proportion to their face amounts.

Subject to our approval, riders or benefits may be added to the new policies where available.

ASSIGNMENT

Any assignment of the Original Policy will apply to each new individual policy.

SUICIDE LIMITATION AND INCONTESTABILITY

The Suicide Limitation and Incontestability periods of the new policies will be measured from the Effective Date of the Original Policy or from the date of any policy change which required evidence of insurability. For any increase or additional riders on the new policies which required evidence of insurability, the Suicide Limitation and Incontestability periods will be measured from the Effective Date of the new policies.

TERMINATION

Coverage under this rider will terminate on the earliest of:

1. our receipt of written request by the Owner for termination; or
2. the date that the first death of the two Insureds occurs; or
3. termination of the Original Policy; or
4. the Policy Anniversary on which the older of the Insureds reaches Attained Age 85; or
5. exercise of the option to exchange the Original Policy under this rider.

Signed for National Life Insurance Company at Montpelier, Vermont, as of the Effective Date of this rider, by

Mehran Assadi

President & Chief Executive Officer

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SURVIVOR PROTECTION RIDER

This rider adds benefits to your policy. This rider is issued in consideration of the application and payment of the cost of this rider. The cost of this rider will be included in the Monthly Deduction.

BENEFITS

This rider provides additional one year level term insurance. We will pay the Benefit Amount for the number of Payout Years to the Beneficiary when we receive at our Home Office due proof that one of the Insureds died while this rider was in force.

BENEFICIARY

Unless otherwise provided for, the Owner of the policy will be the Beneficiary of the proceeds payable under this rider.

BENEFIT AMOUNT

The Benefit Amount is the amount of coverage provided by this rider on the life of the first Insured to die and is shown in the rider's Data Section.

PAYOUT YEARS

The Payout Years is the number of years over which the Benefit Amount will be paid.

LUMP SUM EQUIVALENT AMOUNT

The Lump Sum Equivalent Amount is the present value of the Benefit Amount paid during the Payout Years and is calculated at the Benefit Amount Interest Rate shown in the rider's Data Section.

CASH VALUE

There are no cash values associated with this rider. Policy loans are not available on this rider.

MONTHLY COST

The monthly cost of this rider is deducted at the same time and in the same manner as the Monthly Deduction for the policy.

COST OF INSURANCE

The Cost of Insurance for this rider is:

1. the Lump Sum Equivalent Amount, divided by 1,000; multiplied times
2. the Cost of Insurance Rate shown in the rider's Data Section.

The Cost of Insurance Rates for this rider are based on each Insured's sex, attained age and rate classification.

REINSTATEMENT

Upon application for reinstatement of the policy, we will require evidence of insurability for both Insureds under this rider.

CONVERSION

This rider may not be converted.

INCONTESTABILITY

After this rider has been in force during the life of each Insured for two years from its effective date, we will not contest it.

However, we may contest any Reinstatement of this rider until such Reinstatement has been in force during the life of each Insured for two years from its effective date.

The statement on which the contest will be based shall be material to the risk accepted or hazard assumed by the Company.

Notwithstanding the above, we may contest your policy at any time if it was procured by fraud, as permitted by law of the state in which your policy was delivered.

MISSTATEMENT OF AGE OR SEX

If the age or sex of either Insured has been misstated in the policy, the proceeds payable upon the death of the first Insured to die will be adjusted by:

1. the Monthly Deductions made; less
2. the Monthly Deductions which should have been made based on the correct age and sex of either Insured; less
3. the accumulation of the differences at the interest rates that were credited to the Cash Surrender Value of the policy.

SUICIDE

If either of the Insureds dies within two years of the Effective Date of this rider as the result of suicide, while sane or insane, we will pay only the sum of the monthly deductions for this rider made since the Effective Date. Payment will be made to the Beneficiary of this rider.

ASSIGNMENT

The policy to which this rider is attached may be assigned as provided by the policy.

TERMINATION

This rider will terminate at the earliest of:

1. the date the policy terminates; or
2. the Policy Anniversary on which the older covered Insured reaches Attained Age 100; or
3. the Monthly Policy Date following our receipt of the Owner's written request to terminate this rider; or
4. the death of the first Insured to die.

Coverage on each Insured will end on the Policy Anniversary that the older Insured reaches Attained Age 100, or the date of Termination of this rider, whichever occurs first.

EFFECTIVE DATE

The Effective Date of this rider is the policy's Effective Date unless a different date is indicated in the rider's Data Section.

Signed for National Life Insurance Company at Montpelier, Vermont, by



President & Chief Executive Officer

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SURVIVOR PROTECTION RIDER

This rider adds benefits to your policy. This rider is issued in consideration of the application and payment of the cost of this rider. The cost of this rider will be included in the Monthly Deduction.

BENEFITS

This rider provides additional one year level term insurance. We will pay the Benefit Amount for the number of Payout Years to the Beneficiary when we receive at our Home Office due proof that one of the Insureds died while this rider was in force.

BENEFICIARY

Unless otherwise provided for, the Owner of the policy will be the Beneficiary of the proceeds payable under this rider.

BENEFIT AMOUNT

The Benefit Amount is the amount of coverage provided by this rider on the life of the first Insured to die and is shown in the rider's Data Section.

PAYOUT YEARS

The Payout Years is the number of years over which the Benefit Amount will be paid.

LUMP SUM EQUIVALENT AMOUNT

The Lump Sum Equivalent Amount is the present value of the Benefit Amount paid during the Payout Years and is calculated at the Benefit Amount Interest Rate shown in the rider's Data Section.

CASH VALUE

There are no cash values associated with this rider. Policy loans are not available on this rider.

MONTHLY COST

The monthly cost of this rider is deducted at the same time and in the same manner as the Monthly Deduction for the policy.

COST OF
INSURANCE

The Cost of Insurance for this rider is:

1. the Lump Sum Equivalent Amount, divided by 1,000; multiplied times
2. the Cost of Insurance Rate shown in the rider's Data Section.

The Cost of Insurance Rates for this rider are based on each Insured's attained age and rate classification.

REINSTATEMENT

Upon application for reinstatement of the policy, we will require evidence of insurability for both Insureds under this rider.

CONVERSION

This rider may not be converted.

INCONTESTABILITY

After this rider has been in force during the life of each Insured for two years from its effective date, we will not contest it.

However, we may contest any Reinstatement of this rider until such Reinstatement has been in force during the life of each Insured for two years from its effective date.

The statement on which the contest will be based shall be material to the risk accepted or hazard assumed by the Company.

Notwithstanding the above, we may contest your policy at any time if it was procured by fraud, as permitted by law of the state in which your policy was delivered.

MISSTATEMENT OF
AGE

If the age of either Insured has been misstated in the policy, the proceeds payable upon the death of the first Insured to die will be adjusted by:

1. the Monthly Deductions made; less
2. the Monthly Deductions which should have been made based on the correct age of either Insured; less
3. the accumulation of the differences at the interest rates that were credited to the Cash Surrender Value of the policy.

SUICIDE

If either of the Insureds dies within two years of the Effective Date of this rider as the result of suicide, while sane or insane, we will pay only the sum of the monthly deductions for this rider made since the Effective Date. Payment will be made to the Beneficiary of this rider.

ASSIGNMENT

The policy to which this rider is attached may be assigned as provided by the policy.

TERMINATION

This rider will terminate at the earliest of:

1. the date the policy terminates; or
2. the Policy Anniversary on which the older covered Insured reaches Attained Age 100; or
3. the Monthly Policy Date following our receipt of the Owner's written request to terminate this rider; or
4. the death of the first Insured to die.

Coverage on each Insured will end on the Policy Anniversary that the older Insured reaches Attained Age 100, or the date of Termination of this rider, whichever occurs first.

EFFECTIVE DATE

The Effective Date of this rider is the policy's Effective Date unless a different date is indicated in the rider's Data Section.

Signed for National Life Insurance Company at Montpelier, Vermont, by



President & Chief Executive Officer

Site Location and No.: _____ Qualified Retirement Plan/Code No.: _____

Exercising Additional Insurance Option From Base Policy No.: _____ Policy No.: _____

Page 5 **must** be completed if money was collected with this application or a NL exam is not being done. Complete page 6 only if this application is for Qualified Retirement Business or; the Proposed Insured is age 0-14. Complete page 7 only when a variable product has been requested.

Part A - First Proposed Insured (FPI)	Second Proposed/Primary Other Insured (if applicable)
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<p>1a. Name (print first, middle, last)</p> <p>2a. Home Address (If mailing address different, provide in Remarks)</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">3a. Place of Birth - State/Country</td> <td style="width:33%;">4a. Date of Birth</td> </tr> </table> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:20%;">5a. Issue at Age</td> <td style="width:15%;">6a. Sex <input type="checkbox"/> M <input type="checkbox"/> F</td> <td style="width:65%;">7a. Social Sec. #</td> </tr> </table> <p>8a. Telephone #'s and best time to call H () W () C ()</p> <p>9a. Are you a citizen of <input type="checkbox"/> USA <input type="checkbox"/> Other Country _____ Type of VISA _____ Alien Registration # _____</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">10a. Driver's License #</td> <td style="width:67%;">State</td> </tr> </table> <p>11a. Employer & Time Employed</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:20%;">12a. Annual Income</td> <td style="width:80%;">13a. Occupation (w/specific duties)</td> </tr> </table> <p>14a. Are you actively at work at the customary workplace, doing the usual duties and functions required by the position during the normal work hours and weekly period? <input type="checkbox"/> Yes <input type="checkbox"/> No* *Reason:</p> <p>15a. Beneficiary Information: Unless otherwise provided, the beneficiary will be the owner, or the owner's estate. Primary: (Name, Address, Date of Birth & SSN)</p> <p>Relationship: _____</p> <p>Secondary: (Name, Address, Date of Birth & SSN)</p> <p>Relationship: _____</p> <p>If a death benefit is payable at the death of the First Proposed Insured, payment will be made to the Beneficiary described in section 15a. Note: If the policy is owned by a qualified pension or profit sharing plan, all payments are protected by the Spendthrift Provision.</p>	3a. Place of Birth - State/Country	4a. Date of Birth	5a. Issue at Age	6a. Sex <input type="checkbox"/> M <input type="checkbox"/> F	7a. Social Sec. #	10a. Driver's License #	State	12a. Annual Income	13a. Occupation (w/specific duties)	<p>1b. Name (print first, middle, last)</p> <p>2b. Home Address (If mailing address different, provide in Remarks)</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">3b. Place of Birth - State/Country</td> <td style="width:33%;">4b. Date of Birth</td> </tr> </table> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:20%;">5b. Issue at Age</td> <td style="width:15%;">6b. Sex <input type="checkbox"/> M <input type="checkbox"/> F</td> <td style="width:65%;">7b. Social Sec. #</td> </tr> </table> <p>8b. Telephone #'s and best time to call H () W () C ()</p> <p>9b. Are you a citizen of <input type="checkbox"/> USA <input type="checkbox"/> Other Country _____ Type of VISA _____ Alien Registration # _____</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">10b. Driver's License #</td> <td style="width:67%;">State</td> </tr> </table> <p>11b. Employer & Time Employed</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:20%;">12b. Annual Income</td> <td style="width:80%;">13b. Occupation (w/specific duties)</td> </tr> </table> <p>14b. Are you actively at work at the customary workplace, doing the usual duties and functions required by the position during the normal work hours and weekly period? <input type="checkbox"/> Yes <input type="checkbox"/> No* *Reason:</p> <p>15b. Beneficiary Information: Unless otherwise provided, the beneficiary will be the owner, or the owner's estate. Primary: (Name, Address, Date of Birth & SSN)</p> <p>Relationship: _____</p> <p>Secondary: (Name, Address, Date of Birth & SSN)</p> <p>Relationship: _____</p> <p>If a death benefit is payable at the death of the Second Proposed/Primary Other Insured, payment will be made to the Beneficiary described in section 15b. Note: If the policy is owned by a qualified pension or profit sharing plan, all payments are protected by the Spendthrift Provision.</p>	3b. Place of Birth - State/Country	4b. Date of Birth	5b. Issue at Age	6b. Sex <input type="checkbox"/> M <input type="checkbox"/> F	7b. Social Sec. #	10b. Driver's License #	State	12b. Annual Income	13b. Occupation (w/specific duties)
3a. Place of Birth - State/Country	4a. Date of Birth																		
5a. Issue at Age	6a. Sex <input type="checkbox"/> M <input type="checkbox"/> F	7a. Social Sec. #																	
10a. Driver's License #	State																		
12a. Annual Income	13a. Occupation (w/specific duties)																		
3b. Place of Birth - State/Country	4b. Date of Birth																		
5b. Issue at Age	6b. Sex <input type="checkbox"/> M <input type="checkbox"/> F	7b. Social Sec. #																	
10b. Driver's License #	State																		
12b. Annual Income	13b. Occupation (w/specific duties)																		

Part B - Policy Information

1. Product Name _____
2. Amount \$ _____
3. Term Rider Plan _____
4. Amount \$ _____
5. Universal Life Death Benefit Option
 A - Level B - Increasing
6. Definition of Life Insurance Test (*Applies to IUL, SIUL, UL & VUL only. For Investor Select GPT is used if policy NOT a MEC.*)
 Guideline Premium Test (GPT)
 Cash Value Accumulation Test (CVAT)
7. Special Billing Type: (*N/A for Qualified Pension Business.*)
 Government Allotment Group No.: _____
 Payroll Deduction No.:
8. Use of Dividends: (*N/A for any UL*) (*Choose only one.*)
 Cash (*All Products*)
 Additions (*Whole Life & UL*)
 Applied (*Whole Life & Term only, N/A with COM*)
 Deposits (*Whole Life & Term only*)
 DTO Balance to: _____ (*Whole Life only, except Cornerstone Series*)
 Internal Paid-Up Insurance (*Cornerstone Series Only*)
 Flex Term Rider I - B Decreasing (*Whole Life only*)
 One Yr. Term + Adds = \$ _____
 A premium will be charged for this rider.
 Flex Term Rider II - A Level (*Whole Life only*)
 One Yr. Term = \$ _____, + Adds
 A premium will be charged for this rider.
9. Premium information
 a. Frequency
 Annual Semi-Annual Quarterly
 Monthly (*Group or Pension only, if Variable*)
 Single Premium COM (*Complete #12*)
 b. Planned Periodic Premium \$ _____ (*IUL, SIUL, UL & VUL Cornerstone Series*)
 c. Cash with Application \$ _____
10. Identify the source of funds for premium payment
 Income/Savings Home equity
 Payment by third party Loan/Premium Finance
 Other: _____
11. Automatic Payment of Premium Yes No
12. I authorize the Company to draft monthly payments from my account. (*Attach a void check/deposit slip*)
 Checking Savings Money Market
 Draft 1st premium, no money collected
 Draft on the:
 1st 8th 15th 22nd day each month **or**
 Draft on the next available date after policy issue.
13. Send premium notices to:
 Owner
 First Proposed Insured
 Other: (*street, city, state & zip*)

14. Additional Benefits and Amounts: (Check website for rider availability)

- a. **Traditional**
 Accelerated Benefits (ABR) (*Complete ABR Disclosure form*)
 Accidental Death Benefit (ADB) \$ _____
 Additional Insurance Option (AIO) \$ _____
 Additional Paid-Up Life
 Annual Premium (APAR) \$ _____
 Payable on a Modal Basis
 Single Premium (SPAR) \$ _____
 Beneficiary Insurance Option (BIO) (*Complete 1445*)
 Waiver of Premiums (WP) (*N/A on 2nd to Die & Cornerstone Series*)
 Waiver of Premiums (WP) \$ _____
 (*Cornerstone Series only*) **(Annual Premium Waived)**
 Other: _____
- b. **Universal Life**
 Accelerated Benefits (ABR) (*Complete ABR Disclosure form*)
 Accidental Death Benefit (ADB) \$ _____
 Additional Protection Benefit (APB) \$ _____
 (*SUL, UL & SIUL*)
 Automatic Increase (AIR) (*N/A for SIUL & VUL*)
 2% 4% 6% (*N/A for SUL*)
 5% 10% Stipulated (*SUL only*)
 Balance Sheet Benefit (*IUL, SIUL & VUL*) (% Waived) _____ %
 Children's Term (CTR) (*UL & VUL*) \$ _____
 Continuing Coverage Rider (CCR) (*SUL only*)
 Death Benefit Protection (DBP) (*UL & SIUL*)
 Enhanced Policy Protection Period (EPPP) (*IUL*)
 Enhanced Death Benefit (EDBR) (*SUL only*) Target Age _____
 Estate Preservation Rider (EPR) (*SUL & SIUL*) \$ _____
 Guaranteed Ins. Option (GIO) (*N/A for SUL & SIUL*) \$ _____
 Other Insured (OIR) (*UL & VUL*)
 Policy Split Option (PSO) (*SUL & SIUL only*)
 Survivor Protection (SPR) (*SIUL only*) \$ _____
 Lump Sum Yes No **(Annual Benefit Amt)**
 (*If 'No', specify Payout Years*) _____
 (Payout Years)
- Term Rider on First Proposed Insured: (*SUL only*)
 Level Amount _____
 Increasing Decreasing Dur Yrs _____
- Term Rider on Second Proposed Insured: (*SUL only*)
 Level Amount _____
 Increasing Decreasing Dur Yrs _____
- Waiver of Monthly Deductions (WMD) (*N/A for SUL & SIUL*)
- Waiver of Specified Premium (WSP) (*IUL, UL & VUL*)
 \$ _____ **(Annual Premium Waived)**
- Other: _____

Part C - Owner Information *(The Owner will be the First Proposed Insured unless otherwise indicated)*

Individual (Other than Insured):

(Legal Name & Relationship): _____ Date of Birth: _____,
the survivors or survivor, while living; thereafter

(Legal Name & Relationship): _____ Date of Birth: _____,
the survivors or survivor, while living; thereafter (check one) the Insured or Estate of the last survivor of the named owners.

Note: If neither box is checked, the final owner will be the First Proposed Insured.

Business Entity: (Full Legal Name): _____, a (State): _____,

Corporation Limited Partnership Limited Liability Company or General Partnership, or its successors, if any;
otherwise the final owner will be the First Proposed Insured.

Trust: (Trustees) _____, trustee(s) under the
(Trust Name) _____ trust between said trustees and

(Trustor/Grantor) _____ dated: _____;
while trust is existent; thereafter the First Proposed Insured.

Qualified Pension or Profit Sharing Trust (Name of Trust Agreement) _____

1. Owner Taxpayer ID No.: _____ Owner Daytime Telephone #: () _____

2. Owner Complete Address: _____

Part D - General Information about the (A) First Proposed Insured or (B) Second Proposed/Primary Other Insured
(If 'Yes', provide details in Remarks on page 8)

	(A)	(B)
1. Have you used any type of product containing nicotine within the last 24 months? (A) Product Type: _____ Frequency: _____ Date Last Used: _____ (B) Product Type: _____ Frequency: _____ Date Last Used: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Have you ever applied for life, health, or disability insurance or reinstatement of same, which was declined, postponed, rated or modified in any way?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Are you or have you entered into a written agreement to become a member of a military organization?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Have you ever been convicted of a felony or misdemeanor?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Have you had any moving vehicle violations in the last 3 years, or a suspended license or a DUI conviction in the last 5 years?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Have there been any non-discharged bankruptcy proceedings against you within the last 7 years?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Within the past 6 months have you applied for or do you currently have any applications pending for life or disability insurance?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Have you received or applied for disability or worker's compensation from any source?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Have you been offered any cash incentive or other consideration (such as free insurance) as an inducement to apply for or become an insured under this life insurance policy, or have you been involved in any discussions about the possible sale or transfer of this policy to an unrelated third party, such as (but not limited to) a life settlement company or investor group?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(If 'Yes', to questions 10-12 complete form 1480, Avocation, Aviation & Foreign Travel Supplemental Application)		
10. Within the last 3 years, have you participated in or do you intend to participate in any type of racing; scuba, skin, sport or sky diving; parachuting or hang gliding; BASE or bungee cord jumping; mountain climbing or cave exploring?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
11. Do you participate in any aviation activity other than as a fare paying passenger?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
12. Do you intend to travel or reside outside of the USA for more than 2 weeks in a year?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
13. Is the Second Proposed Insured legally married to the First Proposed Insured?		<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>(This question must be answered if EPR or PSO is requested)</i>		

Part E - Replacement Information for the (A) First Proposed Insured or (B) Second Proposed/Primary Other Insured
 (If 'Yes', Replacement forms must be provided; list company name and policy numbers below.)

	(A)	(B)
1. Do you have any existing life insurance policies or annuity contracts?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(A) List Company Name(s) and Policy Number(s)		
(B) List Company Name(s) and Policy Number(s)		
2. Has there been or will there be a lapse, surrender, replacement, reissue, conversion, or change to reduce amount, premium, or period of coverage of any existing life, disability or annuity contract if the applied for policy or rider is issued?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(A) List Company Name(s) and Policy Number(s)		
(B) List Company Name(s) and Policy Number(s)		
3. Will there be any substantial borrowing on any life insurance policy if the applied for policy or rider is issued?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(A) List Company Name(s) and Policy Number(s)		
(B) List Company Name(s) and Policy Number(s)		

Part F - Current Policy Information about the Proposed Insured(s)

(A) NONE IN FORCE (B) NONE IN FORCE

Type: B=Business G=Group P=Personal

	Company Name	Type	Total in Force	Total with WP	Total ADB	Date of Issue	Paid to Date
First Proposed Insured			\$	\$	\$		
Second Proposed/ Primary Other Insured							

Part H - Qualified Retirement Business ONLY

1. Issue Date: _____ 2. (Check one.) Sex Neutral Sex Distinct (Complete form 8644)

(Answer a & b only for Simplified Underwriting)

3. Full Underwriting Guaranteed Issue Automatic Issue
- Simplified Underwriting (If either questions a or b are answered 'Yes', provide the following details in Remarks on Page 8. Nature of ailment, date, duration and names and addresses of attending physicians.)
- a. Have you been admitted to, or been advised to be admitted to a hospital or medical facility in the past 90 days by a member of the medical profession? Yes No
- b. In the past two years have you been treated for or advised by a member of the medical profession to seek treatment for heart problems (including angina), stroke, or cancer, or been treated for or diagnosed as having AIDS or AIDS Related Complex (ARC)? Yes No

Part I - Children's Term Rider & Juvenile Coverage (Complete if CTR OR Issue Ages 0-14 is requested. Complete HIPAA for each child)

Complete the following questions for Children's Term Rider only:

1. Names and Dates of Birth of all Children to be covered _____
2. To the best of your knowledge: (If 'Yes', give details, including the name and address of any physician in Remarks on Page 8)
- a. Has a licensed member of the medical profession diagnosed any Child as having Attention Deficit Disorder, dyslexia, autism, mental retardation, or any psychiatric disease? Yes No
- b. Has a licensed member of the medical profession diagnosed or treated any Child for seizures, juvenile diabetes, scoliosis, hemophilia, cancer, or a heart, lung, or respiratory disease? Yes No
- c. Does any Child not reside with you? Yes No
- d. Does any Child take medication prescribed by a doctor? Yes No

Complete the following questions for Juvenile Coverage only:

3. Does Proposed Insured live with parent? Yes No
(If 'No', explain details in Remarks on Page 9. Give name and relationship of person with whom the Proposed Insured lives.)
4. Full Name of Applicant: _____
5. Relationship to Proposed Insured: _____
6. To the best of your knowledge: (If 'Yes', explain details in Remarks on Page 9)
- a. Has a licensed member of the medical profession diagnosed or treated the Proposed Insured for seizures, juvenile diabetes, scoliosis, hemophilia, cancer, or a heart, lung or respiratory disease or disorder? Yes No
- b. Has the Proposed Insured been seen by any physician or other practitioner for advice, treatment or examination within the past five years? Yes No
- c. Name and address of Primary Care Physician. Include reason and date last seen.

7. a. Height in shoes: _____ ft. _____ in.
- b. Weight in clothes: _____ pounds
- c. Change in weight in past year: _____ Gain _____ Loss Reason: _____
- d. If less than 1 year old, weight at birth: _____

8. Amount of Insurance in force on Proposed Insured, the Applicant and other members of Proposed Insured's family:

	Company	Amount
Proposed Insured	_____	\$ _____
Applicant	_____	\$ _____
Proposed Insured's father	_____	\$ _____
Proposed Insured's mother	_____	\$ _____
Brothers and sisters of Proposed Insured (If none, so state)	_____	\$ _____
	_____	\$ _____
	_____	\$ _____

Complete for Variable Products Only

Part J - Variable Insurance Information

Following questions to be completed by the Applicant.

- 1. Have you received a current prospectus which describes the variable nature of this product and the utilization of a Separate Account or a Variable Account?
2. Do you believe that this Policy will meet your insurance needs and financial objectives?
3. Do you understand that the Cash Surrender Value and Death Benefit may increase or decrease based on the policy's investment return, even to the extent of being reduced to zero?

Part K - Telephone Transaction Agreement

Unless waived below, I appoint the Company as my agent to act upon telephoned instructions reasonably believed to be authorized by me. I hereby ratify any telephoned instructions so given and consent to the tape recording of these instructions.

Representative(s):

I do not authorize the Company to accept telephone instructions.

Part L - Investment Information (Do NOT complete Part L if participating in Illuminations.)

- 1. Do you want monthly charges deducted from the Money Market sub-account?
(If 'No', charges will be deducted from the General Account and all sub-accounts on a pro rata basis.)

Note: Elect Portfolio Rebalancing (2.a.) or Dollar Cost Averaging, (2.b.) but not both. (See Investment Allocation, form 9201)

2.a. I elect semi-annual Portfolio Rebalancing.

OR

2.b. I elect monthly Dollar Cost Averaging. Transfer funds from the Money Market sub-account using the allocation provided on the Investment Allocation, form 9201.

The amount and duration of the Death Benefit may increase or decrease daily as described in the DEATH BENEFIT AND POLICY CHANGES section of the policy at issue. The dollar amount of the Death Benefit is not guaranteed.

The investment in this policy could be lost entirely, depending on the performance of the Separate Account or Variable Account, and as a result the Death Benefit may terminate unless additional premium payments are made to keep this policy in force.

Part N - Agreement & Authorization (Continued)

I (we), the Proposed Insured(s), or Parent of the Proposed Insured, authorize any physician, medical practitioner, hospital, clinic, or other medically related facility, insurer or reinsurer, the Medical Information Bureau, Inc. (MIB), consumer reporting agency, or employer having information as to:

- diagnosis, treatment and prognosis of any physical or mental condition of me (us) or any of my (our) minor children on whose life I (we) have applied for insurance;
- any non-medical information of me (us) or such minor children;

to give National Life Insurance Company, herein called National Life, or its authorized representative, any and all such information.

I (we) authorize National Life to request a copy of my (our) driving record(s) from the state motor vehicle department.

I (we) authorize National Life to obtain an investigative consumer report. I (we) understand that I am (we are) entitled to be interviewed by the consumer reporting agency that prepares any such report, as long as I (we) can reasonably be contacted during normal business hours.

I (we) wish to be interviewed if an investigative consumer report is prepared.

This information may be used to determine eligibility for life or health insurance or claims for benefits, and I (we) authorize National Life to release any of this information to the MIB and/or Reinsurers and other life insurance companies in which I (we) have insurance or from which I (we) seek insurance or benefits.

I (we) authorize National Life to redisclose the information to:

- Any person performing a business or legal function for its benefit;
- An attending physician for diagnostic or treatment purposes;
- Government authorities to prevent insurance related illegal activities;
- Persons conducting medical or statistical studies for National Life;
- Persons having an authorization specifically permitting the redisclosure;

and when required by law. In making this authorization, I (we) waive any right to prohibit redisclosure to an affiliate of National Life where the redisclosure is related to the servicing of my (our) policy.

This authorization shall remain valid for 30 months from the date shown below.

I (we) understand I (we) have a right to receive a copy of this authorization. A copy of this authorization shall be as valid as the original. I (we) acknowledge receipt of copies of the prenotifications relating to investigative consumer reports and the MIB.

NOTICE: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Part O - Owner's Taxpayer ID Number Certification

Under 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.

Part P - Signatures

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Signed at (City & State) _____ Date (mm/dd/yyyy) _____

First Proposed Insured age 15 & up (or Parent or Guardian)

Applicant/Owner (Sign name in full if other than Proposed Insured)

Second Proposed Insured (Sign name in full)

Primary Other Insured (Sign name in full)

Soliciting Agent/Representative (Sign name in full)

(Exercise of AIO Only)

Owner of Base Policy

(Witness)

For Check-O-Matic Only (If Depositor other than Applicant/Owner)

Depositor (Exactly as it appears on bank records)

First Insured's Name:

Second Insured's Name:

Other Insured's Name:

Contract No.:

Dated:

I (We) amend the application, on which you are issuing the above referenced contract, so that the answer(s) to the question(s) below will read as shown.

I (We) agree that this amendment shall become a part of said application; and said application shall be considered as part of the contract.

Contract No.:

SERFF Tracking Number: NALF-127071253 State: Arkansas
 Filing Company: National Life Insurance Company State Tracking Number: 48363
 Company Tracking Number: 8918(0511)
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.103 External Indexed - Joint (Last Survivor)
 Adjustable Life
 Product Name: NL LifeCycle Solution
 Project Name/Number: NL LifeCycle Solution/8918(0511)

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification		
Comments:		
Attachment: Certification of Readability AR.pdf		

	Item Status:	Status Date:
Satisfied - Item: Application		
Comments: Application attached under Form Schedule tab.		

	Item Status:	Status Date:
Satisfied - Item: Sample Illustration		
Comments: Sample Sex Distinct and Unisex Illustrations attached.		
Attachments: NL-Sex Distinct-Fixed Illus.pdf NL-Unisex-Fixed Illus.pdf		

	Item Status:	Status Date:
Satisfied - Item: Responsible Officer Certification		
Comments:		
Attachment: RespOfficerCert.pdf		

	Item Status:	Status Date:

SERFF Tracking Number: NALF-127071253 State: Arkansas
 Filing Company: National Life Insurance Company State Tracking Number: 48363
 Company Tracking Number: 8918(0511)
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.103 External Indexed - Joint (Last Survivor)
 Adjustable Life
 Product Name: NL LifeCycle Solution
 Project Name/Number: NL LifeCycle Solution/8918(0511)
Satisfied - Item: Sample Annual Statement
Comments:
Attachment:
 AnnualStatement LifeCycleSolution.pdf

Item Status: **Status Date:**

Satisfied - Item: Statement of Variability
Comments:
Attachment:
 SOV-NL-SIUL.pdf

Item Status: **Status Date:**

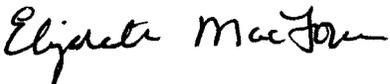
Satisfied - Item: Certifications
Comments:
Attachments:
 AR Cert.pdf
 AR Cert UL&IUL.pdf
 AR Consent to Submit Rates and.pdf

National Life Insurance Company
Certification of Readability

We certify that, to the best of our knowledge and belief, each of the forms listed below meets the minimum reading ease score required by Arkansas Statute Annotated Section 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act.

<u>Form Number</u>	<u>Flesch Score</u>
8918(0511)	70.6
8919(0511)	70.6
8920(0511)	62.8
8921(0511)	61.3
8925(0511)	68.7
8926(0511)	68.7
8927(0511)	83.5
8928(0511)	59.9
8929(0511)	89.0
8930(0511)	89.1
8931(0511)	89.1
8932(0511)	70.3
8933(0511)	62.2
8934(0511)	86.3
9212(0511)	64.8
ICC11-1465(0511)	71.3

03/15/2011
Date



Elizabeth MacGowan,
Vice President - Protection Products

A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8918(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Male/Non-Smoker
Edna Allen - Age 35/Female/Non-Smoker
State - VT

Benefits	Amount
NL LifeCycle Solution	\$25,000
Additional Protection Benefit	225,000
Estate Preservation Rider	134,616
Policy Split Option Rider	
Survivor Protection Rider	153,238
Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Agent address:
1 National Life Drive
Montpelier, Vermont 05604
802 229-3333

NL LifeCycle Solution is a flexible premium, adjustable death benefit individual life insurance policy, commonly referred to as Survivorship Universal Life. It features indexed crediting options. NL LifeCycle Solution insures two lives and pays the death benefit at the second death.

This illustration assumes that the currently illustrated non-guaranteed elements will continue unchanged for all years shown. This is not likely to occur and actual results may be more or less favorable than those shown.

Additional Protection Benefit Rider provides an additional death benefit at a lower cost than the cost of the base policy.

Estate Preservation Rider provides 4 years of second-to-die term coverage. It is designed for use where the policy is issued outside of an irrevocable life insurance trust but is to be transferred into such a trust within a year after the policy is issued. The rider will provide an additional amount of death benefit to cover additional estate tax, until the policy has been in the trust for three years and the death benefit is no longer included in the estate of the second insured to die.

Policy Split Option Rider permits the owner of the policy to split the coverage into two separate policies in the event of a material change in the federal estate tax law or should the insureds divorce.

Survivor Protection Rider [Form Series 8930] provides first to die term coverage. It is designed to provide a benefit as an income stream which will be paid for a certain number of years after the death of one insured or as a discounted lump sum. A portion of the benefit will not be taxable pursuant to section 101(d) of the Internal Revenue Code and related regulations. Policy owners may want to consult with their tax advisors to better understand the tax implications. Please consult the rider form for more details.

A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8918(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Male/Non-Smoker
 Edna Allen - Age 35/Female/Non-Smoker
 State - VT

Benefits	Amount
NL LifeCycle Solution	\$25,000
Additional Protection Benefit	225,000
Estate Preservation Rider	134,616
Policy Split Option Rider	
Survivor Protection Rider	153,238
Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Death Benefit Protection Rider provides that the policy will not lapse in the first 30 policy years even if the net cash surrender value is less than or equal to zero provided that premiums paid reduced by withdrawals, both accumulated with interest, less the policy loan balance, equals or exceeds the accumulation with interest of the Monthly Guaranteed Premiums.

For the initial benefit amount, the monthly Minimum Guaranteed Premium is \$60.15. The Monthly Guaranteed Premium may change if the policyholder exercises certain rights in the contract. The interest rate at which premiums, withdrawals and Monthly Guaranteed Premiums are accumulated is equal to an effective annual rate of 5.00%. Please consult the rider form for more details.

Lifetime Income Benefit Rider [Form Series 8932] provides a benefit for the lifetime of both insureds in exchange for a charge from the accumulated value and provided that certain conditions are met. Conditions include but are not limited to the following: the younger insured must be at least age 60 but no greater than age 85; and the policy must have been in force for at least 10 years or at least 10 years have passed since the last face amount increase, whichever is later; and any outstanding policy loans must be repaid in full. The benefit payments are deducted from the accumulated value through policy loans until a minimum threshold is met. Once the minimum threshold is met, the following events occur: the benefit payments will continue to be paid for the lifetime of both insureds, a one time charge will be deducted from the cash surrender value; all other monthly deductions will be terminated; and the net death benefit and cash surrender value will continue to be reduced by the benefit payments until they reach respective minimum floors. The benefit payments will become taxable once the minimum threshold is met if the policy is not a modified endowment contract. All benefit payments will be taxable on modified endowment contracts. Policy owners may want to consult with their tax advisors to better understand the tax implications. Please consult the rider form for more details.

Overloan Protection Rider, when exercised under certain conditions, will prevent the policy from lapsing due to the outstanding policy loan exceeding the Accumulated Value less the Surrender Charge. Limitations apply to exercising the Overloan Protection Rider, which include that the policy be in force at least 15 years and the younger insured having attained the age of 75. Exercising the rider results in a paid-up policy. There is no cost for this optional rider, however, there is a fee when the rider is exercised.

Balance Sheet Benefit Rider, waives the percentage of policy Surrender Charges specified by the policyowner at issue.

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Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Definitions of key terms and column headings:

Age - The insured's age at nearest birthday.

Policy Year - The year of the policy for which information is being illustrated.

Planned Premium - The annualized premium that is required under the illustrated policy.

Weighted Average Interest Rate - The weighted average interest rate is used to compute current policy values. This rate varies by policy year, and is based upon the amount of money required in the Basic Strategy and the allocation between the other five strategies described in the illustration.

Accumulated Value End Year - The policy equity at the end of the policy year. Current interest rates and policy charges are not guaranteed.

Cash Surrender Value End Year - The policy equity at the end of the policy year, after deductions for any applicable surrender charges and any outstanding policy loans and loan interest. Current interest rates and policy charges are not guaranteed.

Death Benefit End Year - The entire policy death benefit at the end of the policy year, after deductions for any outstanding policy loans and loan interest. Current interest rates and policy charges are not guaranteed.

Total Level Guideline Premium - The sum of the guideline level premiums calculated for the current policy year and each prior year. It is a level premium calculated at issue based on policy guarantees and an interest rate not less than 4% as specified in IRC section 7702.

Total Single Guideline Premium - The sum of the guideline single premium calculated for the current policy year and each prior year. It is calculated at issue based on policy guarantees and an interest rate not less than 6% as specified in IRC section 7702.

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Total Maximum Guideline Premium - The larger of the numbers in the total guideline level and the total guideline single premium columns. For a policy to qualify as life insurance, the sum of all premiums paid in the current and prior policy years cannot exceed the amount shown in this column for the current year. This must be true in every policy year.

Total Premium - The MEC total premium for any policy year is the sum of the premiums paid into the policy in the current policy year and prior policy years that are used to determine the MEC status of the policy.

MEC Total 7 Pay Premium - The MEC total 7 pay premium for any policy year is the sum of the annual payments calculated under IRC Section 7702A (the seven pay premium) for this and all prior policy years that determine whether or not the contract is a modified endowment contract (MEC). Upon the first occurrence of a number in the MEC total premium column exceeding the number for the same policy year in this column, the policy will become a MEC. Distributions other than death proceeds from a MEC, including policy loans and partial surrenders of funds will be treated as taxable gain received first and recovery of premium second. In addition to regular income tax, a 10% federal tax penalty is applicable to any taxable distribution from the MEC before the insured reaches age 59 ½. This includes policy terminations.

Guaranteed Annual Cash Flow - The annual (cost) of the policy or the annual amount of proceeds received from the policy before income taxes are included, based on guaranteed values.

Guaranteed End Year Net Cash Value - The guaranteed equity at the end of the policy year less any outstanding policy loans, loan interest, and applicable surrender charges.

Guaranteed End Year Net Death Benefit - The guaranteed death benefit at the end of the policy year less any policy loans, loan interest and applicable surrender charges.

Current Annual Cash Flow* - The annual (cost) of the policy or the annual amount of proceeds received from the policy before income taxes are included, based on the current interest rate and charges.

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Averaged Annual Cash Flow* - The annual (cost) of the policy or the annual amount of proceeds received from the policy before income taxes are included, based on the assumption credited interest rate and other charges are an average of current and guaranteed rates.

Averaged Net Equity End Year* - The entire policy equity at the end of the year after deductions for any outstanding policy loans and loan interest. Values in this column are based on the assumption credited interest rate and other charges are an average of current and guaranteed rates.

Averaged Net Death Benefit End Year* - The entire policy death benefit at the end of the year after deductions for any outstanding policy loans and loan interest. Values in this column are based on the assumption credited interest rate and other charges are an average of current and guaranteed rates.

Annual Planned Payments have been assumed to be received at the beginning of each billing period.

All values shown are end of policy year values.

The Guaranteed Basis uses an interest rate and maximum monthly deductions guaranteed by the Company. It is the most conservative basis used for the calculation of illustrated values.

The policy as illustrated using Current Basis A will provide coverage for 40 policy years based on the Current Basis A interest rates and the current charges by the Company. Coverage will then terminate unless a higher premium is paid.

The policy as illustrated using Current Basis B will provide coverage for 54 policy years based on the Current Basis B interest rates and the current charges by the Company. Coverage will then terminate unless a higher premium is paid.

The policy as illustrated on an average basis will provide coverage for 31 years based on the average interest rates credited and the average charges by the Company. The average interest rates are the average of the guaranteed interest rate and the Current Basis B illustrated interest rates. The average charges are the average of guaranteed charges and current charges.

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Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

The policy as illustrated on a guaranteed basis will provide coverage for 30 policy years based on the guaranteed interest rate credited and the guaranteed charges by the Company. Coverage will then terminate unless a higher premium is paid.

The following is a statement of costs and benefits for the NL LifeCycle Solution policy illustrated on the following pages. The Net Payment Index shows your average annual outlay per \$1000 of Death Benefit. The Surrender Cost Index is the average annual amount of each planned premium that is not returned if the policy is surrendered for its cash value at the end of the year cited.

INTEREST ADJUSTED COST INDEXES AT 5%

CURRENT BASIS

	YEAR 10	YEAR 20
Net Payment	\$3.85	\$4.16
Surrender Cost	\$1.01	\$.73

GUARANTEED BASIS

	YEAR 10	YEAR 20
Net Payment	\$3.85	\$4.16
Surrender Cost	\$3.85	\$4.16

An explanation of the intended use of the above cost indexes is provided in the Life Insurance Buyer's Guide.

Please Note: The illustrated values that make up this ledger proposal should not be regarded as an offer nor as a contract to insure. If the presentation, of which this ledger is a part results in a policy being issued with different illustrated values than those in this ledger, the actual values illustrated with the policy shall control.

IMPORTANT INTERNAL INFORMATION

Monthly Guarantee Premium: \$60.15
 Target Premium: \$280.85
 This Target Premium does not apply to internal replacements.

NATIONAL LIFE INSURANCE COMPANY, MONTPELIER, VT 05604

March 21, 2011

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Balance Sheet Benefit Rider	25%

Survivor Protection Rider

Survivor Protection Rider provides a benefit payment after the death of an insured.

- Benefit Amount: \$10,000
- Payout Years: 20
- Rider Cease Age: 100 (Younger Insured)

At the time the Survivor Protection Rider is exercised the beneficiary of the rider has the option to receive a discounted lump sum of \$153,238 or change the years of payout if desired.

UNDERWRITING DATA

Ethan Allen
Non-Smoker

Edna Allen
Non-Smoker

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Indexed Strategies

This product is a life insurance product and does not represent an investment in the stock market.

This product features a fixed crediting strategy and four indexed crediting strategies. The following is a summary of the characteristics of the indexed crediting strategies that are available in this policy. Please refer to the policy for complete details. In the event of any conflict, the policy language will control.

This policy features four distinct indexed crediting strategies, Indexed Strategy 1, which uses a point-to-point crediting method, Indexed Strategy 2, which uses a point-to-point crediting method with a focus on the Participation Rate, Indexed Strategy 3, which uses a point-to-point crediting method with no Earnings Cap, and Equity Indexed Strategy 4, which uses a point-to-average crediting method with no Earnings Cap.

For Indexed Strategies 1, 2, and 3, the Annual Index Growth is calculated as the percentage increase in the Index, if any, from one segment anniversary to the next segment anniversary.

For Indexed Strategy 4, the daily average value of the Index is calculated for the period covering one segment anniversary to the next segment anniversary. The Annual Index Growth is calculated as the percentage increase in the daily average value, if any, over the Index value on the preceding segment anniversary.

Each transfer to an indexed strategy creates a distinct Indexed Segment with a segment length of one year. Index Earnings are credited to each Indexed Segment on the annual segment anniversary. Index Earnings are not calculated or credited between segment anniversaries. Each Indexed Segment will have a Participation Rate and an Index Earnings Cap, which are determined in advance for each twelve-month period and are subject to change on each segment anniversary.

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The Index Earnings for an Indexed Segment on the segment anniversary are calculated as the Annual Index Growth for the segment, multiplied by the segment's Participation Rate, with this product adjusted so that it is no less than 0% and no greater than the segment's Index Earnings Cap.

At the end of the one-year segment length, the value in that segment is transferred to the Basic Strategy for automatic reallocation using the strategy allocation in force at that time. This strategy allocation may be changed by the Owner upon request.

The Index for these strategies will be the S&P 500[®] Index, excluding dividends. The Annual Index Growth for an Indexed Segment is calculated on the segment anniversary based on the performance of the Index.

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The historical rates shown below were based on the Average Rate of Return for the S&P 500[®] computed backwards from 12/21/2010 for the number of years indicated and adjusted by the cap, floor, and participation rates for each of the Index Strategies as indicated on the following page.

The actual credited rate for each policy year will vary based on the actual change in the index. These figures do not represent actual interest that would have been credited because the Participation rate and Cap would have changed over time and actual results would have been different. There are administrative, cost of insurance and other charges associated with the NL LifeCycle Solution IUL policy. The historical returns by strategy do not reflect these charges. It is not meant to predict future performance. It is not possible to know in advance what the actual credited rate will be.

Hypothetical Returns by Strategy

	Equity Indexed Strategy 1	Equity Indexed Strategy 2	Equity Indexed Strategy 3	Equity Indexed Strategy 4
5-Year Average Rate of Return	6.70%	6.80%	6.00%	5.50%
10-Year Average Rate of Return	5.70%	6.00%	4.90%	4.60%
20-Year Average Rate of Return	7.90%	8.00%	7.40%	6.40%
1984 - 2010 Average Rate of Return	8.30%	8.30%	7.90%	6.90%
Maximum Illustrated Rate*	8.30%	8.30%	7.90%	6.90%

* The maximum illustrated interest rate for each strategy is based upon the historical performance, from 12/21/1984 to 12/21/2010, of the S&P 500[®] adjusted for the current Participation Rate and Index Earnings Cap - if applicable - per Strategy as indicated on the following page.

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The chart below reflects the current and guaranteed cap rates and participation rates and maximum illustration rate for each Indexed Strategy. The current rates are not guaranteed and are subject to change, but will never be lower than the guaranteed rates.

Indexed Crediting Method

	Indexed Strategy 1	Indexed Strategy 2	Indexed Strategy 3	Indexed Strategy 4
Current Cap Rate	13.50%	12.00%	No Cap	No Cap
Guaranteed Cap Rate	3.1%	3.0%	No Cap	No Cap
Current Participation Rate	100%	140%	62%	105%
Guaranteed Participation Rate	100%	110%	25%	30%
Maximum Illustration Rate	8.30%	8.30%	7.90%	6.90%

The illustrated assumed interest rates cannot exceed the maximum illustration rates allowed by the company, as shown above. The maximum illustration rates are based on applying the current cap rates and participation rates to the S&P 500[®] Index historical performance from 1984 through 2010. The historical performance of the S&P 500[®] Index should not be considered a representation of past or future performance for any of the Indexed Strategies available in this policy, nor is it an estimate of the returns that a policyholder can expect based on the current caps and participation rates. The future rate credited for any of these strategies may be less than or greater than the non-guaranteed assumed interest rates used in this illustration.

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Non-Guaranteed Assumed Interest Rate Disclosure

Strategy	Initial Allocation	Current Basis A Interest Rate	Current Basis B Interest Rate
Basic Strategy		5.00%	5.00%
Fixed-Term Strategy	0%	5.50%	5.50%
Indexed Strategy 1, point-to-point	100%	5.50%	8.30%
Indexed Strategy 2, point-to-point with Participation Rate focus	0%	5.50%	8.30%
Indexed Strategy 3, point-to-point with no Cap	0%	5.50%	7.90%
Indexed Strategy 4, point-to-average with no Cap	0%	5.50%	6.90%

For illustrative purposes, a weighted average interest rate is used to compute policy values. This weighted average interest rate varies by policy year, and is based upon the amount of money required in the Basic Strategy and the allocation between the other five strategies indicated above.

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This illustration of NL LifeCycle Solution values assumes payments are made in the amounts shown and that the illustrated rates and monthly deductions will continue in the future. The interest rate used in the calculation of current values is the weighted average rate shown in the column below. The interest rate used in the calculation of guaranteed values is 2.50%.

Guaranteed Values at 2.50%					*Current Basis B Values				
Policy Year	Planned Premium	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
1	\$ 1,200.00	\$ 82	\$21	\$384,616	7.06%	\$ 788	\$ 458	\$384,616	
2	1,200.00	147	37	384,616	7.53%	1,619	1,319	384,616	
3	1,200.00	194	49	384,616	7.74%	2,498	2,229	384,616	
4	1,200.00	218	55	384,616	7.85%	3,424	3,186	384,616	
5	1,200.00	224	56	250,000	7.93%	4,408	4,200	250,000	
6	1,200.00	206	52	250,000	8.12%	5,699	5,524	250,000	
7	1,200.00	165	41	250,000	8.15%	7,072	6,931	250,000	
8	1,200.00	97	24	250,000	8.16%	8,534	8,427	250,000	
9	1,200.00	1	0	250,000	8.17%	10,089	10,016	250,000	
10	1,200.00	0	0	250,000	8.18%	11,738	11,702	250,000	
	\$12,000.00								
11	1,200.00	0	0	250,000	8.18%	13,487	13,487	250,000	
12	1,200.00	0	0	250,000	8.19%	15,336	15,336	250,000	
13	1,200.00	0	0	250,000	8.19%	17,288	17,288	250,000	
14	1,200.00	0	0	250,000	8.19%	19,350	19,350	250,000	

* Benefits and values are not guaranteed. The assumptions on which they are based are subject to change by the insurer. Actual results may be more or less favorable.

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March 21, 2011

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Guaranteed Values at 2.50%					*Current Basis B Values				
Policy Year	Planned Premium	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
15	\$ 1,200.00	\$ 0	\$ 0	\$250,000	8.19%	\$ 21,535	\$ 21,535	\$250,000	
16	1,200.00	0	0	250,000	8.20%	23,850	23,850	250,000	
17	1,200.00	0	0	250,000	8.20%	26,289	26,289	250,000	
18	1,200.00	0	0	250,000	8.20%	28,855	28,855	250,000	
19	1,200.00	0	0	250,000	8.20%	31,546	31,546	250,000	
20	1,200.00	0	0	250,000	8.20%	34,363	34,363	250,000	
	\$24,000.00								
21	1,200.00	0	0	250,000	8.20%	37,341	37,341	250,000	
22	1,200.00	0	0	250,000	8.19%	40,454	40,454	250,000	
23	1,200.00	0	0	250,000	8.19%	43,706	43,706	250,000	
24	1,200.00	0	0	250,000	8.19%	47,102	47,102	250,000	
25	1,200.00	0	0	250,000	8.19%	50,648	50,648	250,000	
26	1,200.00	0	0	250,000	8.19%	54,300	54,300	250,000	
27	1,200.00	0	0	250,000	8.18%	58,081	58,081	250,000	

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Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Male/Non-Smoker
 Edna Allen - Age 35/Female/Non-Smoker
 State - VT

Benefits	Amount
NL LifeCycle Solution	\$25,000
Additional Protection Benefit	225,000
Estate Preservation Rider	134,616
Policy Split Option Rider	
Survivor Protection Rider	153,238
Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

This illustration of NL LifeCycle Solution values assumes payments are made in the amounts shown and that the illustrated rates and monthly deductions will continue in the future. The interest rate used in the calculation of current values is the weighted average rate shown in the column below. The interest rate used in the calculation of guaranteed values is 2.50%.

Guaranteed Values at 2.50%					*Current Basis B Values				
Policy Year	Planned Premium	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
28	\$ 1,200.00	\$ 0	\$ 0	\$250,000	8.18%	\$ 61,971	\$ 61,971	\$250,000	
29	1,200.00	0	0	250,000	8.17%	65,959	65,959	250,000	
30	1,200.00	0	0	250,000	8.17%	70,039	70,039	250,000	
	\$36,000.00								
31	1,200.00	0	0	0	8.17%	74,198	74,198	250,000	
32	1,200.00	0	0	0	8.16%	78,428	78,428	250,000	
33	1,200.00	0	0	0	8.16%	82,722	82,722	250,000	
34	1,200.00	0	0	0	8.15%	87,058	87,058	250,000	
35	1,200.00	0	0	0	8.15%	91,418	91,418	250,000	
36	1,200.00	0	0	0	8.14%	95,751	95,751	250,000	
37	1,200.00	0	0	0	8.13%	100,000	100,000	250,000	
38	1,200.00	0	0	0	8.12%	104,056	104,056	250,000	
39	1,200.00	0	0	0	8.11%	107,859	107,859	250,000	
40	1,200.00	0	0	0	8.10%	111,340	111,340	250,000	
	\$48,000.00								

* Benefits and values are not guaranteed. The assumptions on which they are based are subject to change by the insurer. Actual results may be more or less favorable.

NATIONAL LIFE INSURANCE COMPANY, MONTPELIER, VT 05604

March 21, 2011

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A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8918(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Male/Non-Smoker
 Edna Allen - Age 35/Female/Non-Smoker
 State - VT

Benefits	Amount
NL LifeCycle Solution	\$25,000
Additional Protection Benefit	225,000
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Policy Split Option Rider	
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Death Benefit Protection Rider	
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Guaranteed Values at 2.50%					*Current Basis B Values				
Policy Year	Planned Premium	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
41	\$ 1,200.00	\$ 0	\$ 0	\$ 0	8.09%	\$114,410	\$114,410	\$250,000	
42	1,200.00	0	0	0	8.07%	116,969	116,969	250,000	
43	1,200.00	0	0	0	8.05%	118,861	118,861	250,000	
44	1,200.00	0	0	0	8.03%	119,884	119,884	250,000	
45	1,200.00	0	0	0	8.00%	119,806	119,806	250,000	
46	1,200.00	0	0	0	7.96%	118,389	118,389	250,000	
47	1,200.00	0	0	0	7.92%	115,216	115,216	250,000	
48	1,200.00	0	0	0	7.86%	109,948	109,948	250,000	
49	1,200.00	0	0	0	7.78%	102,222	102,222	250,000	
50	1,200.00	0	0	0	7.67%	91,479	91,479	250,000	
	\$60,000.00								
51	1,200.00	0	0	0	7.50%	76,983	76,983	250,000	
52	1,200.00	0	0	0	7.21%	57,889	57,889	250,000	
53	1,200.00	0	0	0	6.63%	32,825	32,825	250,000	
54	1,200.00	0	0	0	5.00%	550	550	250,000	

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NATIONAL LIFE INSURANCE COMPANY, MONTPELIER, VT 05604

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Statement of Policy Cost and Benefit Information
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 Edna Allen - Age 35/Female/Non-Smoker
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Estate Preservation Rider	134,616
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Guaranteed Values at 2.50%					*Current Basis B Values				
Policy Year	Planned Premium	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
55	\$ 0.00	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	
60	0.00 \$64,800.00	0	0	0	0.00%	0	0	0	
65	0.00	0	0	0	0.00%	0	0	0	
70	0.00 \$64,800.00	0	0	0	0.00%	0	0	0	
75	0.00	0	0	0	0.00%	0	0	0	
80	0.00 \$64,800.00	0	0	0	0.00%	0	0	0	
85	0.00 \$64,800.00	0	0	0	0.00%	0	0	0	

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Ethan Allen and Edna Allen

Presented by Sample Agent

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		*Current Basis A Values				*Current Basis B Values			
Policy Year	Contract Premium	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year
1	\$1,200	5.31%	\$ 772	\$ 193	\$384,616	7.06%	\$ 788	\$ 458	\$384,616
2	1,200	5.38%	1,566	823	384,616	7.53%	1,619	1,319	384,616
3	1,200	5.41%	2,384	1,715	384,616	7.74%	2,498	2,229	384,616
4	1,200	5.43%	3,221	2,630	384,616	7.85%	3,424	3,186	384,616
5	1,200	5.44%	4,087	3,573	250,000	7.93%	4,408	4,200	250,000
6	1,200	5.47%	5,217	4,784	250,000	8.12%	5,699	5,524	250,000
7	1,200	5.47%	6,386	6,035	250,000	8.15%	7,072	6,931	250,000
8	1,200	5.47%	7,594	7,328	250,000	8.16%	8,534	8,427	250,000
9	1,200	5.47%	8,842	8,662	250,000	8.17%	10,089	10,016	250,000
10	1,200	5.48%	10,125	10,034	250,000	8.18%	11,738	11,702	250,000
11	1,200	5.48%	11,443	11,443	250,000	8.18%	13,487	13,487	250,000
12	1,200	5.48%	12,790	12,790	250,000	8.19%	15,336	15,336	250,000
13	1,200	5.48%	14,163	14,163	250,000	8.19%	17,288	17,288	250,000
14	1,200	5.48%	15,561	15,561	250,000	8.19%	19,350	19,350	250,000
15	1,200	5.48%	16,989	16,989	250,000	8.19%	21,535	21,535	250,000
16	1,200	5.48%	18,446	18,446	250,000	8.20%	23,850	23,850	250,000
17	1,200	5.48%	19,919	19,919	250,000	8.20%	26,289	26,289	250,000
18	1,200	5.48%	21,399	21,399	250,000	8.20%	28,855	28,855	250,000
19	1,200	5.48%	22,875	22,875	250,000	8.20%	31,546	31,546	250,000
20	1,200	5.47%	24,339	24,339	250,000	8.20%	34,363	34,363	250,000

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Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Male/Non-Smoker
Edna Allen - Age 35/Female/Non-Smoker
State - VT

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Policy Year	Contract Premium	*Current Basis A Values				*Current Basis B Values			
		Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year
21	\$1,200	5.47%	\$25,771	\$25,771	\$250,000	8.20%	\$ 37,341	\$ 37,341	\$250,000
22	1,200	5.47%	27,159	27,159	250,000	8.19%	40,454	40,454	250,000
23	1,200	5.47%	28,487	28,487	250,000	8.19%	43,706	43,706	250,000
24	1,200	5.47%	29,741	29,741	250,000	8.19%	47,102	47,102	250,000
25	1,200	5.47%	30,907	30,907	250,000	8.19%	50,648	50,648	250,000
26	1,200	5.47%	31,926	31,926	250,000	8.19%	54,300	54,300	250,000
27	1,200	5.46%	32,795	32,795	250,000	8.18%	58,081	58,081	250,000
28	1,200	5.46%	33,468	33,468	250,000	8.18%	61,971	61,971	250,000
29	1,200	5.46%	33,904	33,904	250,000	8.17%	65,959	65,959	250,000
30	1,200	5.45%	34,067	34,067	250,000	8.17%	70,039	70,039	250,000
31	1,200	5.45%	33,912	33,912	250,000	8.17%	74,198	74,198	250,000
32	1,200	5.44%	33,392	33,392	250,000	8.16%	78,428	78,428	250,000
33	1,200	5.44%	32,461	32,461	250,000	8.16%	82,722	82,722	250,000
34	1,200	5.43%	31,045	31,045	250,000	8.15%	87,058	87,058	250,000
35	1,200	5.42%	29,076	29,076	250,000	8.15%	91,418	91,418	250,000
36	1,200	5.40%	26,432	26,432	250,000	8.14%	95,751	95,751	250,000
37	1,200	5.38%	22,981	22,981	250,000	8.13%	100,000	100,000	250,000
38	1,200	5.35%	18,520	18,520	250,000	8.12%	104,056	104,056	250,000
39	1,200	5.29%	12,901	12,901	250,000	8.11%	107,859	107,859	250,000
40	1,200	5.18%	5,949	5,949	250,000	8.10%	111,340	111,340	250,000

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A Life Insurance Illustration
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Statement of Policy Cost and Benefit Information
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Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Male/Non-Smoker
Edna Allen - Age 35/Female/Non-Smoker
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*Current Basis A Values						*Current Basis B Values				
Policy Year	Contract Premium	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
41	\$1,200	0.00%	\$ 0	\$ 0	\$ 0	8.09%	\$114,410	\$114,410	\$250,000	
42	1,200	0.00%	0	0	0	8.07%	116,969	116,969	250,000	
43	1,200	0.00%	0	0	0	8.05%	118,861	118,861	250,000	
44	1,200	0.00%	0	0	0	8.03%	119,884	119,884	250,000	
45	1,200	0.00%	0	0	0	8.00%	119,806	119,806	250,000	
46	1,200	0.00%	0	0	0	7.96%	118,389	118,389	250,000	
47	1,200	0.00%	0	0	0	7.92%	115,216	115,216	250,000	
48	1,200	0.00%	0	0	0	7.86%	109,948	109,948	250,000	
49	1,200	0.00%	0	0	0	7.78%	102,222	102,222	250,000	
50	1,200	0.00%	0	0	0	7.67%	91,479	91,479	250,000	
51	1,200	0.00%	0	0	0	7.50%	76,983	76,983	250,000	
52	1,200	0.00%	0	0	0	7.21%	57,889	57,889	250,000	
53	1,200	0.00%	0	0	0	6.63%	32,825	32,825	250,000	
54	1,200	0.00%	0	0	0	5.00%	550	550	250,000	
55	0	0.00%	0	0	0	0.00%	0	0	0	
60	0	0.00%	0	0	0	0.00%	0	0	0	
65	0	0.00%	0	0	0	0.00%	0	0	0	
70	0	0.00%	0	0	0	0.00%	0	0	0	

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NATIONAL LIFE INSURANCE COMPANY, MONTPELIER, VT 05604

March 21, 2011

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A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8918(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Male/Non-Smoker
 Edna Allen - Age 35/Female/Non-Smoker
 State - VT

Benefits	Amount
NL LifeCycle Solution	\$25,000
Additional Protection Benefit	225,000
Estate Preservation Rider	134,616
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Balance Sheet Benefit Rider	25%

This illustration of NL LifeCycle Solution values assumes payments are made in the amounts shown and that the illustrated rates and monthly deductions will continue in the future. The interest rate used in the calculation of current values is the weighted average rate shown in the columns below.

Policy Year	Contract Premium	*Current Basis A Values				*Current Basis B Values			
		Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year
75	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
80	0	0.00%	0	0	0	0.00%	0	0	0
85	0	0.00%	0	0	0	0.00%	0	0	0

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Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Policy Year	Death Benefit End Year	Total Level Guideline Premium	Total Single Guideline Premium	Total Maximum Guideline Premium	Total Premium	MEC Total 7 Pay Premium
1	\$384,616	\$ 3,880	\$39,834	\$ 39,834	\$ 1,200	\$ 12,798
2	384,616	7,759	39,834	39,834	2,400	25,596
3	384,616	11,639	39,834	39,834	3,600	38,394
4	384,616	15,519	39,834	39,834	4,800	51,192
5	250,000	19,398	39,834	39,834	6,000	63,990
6	250,000	23,278	39,834	39,834	7,200	76,788
7	250,000	27,157	39,834	39,834	8,400	89,586
8	250,000	31,037	39,834	39,834	9,600	102,384
9	250,000	34,917	39,834	39,834	10,800	115,182
10	250,000	38,796	39,834	39,834	12,000	127,980
11	250,000	42,676	39,834	42,676	13,200	140,778
12	250,000	46,556	39,834	46,556	14,400	153,576
13	250,000	50,435	39,834	50,435	15,600	166,374
14	250,000	54,315	39,834	54,315	16,800	179,172
15	250,000	58,194	39,834	58,194	18,000	191,970
16	250,000	62,074	39,834	62,074	19,200	204,768
17	250,000	65,954	39,834	65,954	20,400	217,566
18	250,000	69,833	39,834	69,833	21,600	230,364

THE GUIDELINE PREMIUMS SERVE AS A LIMIT ON THE FUNDING OF THIS CONTRACT TO ENSURE ITS QUALIFICATION AS LIFE INSURANCE UNDER SECTION 7702 OF THE INTERNAL REVENUE CODE.

NATIONAL LIFE INSURANCE COMPANY, MONTPELIER, VT 05604

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Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Policy Year	Death Benefit End Year	Total Level Guideline Premium	Total Single Guideline Premium	Total Maximum Guideline Premium	Total Premium	MEC Total 7 Pay Premium
19	\$250,000	\$ 73,713	\$39,834	\$ 73,713	\$22,800	\$243,162
20	250,000	77,593	39,834	77,593	24,000	255,960
21	250,000	81,472	39,834	81,472	25,200	268,758
22	250,000	85,352	39,834	85,352	26,400	281,556
23	250,000	89,231	39,834	89,231	27,600	294,354
24	250,000	93,111	39,834	93,111	28,800	307,152
25	250,000	96,991	39,834	96,991	30,000	319,950
26	250,000	100,870	39,834	100,870	31,200	332,748
27	250,000	104,750	39,834	104,750	32,400	345,546
28	250,000	108,630	39,834	108,630	33,600	358,344
29	250,000	112,509	39,834	112,509	34,800	371,142
30	250,000	116,389	39,834	116,389	36,000	383,940
31	250,000	120,269	39,834	120,269	37,200	396,738
32	250,000	124,148	39,834	124,148	38,400	409,536
33	250,000	128,028	39,834	128,028	39,600	422,334
34	250,000	131,907	39,834	131,907	40,800	435,132
35	250,000	135,787	39,834	135,787	42,000	447,930

THE GUIDELINE PREMIUMS SERVE AS A LIMIT ON THE FUNDING OF THIS CONTRACT TO ENSURE ITS QUALIFICATION AS LIFE INSURANCE UNDER SECTION 7702 OF THE INTERNAL REVENUE CODE.

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Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Policy Year	Death Benefit End Year	Total Level Guideline Premium	Total Single Guideline Premium	Total Maximum Guideline Premium	Total Premium	MEC Total 7 Pay Premium
36	\$250,000	\$139,667	\$39,834	\$139,667	\$43,200	\$460,728
37	250,000	143,546	39,834	143,546	44,400	473,526
38	250,000	147,426	39,834	147,426	45,600	486,324
39	250,000	151,306	39,834	151,306	46,800	499,122
40	250,000	155,185	39,834	155,185	48,000	511,920
41	250,000	159,065	39,834	159,065	49,200	524,718
42	250,000	162,944	39,834	162,944	50,400	537,516
43	250,000	166,824	39,834	166,824	51,600	550,314
44	250,000	170,704	39,834	170,704	52,800	563,112
45	250,000	174,583	39,834	174,583	54,000	575,910
46	250,000	178,463	39,834	178,463	55,200	588,708
47	250,000	182,343	39,834	182,343	56,400	601,506
48	250,000	186,222	39,834	186,222	57,600	614,304
49	250,000	190,102	39,834	190,102	58,800	627,102
50	250,000	193,982	39,834	193,982	60,000	639,900
51	250,000	197,861	39,834	197,861	61,200	652,698
52	250,000	201,741	39,834	201,741	62,400	665,496
53	250,000	205,620	39,834	205,620	63,600	678,294

THE GUIDELINE PREMIUMS SERVE AS A LIMIT ON THE FUNDING OF THIS CONTRACT TO ENSURE ITS QUALIFICATION AS LIFE INSURANCE UNDER SECTION 7702 OF THE INTERNAL REVENUE CODE.

NATIONAL LIFE INSURANCE COMPANY, MONTPELIER, VT 05604

March 21, 2011

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v11.1

A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8918(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Male/Non-Smoker
 Edna Allen - Age 35/Female/Non-Smoker
 State - VT

Benefits	Amount
NL LifeCycle Solution	\$25,000
Additional Protection Benefit	225,000
Estate Preservation Rider	134,616
Policy Split Option Rider	
Survivor Protection Rider	153,238
Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

	Death	Total	Total	Total		MEC
Policy	Benefit	Level	Single	Maximum	Total	Total
Year	End Year	Guideline	Guideline	Guideline	Premium	7 Pay
		Premium	Premium	Premium		Premium
54	\$250,000	\$209,500	\$39,834	\$209,500	\$64,800	\$691,092

THE GUIDELINE PREMIUMS SERVE AS A LIMIT ON THE FUNDING OF THIS CONTRACT TO ENSURE ITS QUALIFICATION AS LIFE INSURANCE UNDER SECTION 7702 OF THE INTERNAL REVENUE CODE.

Policy Cost and Benefit Summary

Prepared for

Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Male/Non-Smoker

Edna Allen - Age 35/Female/Non-Smoker

State - VT

\$25,000 NL LifeCycle Solution with benefits previously described.

Policy Year	Guaranteed Annual Cash Flow	Guaranteed End Year Net Cash Value	Guaranteed End Year Net Death Benefit	Current Annual Cash Flow*	Current End Year Net Cash Value*	Current End Year Net Death Benefit*
5	\$(1,200)	\$56	\$250,000	\$(1,200)	\$ 4,200	\$250,000
10	(1,200)	0	250,000	(1,200)	11,702	250,000
20	(1,200)	0	250,000	(1,200)	34,363	250,000
30	(1,200)	0	250,000	(1,200)	70,039	250,000

Policy Year	Averaged Annual Cash Flow*	Averaged Net Equity End Year*	Averaged Net Death Benefit End Year*
5	\$(1,200)	\$1,670	\$250,000
10	(1,200)	4,963	250,000
20	(1,200)	9,652	250,000
30	(1,200)	2,750	250,000

* Benefits and values are not guaranteed. The assumptions on which they are based are subject to change by the insurer. Actual results may be more or less favorable.

I have received a copy of this illustration and understand that any non-guaranteed elements illustrated are subject to change and could be either higher or lower. The agent has told me they are not guaranteed. I UNDERSTAND THAT HISTORICAL PERFORMANCE OF THE S&P 500® INDEX SHOULD NOT BE CONSIDERED A REPRESENTATION OF THE PAST OR FUTURE PERFORMANCE FOR ANY OF THE INDEXED STRATEGIES IN THE POLICY.

Date _____ Applicant _____

I certify that this illustration has been presented to the applicant and that I have explained that any non-guaranteed elements illustrated are subject to change. I have made no statements that are inconsistent with the illustration.

Date _____ Agent _____

NATIONAL LIFE INSURANCE COMPANY, MONTPELIER, VT 05604

March 21, 2011

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v11.1

A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8919(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Unisex/Non-Smoker
Edna Allen - Age 35/Unisex/Non-Smoker
State - MT

Benefits	Amount
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Policy Split Option Rider	
Survivor Protection Rider	153,238
Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Agent address:
1 National Life Drive
Montpelier, Vermont 05604
802 229-3333

NL LifeCycle Solution is a flexible premium, adjustable death benefit individual life insurance policy, commonly referred to as Survivorship Universal Life. It features indexed crediting options. NL LifeCycle Solution insures two lives and pays the death benefit at the second death.

This illustration assumes that the currently illustrated non-guaranteed elements will continue unchanged for all years shown. This is not likely to occur and actual results may be more or less favorable than those shown.

Additional Protection Benefit Rider provides an additional death benefit at a lower cost than the cost of the base policy.

Estate Preservation Rider provides 4 years of second-to-die term coverage. It is designed for use where the policy is issued outside of an irrevocable life insurance trust but is to be transferred into such a trust within a year after the policy is issued. The rider will provide an additional amount of death benefit to cover additional estate tax, until the policy has been in the trust for three years and the death benefit is no longer included in the estate of the second insured to die.

Policy Split Option Rider permits the owner of the policy to split the coverage into two separate policies in the event of a material change in the federal estate tax law or should the insureds divorce.

Survivor Protection Rider [Form Series 8931] provides first to die term coverage. It is designed to provide a benefit as an income stream which will be paid for a certain number of years after the death of one insured or as a discounted lump sum. A portion of the benefit will not be taxable pursuant to section 101(d) of the Internal Revenue Code and related regulations. Policy owners may want to consult with their tax advisors to better understand the tax implications. Please consult the rider form for more details.

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Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Death Benefit Protection Rider provides that the policy will not lapse in the first 30 policy years even if the net cash surrender value is less than or equal to zero provided that premiums paid reduced by withdrawals, both accumulated with interest, less the policy loan balance, equals or exceeds the accumulation with interest of the Monthly Guaranteed Premiums.

For the initial benefit amount, the monthly Minimum Guaranteed Premium is \$58.62. The Monthly Guaranteed Premium may change if the policyholder exercises certain rights in the contract. The interest rate at which premiums, withdrawals and Monthly Guaranteed Premiums are accumulated is equal to an effective annual rate of 5.00%. Please consult the rider form for more details.

Lifetime Income Benefit Rider [Form Series 8932] provides a benefit for the lifetime of both insureds in exchange for a charge from the accumulated value and provided that certain conditions are met. Conditions include but are not limited to the following: the younger insured must be at least age 60 but no greater than age 85; and the policy must have been in force for at least 10 years or at least 10 years have passed since the last face amount increase, whichever is later; and any outstanding policy loans must be repaid in full. The benefit payments are deducted from the accumulated value through policy loans until a minimum threshold is met. Once the minimum threshold is met, the following events occur: the benefit payments will continue to be paid for the lifetime of both insureds, a one time charge will be deducted from the cash surrender value; all other monthly deductions will be terminated; and the net death benefit and cash surrender value will continue to be reduced by the benefit payments until they reach respective minimum floors. The benefit payments will become taxable once the minimum threshold is met if the policy is not a modified endowment contract. All benefit payments will be taxable on modified endowment contracts. Policy owners may want to consult with their tax advisors to better understand the tax implications. Please consult the rider form for more details.

Overloan Protection Rider, when exercised under certain conditions, will prevent the policy from lapsing due to the outstanding policy loan exceeding the Accumulated Value less the Surrender Charge. Limitations apply to exercising the Overloan Protection Rider, which include that the policy be in force at least 15 years and the younger insured having attained the age of 75. Exercising the rider results in a paid-up policy. There is no cost for this optional rider, however, there is a fee when the rider is exercised.

Balance Sheet Benefit Rider, waives the percentage of policy Surrender Charges specified by the policyowner at issue.

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Prepared for
 Ethan Allen and Edna Allen

Presented by Sample Agent

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Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Definitions of key terms and column headings:

Age - The insured's age at nearest birthday.

Policy Year - The year of the policy for which information is being illustrated.

Planned Premium - The annualized premium that is required under the illustrated policy.

Weighted Average Interest Rate - The weighted average interest rate is used to compute current policy values. This rate varies by policy year, and is based upon the amount of money required in the Basic Strategy and the allocation between the other five strategies described in the illustration.

Accumulated Value End Year - The policy equity at the end of the policy year. Current interest rates and policy charges are not guaranteed.

Cash Surrender Value End Year - The policy equity at the end of the policy year, after deductions for any applicable surrender charges and any outstanding policy loans and loan interest. Current interest rates and policy charges are not guaranteed.

Death Benefit End Year - The entire policy death benefit at the end of the policy year, after deductions for any outstanding policy loans and loan interest. Current interest rates and policy charges are not guaranteed.

Total Level Guideline Premium - The sum of the guideline level premiums calculated for the current policy year and each prior year. It is a level premium calculated at issue based on policy guarantees and an interest rate not less than 4% as specified in IRC section 7702.

Total Single Guideline Premium - The sum of the guideline single premium calculated for the current policy year and each prior year. It is calculated at issue based on policy guarantees and an interest rate not less than 6% as specified in IRC section 7702.

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Presented by Sample Agent

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Edna Allen - Age 35/Unisex/Non-Smoker

State - MT

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Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Total Maximum Guideline Premium - The larger of the numbers in the total guideline level and the total guideline single premium columns. For a policy to qualify as life insurance, the sum of all premiums paid in the current and prior policy years cannot exceed the amount shown in this column for the current year. This must be true in every policy year.

Total Premium - The MEC total premium for any policy year is the sum of the premiums paid into the policy in the current policy year and prior policy years that are used to determine the MEC status of the policy.

MEC Total 7 Pay Premium - The MEC total 7 pay premium for any policy year is the sum of the annual payments calculated under IRC Section 7702A (the seven pay premium) for this and all prior policy years that determine whether or not the contract is a modified endowment contract (MEC). Upon the first occurrence of a number in the MEC total premium column exceeding the number for the same policy year in this column, the policy will become a MEC. Distributions other than death proceeds from a MEC, including policy loans and partial surrenders of funds will be treated as taxable gain received first and recovery of premium second. In addition to regular income tax, a 10% federal tax penalty is applicable to any taxable distribution from the MEC before the insured reaches age 59 ½. This includes policy terminations.

Guaranteed Annual Cash Flow - The annual (cost) of the policy or the annual amount of proceeds received from the policy before income taxes are included, based on guaranteed values.

Guaranteed End Year Net Cash Value - The guaranteed equity at the end of the policy year less any outstanding policy loans, loan interest, and applicable surrender charges.

Guaranteed End Year Net Death Benefit - The guaranteed death benefit at the end of the policy year less any policy loans, loan interest and applicable surrender charges.

Current Annual Cash Flow* - The annual (cost) of the policy or the annual amount of proceeds received from the policy before income taxes are included, based on the current interest rate and charges.

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Benefits	Amount
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Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Averaged Annual Cash Flow* - The annual (cost) of the policy or the annual amount of proceeds received from the policy before income taxes are included, based on the assumption credited interest rate and other charges are an average of current and guaranteed rates.

Averaged Net Equity End Year* - The entire policy equity at the end of the year after deductions for any outstanding policy loans and loan interest. Values in this column are based on the assumption credited interest rate and other charges are an average of current and guaranteed rates.

Averaged Net Death Benefit End Year* - The entire policy death benefit at the end of the year after deductions for any outstanding policy loans and loan interest. Values in this column are based on the assumption credited interest rate and other charges are an average of current and guaranteed rates.

Annual Planned Payments have been assumed to be received at the beginning of each billing period.

All values shown are end of policy year values.

The Guaranteed Basis uses an interest rate and maximum monthly deductions guaranteed by the Company. It is the most conservative basis used for the calculation of illustrated values.

The policy as illustrated using Current Basis A will provide coverage for 40 policy years based on the Current Basis A interest rates and the current charges by the Company. Coverage will then terminate unless a higher premium is paid.

The policy as illustrated using Current Basis B will provide coverage for 54 policy years based on the Current Basis B interest rates and the current charges by the Company. Coverage will then terminate unless a higher premium is paid.

The policy as illustrated on an average basis will provide coverage for 31 years based on the average interest rates credited and the average charges by the Company. The average interest rates are the average of the guaranteed interest rate and the Current Basis B illustrated interest rates. The average charges are the average of guaranteed charges and current charges.

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 State - MT

Benefits	Amount
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Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

The policy as illustrated on a guaranteed basis will provide coverage for 30 policy years based on the guaranteed interest rate credited and the guaranteed charges by the Company. Coverage will then terminate unless a higher premium is paid.

The following is a statement of costs and benefits for the NL LifeCycle Solution policy illustrated on the following pages. The Net Payment Index shows your average annual outlay per \$1000 of Death Benefit. The Surrender Cost Index is the average annual amount of each planned premium that is not returned if the policy is surrendered for its cash value at the end of the year cited.

INTEREST ADJUSTED COST INDEXES AT 5%

CURRENT BASIS

	YEAR 10	YEAR 20
Net Payment	\$3.85	\$4.16
Surrender Cost	\$1.01	\$.73

GUARANTEED BASIS

	YEAR 10	YEAR 20
Net Payment	\$3.85	\$4.16
Surrender Cost	\$3.85	\$4.16

An explanation of the intended use of the above cost indexes is provided in the Life Insurance Buyer's Guide.

Please Note: The illustrated values that make up this ledger proposal should not be regarded as an offer nor as a contract to insure. If the presentation, of which this ledger is a part results in a policy being issued with different illustrated values than those in this ledger, the actual values illustrated with the policy shall control.

IMPORTANT INTERNAL INFORMATION

Monthly Guarantee Premium: \$58.62
 Target Premium: \$280.85
 This Target Premium does not apply to internal replacements.

A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8919(0511)
Statement of Policy Cost and Benefit Information
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Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Unisex/Non-Smoker

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State - MT

Benefits	Amount
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Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Survivor Protection Rider

Survivor Protection Rider provides a benefit payment after the death of an insured.

- Benefit Amount: \$10,000
- Payout Years: 20
- Rider Cease Age: 100 (Younger Insured)

At the time the Survivor Protection Rider is exercised the beneficiary of the rider has the option to receive a discounted lump sum of \$153,238 or change the years of payout if desired.

UNDERWRITING DATA

Ethan Allen
Non-Smoker

Edna Allen
Non-Smoker

A Life Insurance Illustration
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Balance Sheet Benefit Rider	25%

Indexed Strategies

This product is a life insurance product and does not represent an investment in the stock market.

This product features a fixed crediting strategy and four indexed crediting strategies. The following is a summary of the characteristics of the indexed crediting strategies that are available in this policy. Please refer to the policy for complete details. In the event of any conflict, the policy language will control.

This policy features four distinct indexed crediting strategies, Indexed Strategy 1, which uses a point-to-point crediting method, Indexed Strategy 2, which uses a point-to-point crediting method with a focus on the Participation Rate, Indexed Strategy 3, which uses a point-to-point crediting method with no Earnings Cap, and Equity Indexed Strategy 4, which uses a point-to-average crediting method with no Earnings Cap.

For Indexed Strategies 1, 2, and 3, the Annual Index Growth is calculated as the percentage increase in the Index, if any, from one segment anniversary to the next segment anniversary.

For Indexed Strategy 4, the daily average value of the Index is calculated for the period covering one segment anniversary to the next segment anniversary. The Annual Index Growth is calculated as the percentage increase in the daily average value, if any, over the Index value on the preceding segment anniversary.

Each transfer to an indexed strategy creates a distinct Indexed Segment with a segment length of one year. Index Earnings are credited to each Indexed Segment on the annual segment anniversary. Index Earnings are not calculated or credited between segment anniversaries. Each Indexed Segment will have a Participation Rate and an Index Earnings Cap, which are determined in advance for each twelve-month period and are subject to change on each segment anniversary.

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The Index Earnings for an Indexed Segment on the segment anniversary are calculated as the Annual Index Growth for the segment, multiplied by the segment's Participation Rate, with this product adjusted so that it is no less than 0% and no greater than the segment's Index Earnings Cap.

At the end of the one-year segment length, the value in that segment is transferred to the Basic Strategy for automatic reallocation using the strategy allocation in force at that time. This strategy allocation may be changed by the Owner upon request.

The Index for these strategies will be the S&P 500[®] Index, excluding dividends. The Annual Index Growth for an Indexed Segment is calculated on the segment anniversary based on the performance of the Index.

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The historical rates shown below were based on the Average Rate of Return for the S&P 500[®] computed backwards from 12/21/2010 for the number of years indicated and adjusted by the cap, floor, and participation rates for each of the Index Strategies as indicated on the following page.

The actual credited rate for each policy year will vary based on the actual change in the index. These figures do not represent actual interest that would have been credited because the Participation rate and Cap would have changed over time and actual results would have been different. There are administrative, cost of insurance and other charges associated with the NL LifeCycle Solution IUL policy. The historical returns by strategy do not reflect these charges. It is not meant to predict future performance. It is not possible to know in advance what the actual credited rate will be.

Hypothetical Returns by Strategy

	Equity Indexed Strategy 1	Equity Indexed Strategy 2	Equity Indexed Strategy 3	Equity Indexed Strategy 4
5-Year Average Rate of Return	6.70%	6.80%	6.00%	5.50%
10-Year Average Rate of Return	5.70%	6.00%	4.90%	4.60%
20-Year Average Rate of Return	7.90%	8.00%	7.40%	6.40%
1984 - 2010 Average Rate of Return	8.30%	8.30%	7.90%	6.90%
Maximum Illustrated Rate*	8.30%	8.30%	7.90%	6.90%

* The maximum illustrated interest rate for each strategy is based upon the historical performance, from 12/21/1984 to 12/21/2010, of the S&P 500[®] adjusted for the current Participation Rate and Index Earnings Cap - if applicable - per Strategy as indicated on the following page.

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The chart below reflects the current and guaranteed cap rates and participation rates and maximum illustration rate for each Indexed Strategy. The current rates are not guaranteed and are subject to change, but will never be lower than the guaranteed rates.

Indexed Crediting Method

	Indexed Strategy 1	Indexed Strategy 2	Indexed Strategy 3	Indexed Strategy 4
Current Cap Rate	13.50%	12.00%	No Cap	No Cap
Guaranteed Cap Rate	3.1%	3.0%	No Cap	No Cap
Current Participation Rate	100%	140%	62%	105%
Guaranteed Participation Rate	100%	110%	25%	30%
Maximum Illustration Rate	8.30%	8.30%	7.90%	6.90%

The illustrated assumed interest rates cannot exceed the maximum illustration rates allowed by the company, as shown above. The maximum illustration rates are based on applying the current cap rates and participation rates to the S&P 500[®] Index historical performance from 1984 through 2010. The historical performance of the S&P 500[®] Index should not be considered a representation of past or future performance for any of the Indexed Strategies available in this policy, nor is it an estimate of the returns that a policyholder can expect based on the current caps and participation rates. The future rate credited for any of these strategies may be less than or greater than the non-guaranteed assumed interest rates used in this illustration.

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Non-Guaranteed Assumed Interest Rate Disclosure

Strategy	Initial Allocation	Current Basis A Interest Rate	Current Basis B Interest Rate
Basic Strategy		5.00%	5.00%
Fixed-Term Strategy	0%	5.50%	5.50%
Indexed Strategy 1, point-to-point	100%	5.50%	8.30%
Indexed Strategy 2, point-to-point with Participation Rate focus	0%	5.50%	8.30%
Indexed Strategy 3, point-to-point with no Cap	0%	5.50%	7.90%
Indexed Strategy 4, point-to-average with no Cap	0%	5.50%	6.90%

For illustrative purposes, a weighted average interest rate is used to compute policy values. This weighted average interest rate varies by policy year, and is based upon the amount of money required in the Basic Strategy and the allocation between the other five strategies indicated above.

A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8919(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Unisex/Non-Smoker
 Edna Allen - Age 35/Unisex/Non-Smoker
 State - MT

Benefits	Amount
NL LifeCycle Solution	\$25,000
Additional Protection Benefit	225,000
Estate Preservation Rider	134,616
Policy Split Option Rider	
Survivor Protection Rider	153,238
Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

This illustration of NL LifeCycle Solution values assumes payments are made in the amounts shown and that the illustrated rates and monthly deductions will continue in the future. The interest rate used in the calculation of current values is the weighted average rate shown in the column below. The interest rate used in the calculation of guaranteed values is 2.50%.

Guaranteed Values at 2.50%					*Current Basis B Values				
Policy Year	Planned Premium	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
1	\$ 1,200.00	\$ 84	\$21	\$384,616	7.07%	\$ 789	\$ 459	\$384,616	
2	1,200.00	151	38	384,616	7.54%	1,623	1,322	384,616	
3	1,200.00	196	49	384,616	7.74%	2,501	2,230	384,616	
4	1,200.00	220	55	384,616	7.85%	3,427	3,187	384,616	
5	1,200.00	226	56	250,000	7.93%	4,410	4,202	250,000	
6	1,200.00	206	52	250,000	8.12%	5,700	5,524	250,000	
7	1,200.00	163	41	250,000	8.14%	7,072	6,930	250,000	
8	1,200.00	96	24	250,000	8.16%	8,533	8,426	250,000	
9	1,200.00	0	0	250,000	8.17%	10,087	10,015	250,000	
10	1,200.00	0	0	250,000	8.18%	11,739	11,702	250,000	
	\$12,000.00								
11	1,200.00	0	0	250,000	8.18%	13,485	13,485	250,000	
12	1,200.00	0	0	250,000	8.19%	15,334	15,334	250,000	
13	1,200.00	0	0	250,000	8.19%	17,286	17,286	250,000	
14	1,200.00	0	0	250,000	8.19%	19,345	19,345	250,000	

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Policy Year	Planned Premium	Guaranteed Values at 2.50%			Weighted Average Interest Rate	*Current Basis B Values		
		Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year		Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year
15	\$ 1,200.00	\$ 0	\$ 0	\$250,000	8.20%	\$ 21,530	\$ 21,530	\$250,000
16	1,200.00	0	0	250,000	8.20%	23,844	23,844	250,000
17	1,200.00	0	0	250,000	8.20%	26,283	26,283	250,000
18	1,200.00	0	0	250,000	8.20%	28,848	28,848	250,000
19	1,200.00	0	0	250,000	8.20%	31,538	31,538	250,000
20	1,200.00	0	0	250,000	8.20%	34,354	34,354	250,000
	\$24,000.00							
21	1,200.00	0	0	250,000	8.20%	37,331	37,331	250,000
22	1,200.00	0	0	250,000	8.19%	40,443	40,443	250,000
23	1,200.00	0	0	250,000	8.19%	43,692	43,692	250,000
24	1,200.00	0	0	250,000	8.19%	47,087	47,087	250,000
25	1,200.00	0	0	250,000	8.19%	50,632	50,632	250,000
26	1,200.00	0	0	250,000	8.19%	54,280	54,280	250,000
27	1,200.00	0	0	250,000	8.18%	58,059	58,059	250,000

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March 21, 2011

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A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8919(0511)
Statement of Policy Cost and Benefit Information
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Guaranteed Values at 2.50%					*Current Basis B Values				
Policy Year	Planned Premium	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
28	\$ 1,200.00	\$ 0	\$ 0	\$250,000	8.18%	\$ 61,948	\$ 61,948	\$250,000	
29	1,200.00	0	0	250,000	8.17%	65,934	65,934	250,000	
30	1,200.00	0	0	250,000	8.17%	70,010	70,010	250,000	
	\$36,000.00								
31	1,200.00	0	0	0	8.17%	74,169	74,169	250,000	
32	1,200.00	0	0	0	8.16%	78,400	78,400	250,000	
33	1,200.00	0	0	0	8.16%	82,694	82,694	250,000	
34	1,200.00	0	0	0	8.15%	87,034	87,034	250,000	
35	1,200.00	0	0	0	8.15%	91,402	91,402	250,000	
36	1,200.00	0	0	0	8.14%	95,744	95,744	250,000	
37	1,200.00	0	0	0	8.13%	100,008	100,008	250,000	
38	1,200.00	0	0	0	8.12%	104,087	104,087	250,000	
39	1,200.00	0	0	0	8.11%	107,924	107,924	250,000	
40	1,200.00	0	0	0	8.10%	111,449	111,449	250,000	
	\$48,000.00								

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Guaranteed Values at 2.50%					*Current Basis B Values				
Policy Year	Planned Premium	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
41	\$ 1,200.00	\$ 0	\$ 0	\$ 0	8.09%	\$114,582	\$114,582	\$250,000	
42	1,200.00	0	0	0	8.07%	117,225	117,225	250,000	
43	1,200.00	0	0	0	8.05%	119,226	119,226	250,000	
44	1,200.00	0	0	0	8.03%	120,394	120,394	250,000	
45	1,200.00	0	0	0	8.00%	120,515	120,515	250,000	
46	1,200.00	0	0	0	7.97%	119,365	119,365	250,000	
47	1,200.00	0	0	0	7.93%	116,542	116,542	250,000	
48	1,200.00	0	0	0	7.87%	111,728	111,728	250,000	
49	1,200.00	0	0	0	7.80%	104,594	104,594	250,000	
50	1,200.00	0	0	0	7.70%	94,612	94,612	250,000	
	\$60,000.00								
51	1,200.00	0	0	0	7.55%	81,095	81,095	250,000	
52	1,200.00	0	0	0	7.30%	63,288	63,288	250,000	
53	1,200.00	0	0	0	6.83%	39,848	39,848	250,000	
54	1,200.00	0	0	0	5.61%	9,543	9,543	250,000	

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March 21, 2011

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Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Unisex/Non-Smoker
 Edna Allen - Age 35/Unisex/Non-Smoker
 State - MT

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Guaranteed Values at 2.50%					*Current Basis B Values				
Policy Year	Planned Premium	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
55	\$ 0.00	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	
60	0.00 \$64,800.00	0	0	0	0.00%	0	0	0	
65	0.00	0	0	0	0.00%	0	0	0	
70	0.00 \$64,800.00	0	0	0	0.00%	0	0	0	
75	0.00	0	0	0	0.00%	0	0	0	
80	0.00 \$64,800.00	0	0	0	0.00%	0	0	0	
85	0.00 \$64,800.00	0	0	0	0.00%	0	0	0	

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Policy Year	Contract Premium	*Current Basis A Values				*Current Basis B Values			
		Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year
1	\$1,200	5.31%	\$ 773	\$ 193	\$384,616	7.07%	\$ 789	\$ 459	\$384,616
2	1,200	5.38%	1,569	826	384,616	7.54%	1,623	1,322	384,616
3	1,200	5.41%	2,386	1,717	384,616	7.74%	2,501	2,230	384,616
4	1,200	5.43%	3,223	2,632	384,616	7.85%	3,427	3,187	384,616
5	1,200	5.44%	4,089	3,575	250,000	7.93%	4,410	4,202	250,000
6	1,200	5.47%	5,217	4,784	250,000	8.12%	5,700	5,524	250,000
7	1,200	5.47%	6,385	6,034	250,000	8.14%	7,072	6,930	250,000
8	1,200	5.47%	7,593	7,327	250,000	8.16%	8,533	8,426	250,000
9	1,200	5.47%	8,840	8,660	250,000	8.17%	10,087	10,015	250,000
10	1,200	5.48%	10,125	10,034	250,000	8.18%	11,739	11,702	250,000
11	1,200	5.48%	11,441	11,441	250,000	8.18%	13,485	13,485	250,000
12	1,200	5.48%	12,787	12,787	250,000	8.19%	15,334	15,334	250,000
13	1,200	5.48%	14,160	14,160	250,000	8.19%	17,286	17,286	250,000
14	1,200	5.48%	15,555	15,555	250,000	8.19%	19,345	19,345	250,000
15	1,200	5.48%	16,985	16,985	250,000	8.20%	21,530	21,530	250,000
16	1,200	5.48%	18,441	18,441	250,000	8.20%	23,844	23,844	250,000
17	1,200	5.48%	19,913	19,913	250,000	8.20%	26,283	26,283	250,000
18	1,200	5.48%	21,393	21,393	250,000	8.20%	28,848	28,848	250,000
19	1,200	5.48%	22,868	22,868	250,000	8.20%	31,538	31,538	250,000
20	1,200	5.47%	24,331	24,331	250,000	8.20%	34,354	34,354	250,000

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*Current Basis A Values						*Current Basis B Values			
Policy Year	Contract Premium	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year
21	\$1,200	5.47%	\$25,762	\$25,762	\$250,000	8.20%	\$ 37,331	\$ 37,331	\$250,000
22	1,200	5.47%	27,148	27,148	250,000	8.19%	40,443	40,443	250,000
23	1,200	5.47%	28,473	28,473	250,000	8.19%	43,692	43,692	250,000
24	1,200	5.47%	29,726	29,726	250,000	8.19%	47,087	47,087	250,000
25	1,200	5.47%	30,890	30,890	250,000	8.19%	50,632	50,632	250,000
26	1,200	5.47%	31,904	31,904	250,000	8.19%	54,280	54,280	250,000
27	1,200	5.46%	32,770	32,770	250,000	8.18%	58,059	58,059	250,000
28	1,200	5.46%	33,439	33,439	250,000	8.18%	61,948	61,948	250,000
29	1,200	5.46%	33,869	33,869	250,000	8.17%	65,934	65,934	250,000
30	1,200	5.45%	34,024	34,024	250,000	8.17%	70,010	70,010	250,000
31	1,200	5.45%	33,860	33,860	250,000	8.17%	74,169	74,169	250,000
32	1,200	5.44%	33,331	33,331	250,000	8.16%	78,400	78,400	250,000
33	1,200	5.44%	32,387	32,387	250,000	8.16%	82,694	82,694	250,000
34	1,200	5.43%	30,958	30,958	250,000	8.15%	87,034	87,034	250,000
35	1,200	5.42%	28,973	28,973	250,000	8.15%	91,402	91,402	250,000
36	1,200	5.40%	26,310	26,310	250,000	8.14%	95,744	95,744	250,000
37	1,200	5.38%	22,841	22,841	250,000	8.13%	100,008	100,008	250,000
38	1,200	5.35%	18,356	18,356	250,000	8.12%	104,087	104,087	250,000
39	1,200	5.29%	12,711	12,711	250,000	8.11%	107,924	107,924	250,000
40	1,200	5.17%	5,728	5,728	250,000	8.10%	111,449	111,449	250,000

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March 21, 2011

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Policy Year	Contract Premium	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	
41	\$1,200	0.00%	\$ 0	\$ 0	\$ 0	8.09%	\$114,582	\$114,582	\$250,000	
42	1,200	0.00%	0	0	0	8.07%	117,225	117,225	250,000	
43	1,200	0.00%	0	0	0	8.05%	119,226	119,226	250,000	
44	1,200	0.00%	0	0	0	8.03%	120,394	120,394	250,000	
45	1,200	0.00%	0	0	0	8.00%	120,515	120,515	250,000	
46	1,200	0.00%	0	0	0	7.97%	119,365	119,365	250,000	
47	1,200	0.00%	0	0	0	7.93%	116,542	116,542	250,000	
48	1,200	0.00%	0	0	0	7.87%	111,728	111,728	250,000	
49	1,200	0.00%	0	0	0	7.80%	104,594	104,594	250,000	
50	1,200	0.00%	0	0	0	7.70%	94,612	94,612	250,000	
51	1,200	0.00%	0	0	0	7.55%	81,095	81,095	250,000	
52	1,200	0.00%	0	0	0	7.30%	63,288	63,288	250,000	
53	1,200	0.00%	0	0	0	6.83%	39,848	39,848	250,000	
54	1,200	0.00%	0	0	0	5.61%	9,543	9,543	250,000	
55	0	0.00%	0	0	0	0.00%	0	0	0	
60	0	0.00%	0	0	0	0.00%	0	0	0	
65	0	0.00%	0	0	0	0.00%	0	0	0	
70	0	0.00%	0	0	0	0.00%	0	0	0	

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		*Current Basis A Values				*Current Basis B Values			
Policy Year	Contract Premium	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year	Weighted Average Interest Rate	Accumulated Value End Year	Cash Surrender Value End Year	Death Benefit End Year
75	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
80	0	0.00%	0	0	0	0.00%	0	0	0
85	0	0.00%	0	0	0	0.00%	0	0	0

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A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8919(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Unisex/Non-Smoker
 Edna Allen - Age 35/Unisex/Non-Smoker
 State - MT

Benefits	Amount
NL LifeCycle Solution	\$25,000
Additional Protection Benefit	225,000
Estate Preservation Rider	134,616
Policy Split Option Rider	
Survivor Protection Rider	153,238
Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Policy Year	Death Benefit End Year	Total Level Guideline Premium	Total Single Guideline Premium	Total Maximum Guideline Premium	Total Premium	MEC Total 7 Pay Premium
1	\$384,616	\$ 3,821	\$39,361	\$ 39,361	\$ 1,200	\$ 12,590
2	384,616	7,642	39,361	39,361	2,400	25,180
3	384,616	11,464	39,361	39,361	3,600	37,770
4	384,616	15,285	39,361	39,361	4,800	50,360
5	250,000	19,106	39,361	39,361	6,000	62,950
6	250,000	22,927	39,361	39,361	7,200	75,540
7	250,000	26,749	39,361	39,361	8,400	88,130
8	250,000	30,570	39,361	39,361	9,600	100,720
9	250,000	34,391	39,361	39,361	10,800	113,310
10	250,000	38,212	39,361	39,361	12,000	125,900
11	250,000	42,034	39,361	42,034	13,200	138,490
12	250,000	45,855	39,361	45,855	14,400	151,080
13	250,000	49,676	39,361	49,676	15,600	163,670
14	250,000	53,497	39,361	53,497	16,800	176,260
15	250,000	57,319	39,361	57,319	18,000	188,850
16	250,000	61,140	39,361	61,140	19,200	201,440
17	250,000	64,961	39,361	64,961	20,400	214,030
18	250,000	68,782	39,361	68,782	21,600	226,620

THE GUIDELINE PREMIUMS SERVE AS A LIMIT ON THE FUNDING OF THIS CONTRACT TO ENSURE ITS QUALIFICATION AS LIFE INSURANCE UNDER SECTION 7702 OF THE INTERNAL REVENUE CODE.

NATIONAL LIFE INSURANCE COMPANY, MONTPELIER, VT 05604

March 21, 2011

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A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8919(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Unisex/Non-Smoker
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 State - MT

Benefits	Amount
NL LifeCycle Solution	\$25,000
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Estate Preservation Rider	134,616
Policy Split Option Rider	
Survivor Protection Rider	153,238
Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Policy Year	Death Benefit End Year	Total Level Guideline Premium	Total Single Guideline Premium	Total Maximum Guideline Premium	Total Premium	MEC Total 7 Pay Premium
19	\$250,000	\$ 72,604	\$39,361	\$ 72,604	\$22,800	\$239,210
20	250,000	76,425	39,361	76,425	24,000	251,800
21	250,000	80,246	39,361	80,246	25,200	264,390
22	250,000	84,067	39,361	84,067	26,400	276,980
23	250,000	87,889	39,361	87,889	27,600	289,570
24	250,000	91,710	39,361	91,710	28,800	302,160
25	250,000	95,531	39,361	95,531	30,000	314,750
26	250,000	99,352	39,361	99,352	31,200	327,340
27	250,000	103,173	39,361	103,173	32,400	339,930
28	250,000	106,995	39,361	106,995	33,600	352,520
29	250,000	110,816	39,361	110,816	34,800	365,110
30	250,000	114,637	39,361	114,637	36,000	377,700
31	250,000	118,458	39,361	118,458	37,200	390,290
32	250,000	122,280	39,361	122,280	38,400	402,880
33	250,000	126,101	39,361	126,101	39,600	415,470
34	250,000	129,922	39,361	129,922	40,800	428,060
35	250,000	133,743	39,361	133,743	42,000	440,650

THE GUIDELINE PREMIUMS SERVE AS A LIMIT ON THE FUNDING OF THIS CONTRACT TO ENSURE ITS QUALIFICATION AS LIFE INSURANCE UNDER SECTION 7702 OF THE INTERNAL REVENUE CODE.

A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8919(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Unisex/Non-Smoker
 Edna Allen - Age 35/Unisex/Non-Smoker
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Benefits	Amount
NL LifeCycle Solution	\$25,000
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Estate Preservation Rider	134,616
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Survivor Protection Rider	153,238
Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

Policy Year	Death Benefit End Year	Total Level Guideline Premium	Total Single Guideline Premium	Total Maximum Guideline Premium	Total Premium	MEC Total 7 Pay Premium
36	\$250,000	\$137,565	\$39,361	\$137,565	\$43,200	\$453,240
37	250,000	141,386	39,361	141,386	44,400	465,830
38	250,000	145,207	39,361	145,207	45,600	478,420
39	250,000	149,028	39,361	149,028	46,800	491,010
40	250,000	152,850	39,361	152,850	48,000	503,600
41	250,000	156,671	39,361	156,671	49,200	516,190
42	250,000	160,492	39,361	160,492	50,400	528,780
43	250,000	164,313	39,361	164,313	51,600	541,370
44	250,000	168,135	39,361	168,135	52,800	553,960
45	250,000	171,956	39,361	171,956	54,000	566,550
46	250,000	175,777	39,361	175,777	55,200	579,140
47	250,000	179,598	39,361	179,598	56,400	591,730
48	250,000	183,420	39,361	183,420	57,600	604,320
49	250,000	187,241	39,361	187,241	58,800	616,910
50	250,000	191,062	39,361	191,062	60,000	629,500
51	250,000	194,883	39,361	194,883	61,200	642,090
52	250,000	198,704	39,361	198,704	62,400	654,680
53	250,000	202,526	39,361	202,526	63,600	667,270

THE GUIDELINE PREMIUMS SERVE AS A LIMIT ON THE FUNDING OF THIS CONTRACT TO ENSURE ITS QUALIFICATION AS LIFE INSURANCE UNDER SECTION 7702 OF THE INTERNAL REVENUE CODE.

NATIONAL LIFE INSURANCE COMPANY, MONTPELIER, VT 05604

March 21, 2011

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A Life Insurance Illustration
NL LifeCycle Solution - Universal Life - Policy Form Series ICC11-8919(0511)
Statement of Policy Cost and Benefit Information
Prepared for
Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Unisex/Non-Smoker
 Edna Allen - Age 35/Unisex/Non-Smoker
 State - MT

Benefits	Amount
NL LifeCycle Solution	\$25,000
Additional Protection Benefit	225,000
Estate Preservation Rider	134,616
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Survivor Protection Rider	153,238
Death Benefit Protection Rider	
Lifetime Income Benefit Rider	
Overloan Protection Rider	
Balance Sheet Benefit Rider	25%

	Death	Total	Total	Total		MEC
Policy	Benefit	Level	Single	Maximum	Total	Total
Year	End Year	Guideline	Guideline	Guideline	Premium	7 Pay
		Premium	Premium	Premium		Premium
54	\$250,000	\$206,347	\$39,361	\$206,347	\$64,800	\$679,860

THE GUIDELINE PREMIUMS SERVE AS A LIMIT ON THE FUNDING OF THIS CONTRACT TO ENSURE ITS QUALIFICATION AS LIFE INSURANCE UNDER SECTION 7702 OF THE INTERNAL REVENUE CODE.

Policy Cost and Benefit Summary

Prepared for

Ethan Allen and Edna Allen

Presented by Sample Agent

Ethan Allen - Age 35/Unisex/Non-Smoker

Edna Allen - Age 35/Unisex/Non-Smoker

\$25,000 NL LifeCycle Solution with benefits previously described.

State - MT

Policy Year	Guaranteed Annual Cash Flow	Guaranteed End Year Net Cash Value	Guaranteed End Year Net Death Benefit	Current Annual Cash Flow*	Current End Year Net Cash Value*	Current End Year Net Death Benefit*
5	\$(1,200)	\$56	\$250,000	\$(1,200)	\$ 4,202	\$250,000
10	(1,200)	0	250,000	(1,200)	11,702	250,000
20	(1,200)	0	250,000	(1,200)	34,354	250,000
30	(1,200)	0	250,000	(1,200)	70,010	250,000

Policy Year	Averaged Annual Cash Flow*	Averaged Net Equity End Year*	Averaged Net Death Benefit End Year*
5	\$(1,200)	\$1,672	\$250,000
10	(1,200)	4,963	250,000
20	(1,200)	9,644	250,000
30	(1,200)	2,704	250,000

* Benefits and values are not guaranteed. The assumptions on which they are based are subject to change by the insurer. Actual results may be more or less favorable.

I have received a copy of this illustration and understand that any non-guaranteed elements illustrated are subject to change and could be either higher or lower. The agent has told me they are not guaranteed. I UNDERSTAND THAT HISTORICAL PERFORMANCE OF THE S&P 500® INDEX SHOULD NOT BE CONSIDERED A REPRESENTATION OF THE PAST OR FUTURE PERFORMANCE FOR ANY OF THE INDEXED STRATEGIES IN THE POLICY.

Date _____ Applicant _____

I certify that this illustration has been presented to the applicant and that I have explained that any non-guaranteed elements illustrated are subject to change. I have made no statements that are inconsistent with the illustration.

Date _____ Agent _____

NATIONAL LIFE INSURANCE COMPANY, MONTPELIER, VT 05604

March 21, 2011

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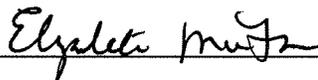
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National Life Insurance Company
Responsible Officer Certification
To Accompany Policy Form Submissions

Regarding: 8918(0511), Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Sex Distinct
8919(0511), Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Unisex
8920(0511), Aircraft Rider
8921(0511), Aircraft Rider - Military
8925(0511), Additional Protection Benefit Rider – Sex Distinct
8926(0511), Additional Protection Benefit Rider – Unisex
8927(0511), Balance Sheet Benefit Rider
8928(0511), Death Benefit Protection Rider
8929(0511), Estate Preservation Rider
8930(0511), Survivor Protection Rider – Sex Distinct
8931(0511), Survivor Protection Rider – Unisex
8932(0511), Lifetime Income Benefit Rider
8933(0511), Overloan Protection Rider
8934(0511), Policy Split Option Rider

I, Elizabeth MacGowan, am the Vice-President of Product Development at National Life Insurance Company. My responsibilities include life insurance illustrations, and I am an officer of National Life Insurance Company.

1. National Life Insurance Company will provide its agents with disclosure information about the expense allocation method used in the product illustrations for the policy forms referenced above.
2. The scales used in insurer authorized illustrations are those scales certified by the illustration actuary.
3. Policies applied for in this state have illustrations that meet the format requirements of the illustration regulation.



Date 3/17/11

Elizabeth MacGowan
Vice-President – Product Development
Responsible Officer for National Life Insurance Company

Statement Date: July 1, 2012
Policy Number: NL1234567
Insureds: Ethan Allen
Edna Allen

Loan Information

Beginning Loan Balance:	\$0.00
New Loans Taken:	\$0.00
Loan Repayments:	\$0.00
Accrued Loan Interest:	\$0.00
Ending Loan Balance:	\$0.00

The Variable Loan Interest Rate during this report period was 5.60%. For the next report period it will be 5.60 %.

Strategy Allocation

Fixed Term Strategy	100.0 %
Indexed Strategy 1 (point to point)	00.0 %
Indexed Strategy 2 (point to point)	00.0 %
Indexed Strategy 3 (point to point)	00.0 %
Indexed Strategy 4 (point to average)	00.0 %

Statement Date: July 1, 2012
 Policy Number: NL1234567
 Insureds: Ethan Allen
 Edna Allen

Transaction Summary

Beginning Accumulated Value \$0.00

Policy Month Ending	Premiums Received	Expense Charges	Rider Charges	Cost of Insurance	Withdrawals	Withdrawal Fees	Interest Credited	Accumulated Value
07/31/11	\$1,200.00	\$96.53	\$0.00	\$0.02	\$0.00	\$0.00	\$4.82	\$1,108.26
08/31/11	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$4.73	\$1,088.44
09/30/11	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$4.64	\$1,068.53
10/31/11	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$4.56	\$1,048.53
11/30/11	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$4.47	\$1,028.45
12/31/11	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$4.38	\$1,008.27
01/31/12	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$4.29	\$988.01
02/28/12	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$4.20	\$967.67
03/31/12	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$4.12	\$947.23
04/30/12	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$4.03	\$926.70
05/31/12	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$3.94	\$906.09
06/30/12	\$0.00	\$24.53	\$0.00	\$0.02	\$0.00	\$0.00	\$3.85	\$885.38
Total	\$1,200.00	\$366.40	\$0.00	\$0.24	\$0.00	\$0.00	\$52.01	

Statement Date: July 1, 2012
Policy Number: NL1234567
Insureds: Ethan Allen
Edna Allen

Strategy Allocation Summary

No data applicable to this section.

Forecast Information

The following one-year projection of values is mandated by state insurance regulations. The assumptions used in the projection comply with state requirements and are shown below. The projection demonstrates results under one possible set of assumptions and is not a prediction of future policy values.

Assumptions used in forecast

• Minimum Guaranteed Interest of 2.50%	Projections Date:	June 30, 2013
• Guaranteed Maximum Charges	Projected Death Benefit:	\$250,000.00
• Payment of Planned Periodic Premiums	Projected Accumulated Value:	\$1,200.00
• No loan principal repayments	Projected Cash Surrender Value:	\$677.43
• Loan Interest paid in cash when due		
• No Acceleration of Proceeds		

Note: The policy's cash surrender value will not maintain insurance in force until the end of the next reporting period assuming guaranteed interest, mortality and expenses unless further premium payments are made.

IMPORTANT POLICY OWNER NOTICE: You should consider requesting more detailed information about your policy to understand how it may perform in the future. You should not consider replacement of your policy or make changes in your coverage without requesting a current illustration. You may annually request, without charge, such an illustration by contacting the Life Administrative Office or your agent. If you do not receive a current illustration of your policy within 30 days from your request, you should contact your state insurance department.

Statement Date: July 1, 2012
Policy Number: NL1234567
Insureds: Ethan Allen
Edna Allen

Glossary of Terms

Beginning Accumulated Value:	The value of all funds in your policy on the first day of the policy year prior to any financial transactions processed on that day except for any dividend credited.
Premiums Received:	The actual premium payments for your policy received during the month shown.
Expense Charges:	The dollar amount deducted from your premium payment or accumulated value to cover administrative costs. It includes the monthly administrative charge and the accumulated value percent of premium expense charge.
Rider Charges:	The charge for any riders included in your policy.
Cost of Insurance:	The current monthly cost of pure insurance protection for your policy.
Withdrawals:	The amount of surrender value that was withdrawn from the policy at your request. Withdrawals reduce the accumulated value of your policy and the current death benefit.
Interest Credited:	The amount of interest credited to the accumulated value for the month shown. Current interest rates are declared monthly for new premium payments and are never less than the 2.50% guaranteed in this policy.
Ending Accumulated Value:	The value of all funds in this policy at the end of the month shown. It is equal to the preceding month's ending accumulated value plus premiums received and interest credited minus cost of insurance, rider charges, expense charges, and withdrawals.



For Service Contact:

A. K. Green
19 Vista Drive
Barre, Vermont 05641
802 479-3333

Or Our Local Office:

Starr Barnum
2100 Church Street
Burlington, Vermont 05601
802 860-3333

NATIONAL LIFE INSURANCE COMPANY

STATEMENT OF VARIABILITY

**FLEXIBLE PREMIUM ADJUSTABLE BENEFIT SURVIVORSHIP LIFE INSURANCE WITH
AN INDEX-LINKED INTEREST OPTION**

Form Numbers: 8918(0511), 8919(0511), 8925(0511), 8926(0511), 8927(0511), 8928(0511), 8929(0511), 8930(0511), 8931(0511), 8932(0511), 8933(0511).

The policy Covers and Data Pages within the submitted policies contain brackets, used to designate variable items that may be unique for each policyholder or issue of the submitted policy. Descriptions of the bracketed items follow:

Variables for the company address, website address, telephone number, and logo – these items are subject to change.

PRESIDENT & CHIEF EXECUTIVE OFFICER AND SECRETARY: These are subject to variability only upon a change of officer status.

POLICY NUMBER: This 7-digit number is the unique policy number by which we distinguish each policy issued on this form. This number appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

FIRST INSURED AND SECOND INSURED: These are the Insureds' names, and will be unique to each Insured. This appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

ISSUE AGE: This is the issue age of each named Insured and appears on the Cover and within the Data Pages. The issue ages for this policy are 0 - 90.

FACE AMOUNT: This amount will be unique to the policy based on each individual situation and appears on the Cover and within the Data Pages. Minimum Face Amount is \$250,000 per policy for individual issues.

OWNER: The statement “As stated in the application unless later changed” will appear to identify the owner, unless or until a revised Data Page is prepared to specify a new owner. In these circumstances, the name of the new owner will be stated, such name being unique to each owner.

BENEFICIARY: The statement “As stated in the application unless later changed” will appear to identify the beneficiary, unless or until a revised Data Page is prepared to specify a new beneficiary. In these circumstances, the name of the new beneficiary will be stated, such name being unique to each beneficiary.

MONTHLY POLICY DATE: This can take the variables of the “1st” through the “31st”.

DEATH BENEFIT OPTION: This can take the variables of “A” or “B”.

MINIMUM MONTHLY PREMIUM: This is the lowest premium that will be accepted on this policy. The minimum monthly premium accepted is \$25.00. The conditions for change of the minimum monthly premium would be based upon the Face Amount of the policy, the age and rate classification of the Insured.

POLICY PROTECTION PERIOD: This is a ten-year period beginning on the effective date of the policy.

MONTHLY GUARANTEED PREMIUM: This is the premium amount that will display only if the Death Benefit Protection Rider is attached to the base policy.

PLANNED PERIODIC PREMIUM: This is the premium that the applicant has asked be billed. It's value is unique to the interests of each applicant.

PREMIUM INTERVAL: This denotes the number of premiums payable each year, as requested by the applicant in establishing his or her planned periodic premium and premium interval and can take the variables of "AT ISSUE", "ANNUALLY", "SEMI-ANNUALLY", "QUARTERLY", "MONTHLY" or "CHECK-O-MATIC".

FOR PREMIUM PAYMENT PERIOD: This date varies with values of the Effective Date and the Attained Age of 120 of the younger of the Insureds.

LOAN INTEREST RATE: This percentage varies from 3.00% to the Published Monthly Average of the Moody's Corporate Bond Yield Average – Monthly Average Corporates for the calendar month ending two months before the calendar month in which the Policy Anniversary occurs.

ICC11-LFCS: This acronym will appear for the sex distinct version of the policy. If the policy is issued as unisex, the acronym will be followed by: " /U ".

EFFECTIVE DATE or RIDER EFFECTIVE DATE: This provides the Effective Date of the policy or the rider, and it appears on the Cover, within the Base Policy Data Pages, and within the Rider Data Pages.

MORTALITY TABLE: The variables for this description will be "SEX DISTINCT" or "UNISEX" depending upon whether the policy is issued as sex distinct or unisex.

THE FIRST INSURED HAS BEEN CLASSIFIED: This may take the variables of "ELITE NON-SMOKER", "PREFERRED NON-SMOKER", "STANDARD NON-SMOKER", "PREFERRED SMOKER", "STANDARD SMOKER", or "AN UNINSURABLE".

THE SECOND INSURED HAS BEEN CLASSIFIED: This may take the variables of "ELITE NON-SMOKER", "PREFERRED NON-SMOKER", "STANDARD NON-SMOKER", "PREFERRED SMOKER", "STANDARD SMOKER", or "AN UNINSURABLE".

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES: Range of variables for Male is 0.00021 -1.00000. Range of variables for Female is 0.00018 – 1.00000. Range of variables for Unisex is 0.00020 – 1.00000.

DEFINITION OF LIFE INSURANCE TEST: This may take the variables of "GUIDELINE PREMIUM TEST" or "CASH VALUE ACCUMULATION TEST." If the GUIDELINE PREMIUM TEST is used, the GUIDELINE SINGLE PREMIUM and the GUIDELINE LEVEL PREMIUM lines will appear along with the TABLE OF DEATH BENEFIT STANDARD FACTORS. If the CASH VALUE ACCUMULATION TEST is used, only the TABLE OF DEATH BENEFIT STANDARD FACTORS appears.

GUIDELINE SINGLE PREMIUM AND GUIDELINE LEVEL PREMIUM: These lines and the applicable Table of Death Benefit Standard Factors will appear only if the "GUIDELINE PREMIUM TEST" is used for the policy.

INITIAL FIXED-TERM SEGMENT INTEREST RATE: This rate is variable with a minimum of 2.50% and no maximum.

INDEXED STRATEGY 1 - INITIAL PARTICIPATION RATE: This rate is variable with a minimum of 100% and no maximum.

INDEXED STRATEGY 1 - INITIAL INDEX EARNINGS CAP: This rate is variable with a minimum of 3.10% and no maximum.

INDEXED STRATEGY 2 - INITIAL PARTICIPATION RATE: This rate is variable with a guaranteed minimum of 110% and no maximum.

INDEXED STRATEGY 2 - INITIAL INDEX EARNINGS CAP: This rate is variable with a minimum of 3.0% and no maximum.

INDEXED STRATEGY 3 - INITIAL PARTICIPATION RATE: This rate is variable with a minimum of 25% and no maximum.

INDEXED STRATEGY 4 - INITIAL PARTICIPATION RATE: This rate is variable with a minimum of 30% and no maximum.

MONTHLY EXPENSE CHARGE: This charge is variable and is based upon the issue age, sex, risk class, and duration. Male range is 0.10736 – 5.11411. Female range is 0.09014 – 5.11411. Unisex range is 0.09875 – 5.11411.

SURRENDER CHARGES: Range of variables per \$1,000 of face amount are joint factors of 0.00 – 50.00. The variables are fixed at issue. The variables are based on face amount, issue age, sex, and the rate class of the Insured.

**Statement of Variability for
Additional Protection Benefit Rider Data Pages
Form Numbers: 8925(0511) & 8926(0511)**

SUM INSURED: This is variable based upon the amount covered under the rider.

POLICY NUMBER: This 7-digit number is the unique policy number by which we distinguish each policy issued on this form. This number appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

FIRST INSURED AND SECOND INSURED: These are the Insureds' names, and will be unique to each Insured. This appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

RIDER EFFECTIVE DATE: This provides the Effective Date of the rider.

MORTALITY TABLE: The variables for this description will be "SEX DISTINCT" or "UNISEX" depending upon whether the policy is issued as sex distinct or unisex.

THE FIRST INSURED HAS BEEN CLASSIFIED: This may take the variables of "ELITE NON-SMOKER", "PREFERRED NON-SMOKER", "STANDARD NON-SMOKER", "PREFERRED SMOKER", "STANDARD SMOKER", or "AN UNINSURABLE".

THE SECOND INSURED HAS BEEN CLASSIFIED: This may take the variables of "ELITE NON-SMOKER", "PREFERRED NON-SMOKER", "STANDARD NON-SMOKER", "PREFERRED SMOKER", "STANDARD SMOKER", or "AN UNINSURABLE".

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES: Range of variables for Male is 0.00021 -1.00000. Range of variables for Female is 0.00018 – 1.00000. Range of variables for Unisex is 0.00020 – 1.00000.

**Statement of Variability for
Balance Sheet Benefit Rider Data Page
Form Number: 8927(0511)**

PERCENTAGE OF SURRENDER CHARGES TO BE WAIVED: This may take the variables of 1% through 100%.

POLICY NUMBER: This 7-digit number is the unique policy number by which we distinguish each policy issued on this form. This number appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

FIRST INSURED AND SECOND INSURED: These are the Insureds' names, and will be unique to each Insured. This appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

EFFECTIVE DATE: This provides the Effective Date of the policy.

FACE AMOUNT: This will vary based on the face amount of the policy.

POLICY YEARS: This will show the policy years during which the rider is applicable.

AMOUNT: This is the charge that will be applicable for the rider.

**Statement of Variability for
Death Benefit Protection Rider Data Page
Form Number: 8928(0511)**

POLICY NUMBER: This 7-digit number is the unique policy number by which we distinguish each policy issued on this form. This number appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

FIRST INSURED AND SECOND INSURED: These are the Insureds' names, and will be unique to each Insured. This appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

EFFECTIVE DATE: This provides the Effective Date of the policy.

THE DEATH BENEFIT PROTECTION IS IN EFFECT THROUGH: This will give the final date for which the rider will be effective.

**Statement of Variability for
Estate Preservation Rider Data Page
Form Number: 8929(0511)**

POLICY NUMBER: This 7-digit number is the unique policy number by which we distinguish each policy issued on this form. This number appears on the Data Pages.

FIRST INSURED AND SECOND INSURED: These are the Insureds' names, and will be unique to each Insured. This appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

EFFECTIVE DATE: This provides the date the Rider is added to the policy.

ESTATE PRESERVATION BENEFIT: This is the amount that would be the paid upon the death of the both Insureds.

RATE: This is the guaranteed rate applied per \$1,000 of Estate Preservation Benefit per month.

**Statement of Variability for
Lifetime Income Benefit Rider Data Page
Form Number: 8932(0511)**

POLICY NUMBER: This 7-digit number is the unique policy number by which we distinguish each policy issued on this form. This number appears on the Data Pages.

FIRST INSURED AND SECOND INSURED: These are the Insureds' names, and will be unique to each Insured. This appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

RIDER EFFECTIVE DATE: This provides the date the Rider is added to the policy.

POLICY EFFECTIVE DATE: This provides the Effective Date of the policy to which the Rider is added.

ISSUE AGE OF FIRST INSURED AND SECOND INSURED: These are the issue ages of the named Insureds and appear on the Cover and within the Data Pages. The issue ages for this rider are 18 – 75 based on the age of the younger of the insureds.

MINIMUM EXERCISE PERIOD: This is the number of years that the policy must remain in force before the rider can be exercised. The range of years is 5 – 15 years.

MINIMUM EXERCISE DATE: This date is calculated from the base policy Effective Date and is the earliest date the rider can be exercised.

MINIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: This is the minimum age the Insured must be before the rider can be exercised. The minimum exercise age range is 50 – 85 based on the attained age of the younger insured.

MAXIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: This is the maximum age the Insured can be to exercise the rider. The maximum exercise age range is 75 – 90 based on the attained age of the younger insured.

INCOME PAYMENT THRESHOLD: This is the minimum benefit amount that must be met in order to exercise the rider. The threshold range is \$100 – \$5,000.

MINIMUM DEATH BENEFIT: This is the lowest benefit paid to the Owner upon the death of the Insureds during the Income Period. The benefit range is \$5,000 - \$25,000.

MINIMUM CASH SURRENDER VALUE: This is the lowest value paid to the Owner upon surrender of the policy while the Insureds are living during the Income Period. The range is \$500.00 - \$5,000.00.

GUARANTEED RIDER CHARGE PERCENTAGE: This is the maximum rider charge applied to the policy's Accumulated Value on each Monthly Policy Date. The range would be 0.50% - 1.50%.

DEATH BENEFIT OPTION: This can take the variable of "A" or "B".

TABLE OF BASE PAYOUT PERCENTAGES: This is the minimum payout percentage based upon the policy's Death Benefit Option and attained age of the younger Insured. This will vary depending upon whether the policy uses Option A or Option B.

TABLE OF LIFETIME INCOME BENEFIT RIDER PROTECTION PROVISION CHARGE PERCENTAGES: These charges will vary by smoker status and gender and will be used to calculate the one time charge when a Minimum Threshold criterion is met.

THE FIRST INSURED HAS BEEN CLASSIFIED: This may take the variables of "ELITE NON-SMOKER", "PREFERRED NON-SMOKER", "STANDARD NON-SMOKER", "PREFERRED SMOKER", "STANDARD SMOKER", or "AN UNINSURABLE".

THE SECOND INSURED HAS BEEN CLASSIFIED: This may take the variables of "ELITE NON-SMOKER", "PREFERRED NON-SMOKER", "STANDARD NON-SMOKER", "PREFERRED SMOKER", "STANDARD SMOKER", or "AN UNINSURABLE".

**Statement of Variability for
Rider for Overloan Protection Data Page
Form Number: 8933(0511)**

POLICY NUMBER: This 7-digit number is the unique policy number by which we distinguish each policy issued on this form. This number appears on the Data Pages.

FIRST INSURED AND SECOND INSURED: These are the Insureds' names, and will be unique to each Insured. This appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

EFFECTIVE DATE: This provides the date the Rider is added to the policy.

THE FIRST INSURED HAS BEEN CLASSIFIED: This may take the variables of "ELITE NON-SMOKER", "PREFERRED NON-SMOKER", "STANDARD NON-SMOKER", "PREFERRED SMOKER", "STANDARD SMOKER", or "AN UNINSURABLE".

THE SECOND INSURED HAS BEEN CLASSIFIED: This may take the variables of "ELITE NON-SMOKER", "PREFERRED NON-SMOKER", "STANDARD NON-SMOKER", "PREFERRED SMOKER", "STANDARD SMOKER", or "AN UNINSURABLE".

PERCENT OF ACCUMULATED VALUE EXERCISE CHARGE: These exercise charge percentages are based on the attained age of the younger insured.

**Statement of Variability for
Survivor Protection Rider Data Page
Form Numbers: 8930(0511) & 8931(0511)**

POLICY NUMBER: This 7-digit number is the unique policy number by which we distinguish each policy issued on this form. This number appears on the Data Pages.

FIRST INSURED AND SECOND INSURED: These are the Insureds' names, and will be unique to each Insured. This appears on the Cover, the Base Policy Data Pages, and the Rider Data Pages.

EFFECTIVE DATE: This provides the date the Rider is added to the policy.

BENEFIT AMOUNT: This is the amount of coverage the rider will provide upon the death of the first insured to die.

LUMP SUM EQUIVALENT AMOUNT: This amount is calculated using the Benefit Amount Interest Rate and is the present value of the Benefit Amount over the payout years.

PAYOUT YEARS: This is the number of years in which the Benefit Amount will be paid out.

BENEFIT AMOUNT INTEREST RATE: This interest rate will have a range of 1.00% - 5.00%.

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES: Range of variables per \$1,000 of face amount would be 0.00024 – 0.8 for Male; 0.00013 – 0.8 for Female, and 0.00019 – 0.8 for Unisex. The variables are fixed at issue. The variables are based on face amount, issue age, sex, and the rate class of the Insured.

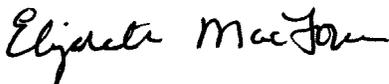
CERTIFICATION
STATE OF ARKANSAS

Regarding: **8918AR(0511), Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option**
 8918AR(0511), Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option, Unisex
 8920(0511), Aircraft Limitation Rider
 8921(0511), Aircraft Limitation Rider - Military
 8925AR(0511), Additional Protection Benefit Rider
 8926AR(0511), Additional Protection Benefit Rider, Unisex
 8927(0511), Balance Sheet Benefit Rider
 8928(0511), Death Benefit Protection Rider
 8929(0511), Estate Preservation Rider
 8930(0511), Survivor Protection Rider
 8931(0511), Survivor Protection Rider, Unisex
 8932(0511), Lifetime Income Benefit Rider
 8933(0511), Overloan Protection Rider
 8934(0511), Policy Split Option Rider
 9212AR(0511), Life Insurance Application
 ICC11-1465(0511), Request to Amend New Issue Application

I, Elizabeth MacGowan, certify for National Life Insurance Company that the forms referenced above meet the provisions of Regulation 19§10B, as well as all applicable requirements of the Arkansas Insurance Department.

I further certify that the forms referenced above are in compliance with Regulation 49 concerning Life & Health Guaranty Association Notices and Arkansas Insurance Code 23-79-138 concerning required policy information.

National Life Insurance Company



Elizabeth MacGowan, FSA, MAAA
Vice President
Product Development

April 4, 2011

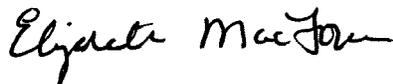
Date

CERTIFICATION
STATE OF ARKANSAS

Regarding: 8918AR(0511), Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option
8918AR(0511), Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option, Unisex
8920(0511), Aircraft Limitation Rider
8921(0511), Aircraft Limitation Rider - Military
8925AR(0511), Additional Protection Benefit Rider
8926AR(0511), Additional Protection Benefit Rider, Unisex
8927(0511), Balance Sheet Benefit Rider
8928(0511), Death Benefit Protection Rider
8929(0511), Estate Preservation Rider
8930(0511), Survivor Protection Rider
8931(0511), Survivor Protection Rider, Unisex
8932(0511), Lifetime Income Benefit Rider
8933(0511), Overloan Protection Rider
8934(0511), Policy Split Option Rider
9212AR(0511), Life Insurance Application
ICC11-1465(0511), Request to Amend New Issue Application

I, Elizabeth MacGowan, certify for National Life Insurance Company that the forms referenced above are in compliance with Regulation 34 published by the Arkansas Insurance Department.

National Life Insurance Company



Elizabeth MacGowan, FSA, MAAA
Vice President
Product Development

04/04/2011

Date

Consent to Submit Rates and/or Cost Bases for Approval

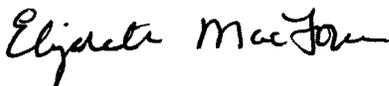
The **National Life Insurance Company** of Montpelier, Vermont, does hereby consent and agree:

- A. that all premium rates and/or cost bases both “maximum” and “current or projected” used in relation to policy form number 8918AR(0511), 8919AR(0511), 8920(0511), 8921(0511), 8925AR(0511), 8926AR(0511), 8927(0511), 8928(0511), 8929(0511), 8930(0511), 8931(0511), 8932(0511), 8933(0511) & 8934(0511) must be filed with the Insurance Commissioner of the State of Arkansas (“Commissioner”) at least sixty (60) days prior to their proposed effective date. Such rates and/or cost bases shall be deemed effective sixty (60) days after they are filed with the Commissioner, unless the Commissioner shall approve or disapprove such rates and/or cost bases prior to the expiration of sixty (60) days.

or

- B. that where the policy is a flexible or indeterminate premium whole life policy which provides for frequent changes in interest rates based on financial market conditions, the Company may file a range of rates it will stay within and will notify the Department at least sixty (60) days prior to any change in the range of rates. The Company must also document the method used to calculate its premium and range of rates.

National Life Insurance Company



Elizabeth MacGowan, FSA, MAAA
Vice President
Product Development

April 4, 2011

Date

SERFF Tracking Number: NALF-127071253 State: Arkansas
 Filing Company: National Life Insurance Company State Tracking Number: 48363
 Company Tracking Number: 8918(0511)
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.103 External Indexed - Joint (Last Survivor)
 Adjustable Life
 Product Name: NL LifeCycle Solution
 Project Name/Number: NL LifeCycle Solution/8918(0511)

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
04/01/2011	Form	Flexible Premium Adjustable Benefit Survivorship Life Insurance	04/04/2011	8918AR.pdf (Superceded)
03/29/2011	Form	Flexible Premium Adjustable Benefit Survivorship Life Insurance	04/01/2011	8918AR.pdf (Superceded)
03/29/2011	Form	Flixible Premium Adjustable Benefit Survivorship Life Insurance Unisex	04/04/2011	8919AR.pdf (Superceded)



NATIONAL LIFE

National Life Insurance Company
Montpelier, Vermont 05604
Tel: 802-229-3333

Should You Need to Call

Your agent is, and should continue to be, the primary contact for information about your National Life coverage. However, there may be times when it is necessary to contact our Home Office for assistance.

If you need to contact our Home Office directly, please dial 1-800-732-8939. Contract information is also available at www.nationallife.com, where you can self-register to access policy information in a secure setting.

Limitations and Exclusions Under the Arkansas Life and Health Insurance Guaranty Association Act

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”) may not provide coverage for your policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. **However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.**

The Arkansas Life and Health Insurance Guaranty Association
C/O The Liquidation Division
1023 West Capitol

Little Rock, Arkansas 72201
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act (*Act*). On the next page is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

Coverage

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

Exclusions From Coverage

However, persons owning such policies are **NOT** protected by the Guaranty Association if:

- they are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- the insurer was not authorized to do business in this state;
- their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does **NOT** provide coverage for:

- any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- any policy of reinsurance (unless an assumption certificate was issued);
- interest rate yields that exceed an average rate;
- dividends and voting rights and experience rating credits;
- credits given in connection with the administration of a policy by a group contract holder;
- employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- unallocated annuity contracts (which give rights to group contract holders, not individuals);
- unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation (*FPBC*) (whether the FPBC is yet liable or not);
- portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

Limits on Amount of Coverage

The Act also limits the amount the Guaranty Association is obligated to cover. The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.



We, National Life Insurance Company (the Company), agree to pay the Death Benefit to the Beneficiary, subject to the terms of this policy, when we receive at our Home Office due proof that both Insureds died while this policy was in force.

Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Flexible premiums are payable through the end of the Premium Payment Period or until the death of both Insureds. The adjustable Death Benefit is payable upon the death of the second of the Insureds to die. This policy is nonparticipating. Although the policy values may be affected by an external index, the policy does not directly participate in any stock or equity investments.

Right to Review Policy. This policy, at any time within ten days after its receipt by the Owner, may be returned in person or by mail to us or to the agent through whom it was bought. Upon such return, the policy will be deemed void as of its Effective Date. We will then refund any premium paid.

Effective Date:	03/15/2011
Policy Number:	NL1234567
Face Amount:	\$250,000
First Insured:	Ethan Allen
Issue Age:	35
Second Insured:	Edna Allen
Issue Age:	35
Owner:	As stated in the application unless later changed.
Beneficiary:	As stated in the application unless later changed.

The data and the terms on this and all following pages are part of this policy.

This policy is a legal contract between the policy Owner and National Life Insurance Company. READ YOUR POLICY CAREFULLY.

Signed for National Life Insurance Company at Montpelier, Vermont, as of the Effective Date, by

Mehran Assad
President & Chief Executive Officer

James K. McQuade
Secretary

Registrar

DATA SECTION

POLICY NUMBER: [NL12345657]

FIRST INSURED: [ETHAN ALLEN]
ISSUE AGE: [35]

SECOND INSURED: [EDNA ALLEN]
ISSUE AGE: [35]

FACE AMOUNT: [\$25,000.00]

OWNER: [AS STATED IN THE APPLICATION UNLESS LATER CHANGED].
BENEFICIARY: [AS STATED IN THE APPLICATION UNLESS LATER CHANGED.]

MONTHLY POLICY DATE: [15TH]

DEATH BENEFIT OPTION: [A]

MINIMUM MONTHLY PREMIUM: [\$47.52]
POLICY PROTECTION PERIOD: [MARCH 15, 2011 – MARCH 14, 2021]
[MONTHLY GUARANTEED PREMIUM:] [\$ 60.15]
PLANNED PERIODIC PREMIUM: [\$1,200.00] PAYABLE [ANNUALLY]
FOR PREMIUM PAYMENT PERIOD: [MARCH 15, 2011 TO MARCH 16, 2096]

THIS POLICY MAY TERMINATE PRIOR TO THE END OF THE PREMIUM PAYMENT PERIOD IF PREMIUMS PAID ARE INSUFFICIENT TO CONTINUE COVERAGE. PREMIUMS IN ADDITION TO THE PLANNED PERIODIC PREMIUM MAY BE NECESSARY TO KEEP THIS COVERAGE IN FORCE.

POLICY LOANS AND WITHDRAWALS WILL REDUCE THE CASH SURRENDER VALUE OF THIS POLICY AND MAY RESULT IN TERMINATION OF THIS POLICY PRIOR TO THE DEATH OF THE INSURED.

MINIMUM COVERAGE AMOUNT: \$250,000.00
MINIMUM FACE AMOUNT PER COVERAGE SEGMENT: \$25,000.00
MINIMUM WITHDRAWAL AMOUNT: \$ 500.00
MAXIMUM WITHDRAWAL FEE: \$25.00 FOR EACH WITHDRAWAL

ADDITIONAL BENEFIT RIDERS:
[ADDITIONAL PROTECTION BENEFIT RIDER]
[BALANCE SHEET BENEFIT RIDER]
[DEATH BENEFIT PROTECTION RIDER]
[ESTATE PRESERVATION RIDER]
[LIFETIME INCOME BENEFIT RIDER]
[OVERLOAN PROTECTION RIDER]
[POLICY SPLIT OPTION RIDER]
[SURVIVOR PROTECTION RIDER]

THE LOAN INTEREST RATE IS VARIABLE. THE LOAN INTEREST RATE AT THE EFFECTIVE DATE IS [5.50%].

DATA SECTION

GUARANTEED BASIS OF CALCULATIONS

FACE AMOUNT: [\$25,000.00]
 EFFECTIVE DATE: [MARCH 15, 2011]

ACCUMULATED VALUE INTEREST RATE: 0.20598% COMPOUNDED MONTHLY, WHICH IS
 EQUIVALENT TO 2.50% COMPOUNDED PER YEAR

MORTALITY TABLE: 2001 COMMISSIONERS STANDARD ORDINARY [SEX DISTINCT]
 SMOKER/NON-SMOKER ULTIMATE AGE NEAREST BIRTHDAY

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
 (PER \$1,000 PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>
01	0.00008	21	0.03695	41	1.24527
02	0.00026	22	0.04547	42	1.45678
03	0.00048	23	0.05561	43	1.70511
04	0.00073	24	0.06702	44	1.99759
05	0.00102	25	0.08041	45	2.33783
06	0.00136	26	0.09647	46	2.72825
07	0.00177	27	0.11609	47	3.21523
08	0.00228	28	0.14025	48	3.76975
09	0.00291	29	0.16889	49	4.37520
10	0.00369	30	0.20234	50	5.06393
11	0.00467	31	0.24143	51	5.85338
12	0.00584	32	0.28636	52	6.67629
13	0.00730	33	0.33768	53	7.72437
14	0.00888	34	0.39743	54	8.86433
15	0.01077	35	0.46574	55	10.10084
16	0.01316	36	0.54748	56	11.33218
17	0.01607	37	0.64438	57	12.22439
18	0.01980	38	0.76481	58	13.42338
19	0.02430	39	0.90311	59	14.98048
20	0.02992	40	1.06159	60	16.88145]

DATA SECTION

GUARANTEED BASIS OF CALCULATIONS

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES (CONTINUED)
(PER \$1,000 PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>
[61	19.21169	71	45.73402	81	83.33333
62	21.49846	72	50.58032	82	83.33333
63	23.94682	73	55.90819	83	83.33333
64	24.75310	74	61.68802	84	83.33333
65	26.35975	75	68.20117	85	83.33333]
66	28.73671	76	75.47304		
67	31.23543	77	83.17981		
68	34.13909	78	83.33333		
69	37.45990	79	83.33333		
70	41.31436	80	83.33333		

DEFINITION OF LIFE INSURANCE TEST: [GUIDELINE PREMIUM TEST]

[GUIDELINE SINGLE PREMIUM: \$ 39,833.70]

[GUIDELINE LEVEL PREMIUM: \$ 3,879.63]

TABLE OF DEATH BENEFIT STANDARD FACTORS

<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>	<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>	<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>
0 - 40	2.50	54	1.57	68	1.17
41	2.43	55	1.50	69	1.16
42	2.36	56	1.46	70	1.15
43	2.29	57	1.42	71	1.13
44	2.22	58	1.38	72	1.11
45	2.15	59	1.34	73	1.09
46	2.09	60	1.30	74	1.07
47	2.03	61	1.28	75 - 90	1.05
48	1.97	62	1.26	91	1.04
49	1.91	63	1.24	92	1.03
50	1.85	64	1.22	93	1.02
51	1.78	65	1.20	94+	1.01
52	1.71	66	1.19		
53	1.64	67	1.18		

DATA SECTION

AS OF THE EFFECTIVE DATE, THE FOLLOWING RATES ARE APPLICABLE TO INTEREST CREDITING STRATEGIES TO WHICH YOU MAY DIRECT YOUR PREMIUM. THESE RATES ARE IN EFFECT UNTIL FURTHER NOTICE.

FIXED-TERM STRATEGY

FIXED-TERM SEGMENT LENGTH:	1 YEAR
MINIMUM FIXED-TERM SEGMENT INTEREST RATE:	2.50% ANNUAL EFFECTIVE RATE
INITIAL FIXED-TERM SEGMENT INTEREST RATE:	[5.50%] ANNUAL EFFECTIVE RATE

INDEXED STRATEGY 1 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[100%]
GUARANTEED MINIMUM PARTICIPATION RATE:	100%
INITIAL INDEX EARNINGS CAP:	[13.5%]
GUARANTEED MINIMUM INDEX EARNINGS CAP:	3.1%

INDEXED STRATEGY 2 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[140%]
GUARANTEED MINIMUM PARTICIPATION RATE:	110%
INITIAL INDEX EARNINGS CAP:	[12.0%]
GUARANTEED MINIMUM INDEX EARNINGS CAP:	3.0%

INDEXED STRATEGY 3 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[62%]
GUARANTEED MINIMUM PARTICIPATION RATE:	25%
INITIAL INDEX EARNINGS CAP:	NO CAP

INDEXED STRATEGY 4 – POINT TO AVERAGE

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[105%]
GUARANTEED MINIMUM PARTICIPATION RATE:	30%
INITIAL INDEX EARNINGS CAP:	NO CAP

INDEX-LINKED RETURNS DO NOT INCLUDE THE PORTION OF RETURNS GENERATED BY THE UNDERLYING INDEX THAT COMES FROM DIVIDENDS.

THE ELEMENTS USED IN DETERMINING THE CREDITED RATES FROM THE INDEX ARE NOT GUARANTEED AND CAN BE CHANGED BY THE COMPANY, SUBJECT TO THE GUARANTEES IN THE POLICY AND THAT ANY SUCH CHANGES CAN AFFECT THE RETURN.

DATA SECTION

FACE AMOUNT: [\$25,000.00]
EFFECTIVE DATE: [MARCH 15, 2011]

PERCENT OF PREMIUM EXPENSE CHARGE: 6%
MONTHLY EXPENSE CHARGE: [\$74.10]

MONTHLY POLICY FEE: \$5.00

SURRENDER CHARGES

TWELVE MONTH PERIOD BEGINNING <u>POLICY YEAR</u>	<u>SURRENDER CHARGE</u>
[MAR 15, 2011	\$329.44
MAR 15, 2012	300.00
MAR 15, 2013	269.81
MAR 15, 2014	238.88
MAR 15, 2015	207.19
MAR 15, 2016	174.75
MAR 15, 2017	141.56
MAR 15, 2018	107.44
MAR 15, 2019	72.38
MAR 15, 2020	36.56
MAR 15, 2021 AND LATER	0.00]

DATA SECTION
ADDITIONAL PROTECTION BENEFIT RIDER

SUM INSURED: [\$225,000.00]

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
RIDER EFFECTIVE DATE: [MAR 15, 2011]

GUARANTEED BASIS OF CALCULATIONS

ACCUMULATED VALUE INTEREST RATE: 0.20598% COMPOUNDED MONTHLY, WHICH IS
EQUIVALENT TO 2.50% COMPOUNDED PER YEAR

MORTALITY TABLE: 2001 COMMISSIONERS STANDARD ORDINARY [SEX DISTINCT]
SMOKER/NON-SMOKER ULTIMATE AGE NEAREST BIRTHDAY

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

POLICY YEARS FOR THIS RIDER ARE MEASURED FROM THE RIDER EFFECTIVE DATE.

DATA SECTION
 ADDITIONAL PROTECTION BENEFIT RIDER

SUM INSURED: [\$225,000.00]

RIDER EFFECTIVE DATE: [MAR 15, 2011]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
 (PER \$1,000 PER MONTH)

POLICY YEAR	RATE	POLICY YEAR	RATE	POLICY YEAR	RATE
[01	0.00008	30	0.20234	59	14.98048
02	0.00026	31	0.24143	60	16.88145
03	0.00048	32	0.28636	61	19.21169
04	0.00073	33	0.33768	62	21.49846
05	0.00102	34	0.39743	63	23.94682
06	0.00136	35	0.46574	64	24.75310
07	0.00177	36	0.54748	65	26.35975
08	0.00228	37	0.64438	66	28.73671
09	0.00291	38	0.76481	67	31.23543
10	0.00369	39	0.90311	68	34.13909
11	0.00467	40	1.06159	69	37.45990
12	0.00584	41	1.24527	70	41.31436
13	0.00730	42	1.45678	71	45.73402
14	0.00888	43	1.70511	72	50.58032
15	0.01077	44	1.99759	73	55.90819
16	0.01316	45	2.33783	74	61.68802
17	0.01607	46	2.72825	75	68.20117
18	0.01980	47	3.21523	76	75.47304
19	0.02430	48	3.76975	77	83.17981
20	0.02992	49	4.37520	78	83.33333
21	0.03695	50	5.06393	79	83.33333
22	0.04547	51	5.85338	80	83.33333
23	0.05561	52	6.67629	81	83.33333
24	0.06702	53	7.72437	82	83.33333
25	0.08041	54	8.86433	83	83.33333
26	0.09647	55	10.10084	84	83.33333
27	0.11609	56	11.33218	85	83.33333]
28	0.14025	57	12.22439		
29	0.16889	58	13.42338		

DATA SECTION

BALANCE SHEET BENEFIT RIDER

PERCENTAGE OF SURRENDER CHARGES TO BE WAIVED: [25%]*

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

EFFECTIVE DATE: [MARCH 15, 2011]

FACE AMOUNT: [\$25,000.00]

TABLE OF GUARANTEED MONTHLY BALANCE SHEET BENEFIT RIDER CHARGES

<u>POLICY YEARS</u>	<u>AMOUNT</u>
0 - 10	[\$0.09]

*SEE SURRENDER CHARGE SCHEDULE FOR APPLICABLE CHARGE AMOUNT

DATA SECTION

DEATH BENEFIT PROTECTION RIDER

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

EFFECTIVE DATE: [MAR 15, 2011]

DEATH BENEFIT PROTECTION INTEREST RATE: 5.00%

THE DEATH BENEFIT PROTECTION IS IN EFFECT THROUGH [MAR 14, 2041.]

DATA SECTION

DATA SECTION

ESTATE PRESERVATION RIDER

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

ESTATE PRESERVATION BENEFIT: [\$134,615.38]

POLICY YEARS FOR THIS RIDER ARE MEASURED FROM THE RIDER EFFECTIVE DATE.

TABLE OF GUARANTEED MAXIMUM COST OF ESTATE PRESERVATION BENEFIT RATES
(PER \$1,000 OF ESTATE PRESERVATION BENEFIT PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>
1	[0.00008]
2	[0.00026]
3	[0.00048]
4	[0.00073]

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

RIDER EFFECTIVE DATE: [MAR 15, 2011]

POLICY EFFECTIVE DATE: [MAR 15, 2011]

FIRST INSURED'S ISSUE AGE: [35]

SECOND INSURED'S ISSUE AGE: [35]

MINIMUM EXERCISE PERIOD: [10] YEARS

MINIMUM EXERCISE DATE: [MAR 15, 2036]

MINIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: [60]

MAXIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: [85]

INCOME PAYMENT THRESHOLD: [\$100.00]

MINIMUM DEATH BENEFIT: [\$15,000.00]

MINIMUM CASH SURRENDER VALUE: [\$1,000.00]

GUARANTEED RIDER CHARGE PERCENTAGE: [1.50%] Annual

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF BASE PAYOUT PERCENTAGES
DEATH BENEFIT OPTION: [A]

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
[60	3.70%	73	4.35%
61	3.75%	74	4.40%
62	3.80%	75	4.45%
63	3.85%	76	4.50%
64	3.90%	77	4.55%
65	3.95%	78	4.60%
66	4.00%	79	4.65%
67	4.05%	80	4.70%
68	4.10%	81	4.70%
69	4.15%	82	4.70%
70	4.20%	83	4.70%
71	4.25%	84	4.70%
72	4.30%	85	4.70%]

TABLE OF MAXIMUM DEATH BENEFIT RATIO PERCENTAGES

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	400%	73	270%
61	390%	74	260%
62	380%	75	250%
63	370%	76	240%
64	360%	77	230%
65	350%	78	220%
66	340%	79	210%
67	330%	80	200%
68	320%	81	190%
69	310%	82	180%
70	300%	83	170%
71	290%	84	160%
72	280%	85	150%

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF GUARANTEED INCOME PERCENTAGE ADJUSTMENT FACTORS

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	0.65%	73	1.30%
61	0.70%	74	1.35%
62	0.75%	75	1.40%
63	0.80%	76	1.45%
64	0.85%	77	1.50%
65	0.90%	78	1.55%
66	0.95%	79	1.60%
67	1.00%	80	1.65%
68	1.05%	81	1.65%
69	1.10%	82	1.65%
70	1.15%	83	1.65%
71	1.20%	84	1.65%
72	1.25%	85	1.65%

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF LIFETIME INCOME BENEFIT RIDER
PROTECTION PROVISION CHARGE PERCENTAGES

THE FIRST INSURED HAS BEEN CLASSIFIED [STANDARD NON-SMOKER]

THE SECOND INSURED HAS BEEN CLASSIFIED [STANDARD NON-SMOKER]

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	2.87%	91	3.30%
61	2.87%	92	2.53%
62	2.87%	93	1.72%
63	2.87%	94	0.88%
64	2.87%	95	0.89%
65	2.87%	96	0.91%
66	2.87%	97	0.92%
67	2.87%	98	0.94%
68	2.87%	99	0.97%
69	2.87%	100	0.97%
70	2.87%	101	0.97%
71	2.87%	102	0.97%
72	2.87%	103	0.97%
73	2.87%	104	0.97%
74	2.87%	105	0.97%
75	2.87%	106	0.97%
76	2.98%	107	0.97%
77	3.08%	108	0.97%
78	3.18%	109	0.97%
79	3.28%	110	0.97%
80	3.37%	111	0.97%
81	3.46%	112	0.97%
82	3.54%	113	0.97%
83	3.62%	114	0.97%
84	3.69%	115	0.97%
85	3.76%	116	0.97%
86	3.82%	117	0.97%
87	3.88%	118	0.97%
88	3.94%	119	0.97%
89	4.00%	120	0.97%]
90	4.05%		

DATA SECTION

DATA SECTION

RIDER FOR OVERLOAN PROTECTION

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER]

PERCENT OF ACCUMULATED VALUE EXERCISE CHARGE

ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE
[75	2.87%	84	3.69%	93	1.72%
76	2.98%	85	3.76%	94	0.88%
77	3.08%	86	3.82%	95	0.89%
78	3.18%	87	3.88%	96	0.91%
79	3.28%	88	3.94%	97	0.92%
80	3.37%	89	4.00%	98	0.94%
81	3.46%	90	4.05%	99+	0.97%]
82	3.54%	91	3.30%		
83	3.62%	92	2.53%		

DATA SECTION

DATA SECTION
SURVIVOR PROTECTION RIDER

POLICY NUMBER: [NL1234567]
 FIRST INSURED: [ETHAN ALLEN]
 SECOND INSURED: [EDNA ALLEN]
 EFFECTIVE DATE: [MARCH 15, 2011]
 BENEFIT AMOUNT: [\$10,000.00]
 LUMP SUM EQUIVALENT AMOUNT: [\$153,237.99]
 PAYOUT YEARS: [20]
 BENEFIT AMOUNT INTEREST RATE: [3.00%]
 RIDER TERMINATION DATE: [MARCH 15, 2076]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
(PER \$1,000 PER MONTH)

POLICY YEAR	RATE	POLICY YEAR	RATE	POLICY YEAR	RATE
[01	0.05916	23	0.59976	45	4.90446
02	0.06915	24	0.66119	46	5.42861
03	0.07915	25	0.72509	47	6.06258
04	0.09164	26	0.81385	48	6.74268
05	0.10164	27	0.89511	49	7.44964
06	0.11413	28	0.98959	50	8.22808
51	0.12579	29	1.09396	51	9.09576
08	0.13828	30	1.20323	52	9.98497
09	0.15160	31	1.32071	53	11.07503
10	0.16742	32	1.44388	54	12.22228
11	0.18573	33	1.57192	55	13.42793
12	0.20654	34	1.71223	56	14.61598
13	0.22984	35	1.86066	57	15.53065
14	0.25398	36	2.03367	58	16.68544
15	0.27561	37	2.22954	59	18.07986
16	0.29807	38	2.47123	60	19.66675
17	0.32801	39	2.72735	61	21.45868
18	0.36128	40	3.00108	62	23.11015
19	0.39952	41	3.30135	63	24.81270
20	0.44108	42	3.62963	64	25.78039
21	0.48928	43	4.00128	65	27.16098]
22	0.54245	44	4.42661		

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We, National Life Insurance Company (the Company), agree to pay the Death Benefit to the Beneficiary, subject to the terms of this policy, when we receive at our Home Office due proof that both Insureds died while this policy was in force.

GENERAL TERMS OF THIS POLICY

CONSIDERATION

This policy is issued in consideration of the application and payment of the first premium. We will incur no liability if no premium is paid.

ENTIRE CONTRACT

On the Effective Date the entire contract between the parties is this policy and a copy of the application and all riders and endorsements which are attached at issue. Any change of this contract must be written and may be made only by one of our authorized officers or registrars. We will send the Owner a copy of any application for a change which we approve. It and any additional Data Section shall become part of this contract on the effective date of such change.

REPRESENTATIONS

Any statement made by or for either or both of the Insureds shall be deemed a representation and not a warranty. Unless such statement is in the attached application or in any subsequent application, it shall not be used to:

1. make this policy void; or
2. make any increase in Face Amount void; or
3. make any Reinstatement void; or
4. defend any claim.

INCONTESTABILITY

After this policy has been in force during the life of each Insured for two years from the Effective Date of the policy, we will not contest it; however,

1. we may contest any increase in Face Amount for which an application is required until such increase has been in force during the life of each Insured for two years from its Effective Date; and
2. we may contest any Reinstatement until such Reinstatement has been in force during the life of each Insured who was living at the time of Reinstatement for two years from its Effective Date.

The statement on which the contest will be based shall be material to the risk accepted or hazard assumed by the Company.

Notwithstanding the above, we may contest your policy at any time if it was procured by fraud, as permitted by law of the state in which your policy was delivered.

*National Life Insurance Company
One National Life Drive * Montpelier, Vermont 05604 * (800) 732-8939*

POLICY EFFECTIVE
DATES

The insurance coverage goes into effect on the Effective Date shown in the Data Section.

Any increase in Face Amount for which an application is required shall become effective on the Monthly Policy Date on or next following the date we approve the application for such increase in Face Amount.

Any increase in Face Amount for which an application is not required shall become effective on the Monthly Policy Date on or next following the date we receive the request for such increase unless otherwise provided by the policy.

Any decrease in Face Amount requested shall become effective on the Monthly Policy Date on or next following the date we receive the request for such decrease.

Any Reinstatement of this policy shall become effective on the Monthly Policy Date on or next following the date we approve the application for Reinstatement.

Any change of Death Benefit Option shall become effective on the Monthly Policy Date on or next following the date we receive the request for such change.

POLICY MONTHS,
YEARS AND
ANNIVERSARIES

Policy Months, Years and Anniversaries shall be measured from the Effective Date. The Monthly Policy Date shown in the Data Section occurs on the same day each month or on the last day of any month having no such date. The Effective Date is the first Monthly Policy Date.

MISSTATEMENT OF
AGE OR SEX

The Issue Ages shown in the Data Section are the ages of the Insureds on their birthdays nearest to the Effective Date. These are based on the dates of birth shown in the application.

If the age or sex of either Insured has been misstated, we will adjust the Death Benefit to be the amount which would have been purchased at the correct ages or sexes of the Insureds in consideration of the most recent Monthly Cost of Insurance. The revised Death Benefit is calculated by adjusting the Net Amount at Risk by the ratio of the incorrect Monthly Cost of Insurance Rate to the correct Monthly Cost of Insurance Rate. The adjustment shall take effect on the Monthly Policy Date on or next following the date we receive proof to our satisfaction of such misstatement. If both Insureds have died, we will adjust the Death Benefit as of the last Monthly Policy Date prior to the date of death of the second of the Insureds to die.

ATTAINED AGE

The Attained Age of each Insured on any date is that Insured's Issue Age shown in the Data Section plus the number of Policy Years and Months which have passed since the Effective Date.

PAYMENT OF BENEFITS

We will pay all benefits under this policy at our Home Office. Before payment of any Death Benefit we may investigate the death.

POSTPONEMENT OF BENEFITS

We may delay payment of any amounts which are payable as a result of Cash Surrender or Withdrawal for up to six months after we receive written request in a form satisfactory to us. If we defer such payment for more than 30 days, we will pay interest at a rate not less than the Accumulated Value Interest Rate shown in the Data Section or as mandated by state law, from the date we receive such request to the date of payment.

We may also delay payment of any amounts which are payable as a result of a Policy Loan, except for loans used to pay premiums into this policy, for up to six months after we receive written request in a form satisfactory to us.

We have the right to postpone payment which is derived from any amount recently paid to us by check or draft, until we are satisfied the check or draft has been paid by the bank or other financial institution on which it is drawn.

DEFINITION OF LIFE INSURANCE

In order for you and the Beneficiary to receive the tax treatment accorded to life insurance contracts by Federal law, this policy must initially qualify and continue to qualify as life insurance under Section 7702 of the Internal Revenue Code of 1986 (the Code), as amended, and its rules and regulations. The definition of life insurance test shown in the Data Section is the specific method by which we determine whether your policy meets the definition of life insurance.

We have designed your policy to qualify as a life insurance contract under the Code. We reserve the right to make any reasonable adjustments to the terms or conditions of this policy if it becomes necessary to allow it to qualify as life insurance.

BASIS OF VALUES

The Cash Surrender Values for this policy are greater than or equal to those required by or pursuant to the NAIC Universal Life Insurance Regulation, model #585. A detailed statement of the method of computing values has been filed in the state in which this policy is delivered.

The Cash Surrender Values are based on the Accumulated Value Interest Rate and Mortality Table shown in the Data Section. For issue ages up to 15, we use guaranteed mortality rates from the Composite tables until Attained Age 15. When the Insured reaches Attained Age 16, we use guaranteed mortality rates from the Nonsmoker table.

The Paid Up Annuity Values, and all tabled values in Payment Options, are based on the 2000 Table for Individual Annuitant Mortality (IAM) and compound interest at a rate of 1.50% per year.

NOTICES

Unless this policy provides otherwise, any requests for changes or notices:

1. from us to the Owner shall be sent to the last address known to us of the Owner; and
2. from us to an assignee shall be sent to the last address known to us of such assignee; and
3. from the Owner or an assignee to us must be in writing and received by us at our Home Office in Montpelier, Vermont.

ANNUAL REPORT

At least once each Policy Year we will send a report to the Owner without charge. The report will show, as of its date:

1. the beginning and ending dates of the reporting period; and
2. the Accumulated Value at the beginning and ending of the reporting period; and
3. the Transaction Summary for the reporting period; and
4. the Cash Surrender Value; and
5. any debt to us on this policy; and
6. the current Death Benefit; and
7. a disclosure notice if the policy will not maintain insurance in force until the end of the next reporting period unless further premiums are made.

The report will also show a summary of transactions of the previous year and any information required by law.

PROJECTION REPORT

The Owner may request, in writing, a report which projects future values and future Death Benefits for this policy. The report will also show any information required by law. One such report will be made available free of charge each year. We may charge a fee for any additional reports requested during that year, such charge not to exceed \$25. The Projection Report will be based on:

1. data the Owner gives us as to Face Amount and premiums; and
2. such assumptions as either the Owner or we specify.

ROLES IN THIS POLICY

OWNER

The Owner may:

1. exercise the rights under this policy; and
2. assign the policy; and
3. release or discharge the policy; and
4. change the policy if we agree to such change; and
5. enjoy the benefits under this policy.

These actions may be taken without the consent and against the interest of any revocable Beneficiary and any contingent owner. If the Owner has waived the right to change the Beneficiary, these actions may be taken by the Owner only with the written consent of all irrevocable Beneficiaries. These actions may be taken only during the lives of one or both of the Insureds.

Changes to Owner designation, unless otherwise specified by the Owner, shall take effect on the date the notice of change is signed by the Owner, subject to any payments made or action taken by us prior to receipt of the notice.

INSUREDS

The Death Benefit becomes payable upon the death of the second of the Insureds to die. The Insureds, in their role as the Insureds, have no rights and receive no benefits under this policy.

BENEFICIARY

The Owner has the right to change the Beneficiary which shall take effect on the date the notice of change is signed by the Owner, subject to any payments made or action taken by the Company prior to receipt of this notice. If the Owner expressly waives this right, no change can be made. Unless later changed, the Beneficiary shall be as stated in the application. The interest of any Beneficiary who dies before the Insureds shall vest in the Owner unless otherwise stated.

Where two or more Beneficiaries are designated to take in the alternative based on the order of the Insureds deaths and there is not sufficient evidence that the Insureds died other than simultaneously, one half of the Death Benefit shall be paid as if the first Insured had survived the second Insured, and one half shall be paid as if the second Insured had survived the first Insured. This shall not apply if the application or the Owner has provided for a different payment.

If used, the term "children" of any person shall include only lawful children born to or legally adopted by that person.

We may rely on an affidavit by any person who in our judgment knows the facts to identify any Beneficiary or payee not specified by name. All our liability shall cease when we pay on the basis of such affidavit.

TRUST BENEFICIARY

Unless an authorized officer or registrar of the Company explicitly agrees in writing, the following provision shall apply when a trust is named as Beneficiary.

In no event is the Company responsible for the application or disposition of any proceeds it pays to a Trust Beneficiary. Payment to a Trust Beneficiary is a full discharge of the liability of the Company. If a designated trust provides for successor trustees, the designation in this policy includes successor trustees. Likewise, if the trust allows amendments, the trust, if so amended, remains as a designated Beneficiary.

A Trust Beneficiary is considered to be a Beneficiary who did not survive the Insureds if:

1. the trust has been terminated; or
2. the specified testamentary trust does not qualify as such; or
3. for any other reason a Trust Beneficiary is not entitled to any proceeds.

CHANGE OF BENEFICIARY

If the Owner has the right, a new Beneficiary may be named from time to time during the lives of one or both of the Insureds by filing at our Home Office written notice in such form as we may require. When notice is received at our Home Office, the change shall take effect on the date the notice is signed by the Owner whether or not either Insured is living at the time of receipt, subject to any payments made or actions taken by the Company prior to receipt of this notice. We will not be liable for any payment we make before receipt of the written notice at our Home Office.

ASSIGNMENTS

We are not responsible for the validity or effect of any assignment of this policy. We will not recognize any assignment until it has been filed at our Home Office. When notice is received at our Home Office, the change shall take effect on the date the notice is signed by the Owner whether or not either Insured is living at the time of receipt, subject to any payments made or actions taken by the Company prior to receipt of this notice. The interest of any Beneficiary whom the assignor can change and of any contingent owner shall be transferred to the assignee by the terms of any assignment. If the assignee acquires a right to proceeds, they shall be paid in one sum even though a Payment Option may be in effect at the time the assignment was signed.

SPENDTHRIFT PROVISION

If we receive at our Home Office written request by the Owner for this Spendthrift Provision, then, to the extent allowed by law:

1. only the Owner may transfer, anticipate, commute, or encumber the proceeds of this policy; and
2. only legal process against the Owner may affect the proceeds of this policy.

Any proceeds payable after this request is withdrawn by the Owner shall not be affected by this provision.

PREMIUMS

POLICY PROTECTION PERIOD

The Policy Protection Period is shown in the Data Section. An increase in coverage does not initiate a new Policy Protection Period.

PAYMENT OF PREMIUMS

The first premium is due on or before the date of issue. This first premium cannot be less than the Minimum Monthly Premium shown in the Data Section. Premium payments shall be permitted during the Premium Payment Period shown in the Data Section while one or both of the Insureds are living.

During the Policy Protection Period the payment of cumulative premiums, in excess of withdrawals and loans, at least equal to the Minimum Monthly Premiums payable since the Effective Date of the policy will keep the policy in force to the next Monthly Policy Date, as long as the Accumulated Value is sufficient to provide for Monthly Deductions. Otherwise, this policy will remain in force as long as the Cash Surrender Value is sufficient to provide for Monthly Deductions.

The Planned Periodic Premiums are the premiums the Applicant has chosen to pay. Planned Periodic Premiums may be paid on an annual, semi-annual, quarterly, or monthly basis. The Owner may change the amount or frequency of such premiums at any time by sending a written notice to us at our Home Office. However, we may limit any increase in either amount or frequency.

Premiums in addition to the Planned Periodic Premiums may be necessary to keep this policy and the coverages provided by this policy and any additional benefit riders in force.

We will accept *Unscheduled Premiums*, which are premiums in addition to the Planned Periodic Premiums. We may limit the number and amount of *Unscheduled Premiums* if payment of the premium results in more than a dollar for dollar increase in the Death Benefit.

All premiums are limited by a minimum and a maximum. The minimum is \$25 per premium. The maximum is the limit imposed by the Internal Revenue Code for qualifying the policy as Life Insurance for Federal Income Tax purposes.

We will not accept any premium in excess of the maximum. We will return any premiums not accepted and any interest credited to such premiums to the Owner within 60 days after the end of the Policy Year in which the premiums were received.

The first premium may be paid to us either through our duly authorized agent in exchange for a receipt signed by that agent or at our Home Office. All later premiums must be paid to us at our Home Office.

NET PREMIUM

A Net Premium is determined by multiplying a premium received times the difference of 1 minus the Percent of Premium Expense Charge stated in the Data Section.

GRACE PERIOD

If on any Monthly Policy Date the Cash Surrender Value is less than the Monthly Deduction on such date, a Grace Period shall start, unless:

1. the policy is within the Policy Protection Period; and
2. the Accumulated Value less any debt to us on this policy is greater than the Monthly Deduction on that date; and
3. the cumulative premiums paid since the policy's Effective Date, less any withdrawals and less any debt to us on this policy, are greater than or equal to the cumulative Minimum Monthly Premiums due since the policy's Effective Date.

A Grace Period shall be 61 days. During a Grace Period this policy shall remain in force.

The premium needed to keep the policy in force beyond a Grace Period which ends during the Policy Protection Period shall equal the greater of (a) or (b) where:

- a) equals the sum of the Minimum Monthly Premiums in effect on the policy over all of the months from the Effective Date of the policy to the start of the Grace Period, plus all withdrawals, plus three times the Minimum Monthly Premium in effect at the beginning of the Grace Period, plus any debt to us on this policy, less all premiums paid; and where
- b) equals the premium which will be sufficient to produce an Accumulated Value, net of policy debt, equal to two times the Monthly Deduction due on the date the Grace Period began.

The premium needed to keep the policy in force beyond a Grace Period which ends after the Policy Protection Period shall be the premium sufficient to produce a Cash Surrender Value equal to three times the Monthly Deduction due on the date the Grace Period began.

We will mail notice of the premium needed to the last known address of the Owner or any assignee of record at least 30 days prior to the termination of coverage. The Owner has the entire Grace Period within which to remit the necessary premium. Any premium sent by U.S. mail shall be postmarked within the Grace Period. If such premium is unpaid on the later of:

1. the first day following the 61-day Grace Period; or
2. the 31st day after such notice is sent;

then this policy shall terminate without value.

A Grace Period will not begin solely because payments of Planned Periodic Premiums are discontinued. Whether or not premiums are paid, Monthly Deductions will be made from the Accumulated Value. The terms of this Grace Period provision will determine if and when a Grace Period starts.

REINSTATEMENT

If this policy terminates after the end of a Grace Period, it may be reinstated. It must be reinstated on a Monthly Policy Date within five years from the start of such Grace Period and prior to the end of the Premium Payment Period.

For Reinstatement we will require:

1. an application for Reinstatement; and
2. proof to our satisfaction that each Insured who was living at the end of the Grace Period is living and insurable; and
3. payment of an amount determined as follows:
 - a) If Reinstatement occurs during a Policy Protection Period, the required payment shall be an amount equal to the premium which will be sufficient to produce an Accumulated Value, net of policy debt, four times the Monthly Deduction due on the date the Grace Period began, or, if greater:
 - i. the sum of the Minimum Monthly Premiums in effect on the policy over all the months from the Effective Date of this policy to the start of the Grace Period; plus
 - ii. all withdrawals; plus
 - iii. three times the Minimum Monthly Premium in effect at the beginning of the Grace Period; plus
 - iv. any debt to us on this policy; less
 - v. all premiums paid.

The above amount not to exceed the premium required to make the Cash Surrender Value sufficient to provide:

- i. two times the Monthly Deduction due on the date the Grace Period began; plus
 - ii. three times the Monthly Deduction due on the date of Reinstatement.
- b) If Reinstatement occurs after the Policy Protection Period, the required payment shall be a premium which will make the Cash Surrender Value sufficient to provide:
 - i. two times the Monthly Deduction due on the date the Grace Period began; plus
 - ii. three times the Monthly Deduction due on the date of Reinstatement.

We will send the Owner notice of the required payment upon request.

In the event of Reinstatement:

1. the Accumulated Value of the policy at the time of final lapse will be restored along with the Cash Value available for deductions at the time that the Grace Period began; and
2. the schedule of Surrender Charges for the policy months following the date the Grace Period began shall become the schedule of Surrender Charges for the policy months following the date of Reinstatement; and
3. the schedule of Monthly Expense Charges for the policy months following the date the Grace Period began shall become the schedule of Monthly Expense Charges for the policy months following the date of Reinstatement; and
4. any Policy Loan that was in force at the time that the Grace Period began may be repaid or may be reinstated.

DEATH BENEFIT AND POLICY CHANGES

DEATH BENEFIT

We will pay the Death Benefit to the Beneficiary when we receive at our Home Office due proof that both Insureds died while this policy was in force. We will pay the Death Benefit in one sum unless a Payment Option is chosen. If the Death Benefit is paid in one sum, it shall be increased by interest from the date of death of the second of the Insureds to die to the date of payment. We will set the rate of interest at not less than the rate applicable for the funds left on deposit. If the Death Benefit is not paid within 30 days after we receive at our Administrative Office due proof of the second Insured died while this policy was in force, the rate of interest shall be 8% per year.

COVERAGE AT AND AFTER AGE 121

If your policy is in force when the younger Insured reaches Attained Age 121, the Face Amount of this policy will be set equal to the Accumulated Value, and the Death Benefit Option will automatically revert to Option A. The Death Benefit Option may not thereafter be changed, and no additional premium will be accepted on this policy. All Monthly Deductions on this policy will cease. The Owner may, however, continue to access the Cash Surrender Value and to make or repay Policy Loans.

You may surrender your policy if you do not want coverage to continue past the younger Insured reaching Attained Age 121.

Continuing coverage beyond the younger Insured's Attained Age 121 may cause your policy to fail to qualify as life insurance under the Internal Revenue Code and you may be subject to adverse tax consequences. You should consult a tax advisor before you choose to continue your policy after the younger Insured's Attained Age 121.

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NOTICE OF DEATH AND CLAIMS

The Owner must notify us within 180 days after the date of death of each Insured. We may require proof whether both Insureds are living two years from the Effective Date. Within 180 days after the date of death of the first Insured to die, we will require the Owner to provide us with evidence of death and proof of age and, if the death is within two years from the Effective Date, the cause of death.

DEATH BENEFIT OPTIONS

The Owner may elect either of two Death Benefit Options, Option A or Option B, for the period prior to the Attained Age 121 of the younger of the Insureds. The Death Benefit Option is stated in the Data Section.

Option A. Under Option A, the Death Benefit is equal to the greater of:

1. the Face Amount of the policy on the date of the death of the second of the Insureds to die; or
2. the Death Benefit Factor shown in the Data Section multiplied by the Accumulated Value on the date of the death of the second of the Insureds to die;

less the amount of any Monthly Deductions then due and any debt to us on this policy.

Option B. Under Option B, the Death Benefit is equal to the greater of:

1. the Face Amount plus the Accumulated Value of the policy on the date of the death of the second of the Insureds to die; or
2. the Death Benefit Factor shown in the Data Section multiplied by the Accumulated Value on the date of the death of the second of the Insureds to die;

less the amount of any Monthly Deductions then due and any debt to us on this policy.

CHANGES IN FACE AMOUNT AND DEATH BENEFIT OPTION

The Owner may request any of the following changes. We will make a change subject to the conditions stated. These changes may be made prior to the younger Insured reaching Attained Age 121 and after the first Policy Anniversary. We will send the Owner a revised or additional Data Section if any of these changes are made.

Face Amount Increases. We will require an application from the Owner and proof to our satisfaction that both of the Insureds are alive and either of the Insureds are then insurable. An increase in Face Amount must satisfy the Minimum Face Amount per Coverage Segment requirements of the policy and must be initiated before the end of the younger Insured's Attained Age 90 and shall be effective upon the Monthly Policy Date on or next following our approval.

Each increase in Face Amount will have its own coverage segment that has its own Monthly Cost of Insurance charges, Monthly Expense Charge, and Surrender Charges, as well as new incontestability and suicide exclusion periods.

Face Amount Decreases. We will require a written request from the Owner. A decrease in Face Amount shall be effective upon the Monthly Policy Date on or next following our receipt of the request.

Decreases shall not be permitted which would reduce the sum of the Face Amount plus the Sums Insured of any riders for Additional Protection Benefit attached to this policy to less than any of the following:

1. the minimum insurance amount for which the policy would qualify as "Life Insurance" for Federal Income Tax purposes under the Internal Revenue Code; or
2. the Minimum Coverage Amount shown in the Data Section; or
3. 75% of the largest sum of the Face Amount plus the Sums Insured of any Riders for Additional Protection Benefit attached to this policy in force at any time in the twelve policy months prior to our receipt of the request. This restriction applies only during the first ten Policy Years.

A decrease in total insurance coverage shall apply in the following order:

1. first, to any increases in Face Amount or to the addition of any rider for Additional Protection Benefit providing coverage on the life of the Insureds, in the reverse order in which they were made;
2. second, to the Face Amount on the date of issue.

If both an increase in Face Amount and the addition of a rider for Additional Protection Benefit providing coverage on the life of the Insureds became effective on the same date, a decrease in total insurance coverage made effective on that date shall apply in the following order:

1. first, to any increase in total insurance coverage resulting from the addition of a Rider for Additional Protection Benefit providing coverage on the life of both Insureds;
2. second, to any increase in Face Amount;
3. third, to the Face Amount on the date of issue.

Death Benefit Option Changes.The Death Benefit Option may be changed once each Policy Year after the first Policy Anniversary prior to the younger Insureds Attained Age 121. We will require a written request from the Owner. A change will be effective on any Monthly Policy Date requested. The change may be made only if after such change the policy would qualify as "Life Insurance" for Federal Income Tax purposes under the Internal Revenue Code. The Minimum Monthly Premium will be recomputed to reflect the change in Options.

1. Upon a change from Option A to Option B, we may require evidence satisfactory to us that both Insureds are living and of the continued insurability of one or both of the Insureds at the time of the change. The Face Amount shall decrease by an amount equal to the Accumulated Value of the policy just prior to the Effective Date of the change. However, the change may be made only if after such change the Face Amount would not be less than the Minimum Coverage Amount shown in the Data Section.
2. Upon a change from Option B to Option A, the Face Amount shall increase by an amount equal to the Accumulated Value just prior to the Effective Date of the change. No additional Surrender Charges shall be imposed solely because of this change.

SUICIDE LIMITATION

If either of the Insureds dies within two years of the Effective Date as the result of suicide, while sane or insane, we will pay only a sum equal to:

1. the premiums paid; less
2. any withdrawals made; less
3. any debt to us on this policy.

This policy shall immediately terminate on the first such death by suicide. Payment will be made to the Beneficiary.

A similar two-year period shall apply to any increase in Face Amount for which an application is required. Such period shall begin on the Effective Date of any such increase. During such period if either Insured dies as the result of suicide, we will terminate the increase segment, and will refund to the Owner only a sum equal to the Cost of Insurance Charges that we have deducted from the Accumulated Value for such increase.

INTEREST CREDITING STRATEGIES

Accumulated Value in this policy is apportioned into one or more segments distinguished by their interest crediting strategies. Six interest crediting strategies are made available under this policy. Interest is nonforfeitable after crediting except indirectly due to surrender charges. The rates of interest will never be less than the Accumulated Value Interest Rate shown in the Data Section.

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BASIC STRATEGY

Interest will be credited to the Accumulated Value in the Basic Strategy on a daily basis at a rate not less than the Accumulated Value Interest Rate shown in the Data Section.

The Basic Strategy Minimum Value for a Policy Year is equal to 12.5 times the Monthly Deduction due on the first day of that Policy Year. It will remain unchanged until the first day of the next Policy Year.

All Net Premiums are paid into the Basic Strategy. On the 21st day of each month, the Accumulated Value in the Basic Strategy that is in excess of the Basic Strategy Minimum Value, subject to a minimum amount of \$50.00, will be transferred to one or more of five interest crediting strategies, including the Fixed-Term Strategy and Strategies 1, 2, 3, and 4, according to an allocation selected by the Applicant at the time of policy application. The Owner has the right to change the allocation selection.

FIXED-TERM STRATEGY

Each transfer of Accumulated Value made to this strategy creates a distinct Fixed-Term Segment. Each Fixed-Term Segment will have a duration of one year. Interest will be credited to the Accumulated Value in each Fixed-Term Segment on a daily basis at a rate not less than the Accumulated Value Interest Rate shown in the Data Section.

Accumulated Value cannot be transferred out of any Fixed-Term Segment prior to the end of its one-year duration and at that time will be automatically transferred to the Basic Strategy. Different Fixed-Term Segments may be credited interest at different rates.

INDEXED STRATEGIES

Each transfer of Accumulated Value made to an Indexed Strategy creates a distinct Indexed Segment. Each Indexed Segment will have a crediting period of one year. Index Earnings will be credited to the Accumulated Value in each segment at the end of the crediting period.

The Index Earnings for Indexed Strategies 1, 2, and 3 will be credited to Accumulated Value in each Indexed Segment at the end of the crediting period based on the performance of the Index on such day (Point-to-Point). The Index Earnings for Indexed Strategy 4 will be credited to Accumulated Value in each Indexed Segment at the end of the crediting period based on the performance of the Index averaged throughout the preceding twelve months (Point-to-Average).

Index. Index refers to the Standard & Poor's 500 Index, excluding dividend income. It will be used in the determination of Index Earnings made to each segment within an Indexed Strategy. If the publication of the Index is discontinued, a suitable index will be substituted and you will be notified of such index.

Index Value. The Index Value as of any date is the published value of the Index at the close of business on that date. If no value was published on that date, the last published value of the Index will be used.

Index Growth. The Index Growth for an Indexed Segment is calculated at the end of the segment's crediting period.

The Index Growth for the Indexed Strategies 1, 2, and 3 is the following:

1. the Index Value as of the one-year anniversary of the Indexed Segment; minus
2. the Index Value as of the inception of the Indexed Segment; this difference divided by
3. the Index Value as of the inception of the Indexed Segment.

The Index Growth for Indexed Strategy 4 is the following:

1. the sum of the Index Values for each day the Index Value was published between the inception of the Indexed Segment and the one-year anniversary of the Indexed Segment, excluding the Index Value at the inception but including the Index Value on its anniversary; divided by
2. the number of days the Index Value was published between the inception of the Indexed Segment and the one-year anniversary of the Indexed Segment excluding the day it was created but including the anniversary; minus
3. the Index Value as of the inception of the Indexed Segment; this difference divided by
4. the Index Value as of the inception of the Indexed Segment.

Participation Rate. Each Indexed Segment will have a Participation Rate. The Participation Rate is determined in advance of establishment of an Indexed Segment. The Participation Rate will never be less than the Guaranteed Minimum Participation Rate for the applicable strategy shown in the Data Section.

Index Earnings Cap. Each Indexed Segment will have an Index Earnings Cap. The Index Earnings Cap is determined in advance of establishment of an Indexed Segment. The Index Earnings Cap for a segment will never be less than the Guaranteed Minimum Cap for the applicable strategy shown in the Data Section.

Index Earnings. The Index Earnings for each Indexed Segment are calculated at the end of the crediting period of such segment as follows:

1. the Index Growth for the segment multiplied by the segment's Participation Rate, with this product adjusted so that it is no less than zero and no greater than the segment's Index Earnings Cap; multiplied by
2. the value of the Indexed Segment at the end of the crediting period.

The Owner may not request that Accumulated Value in an Indexed Segment be transferred out of that segment prior to the end of the segment's crediting period. Accumulated Value in an Indexed Segment may be transferred out of that segment prior to the end of the segment's crediting period for the payment of Monthly Deductions, for the creation of a Fixed Net Cost Loan, due to a partial Withdrawal, or due to the termination of the policy. Indexed Earnings will be credited on the Accumulated Value remaining in an Indexed Segment at the end of the segment's crediting period. At the end of the crediting period the Accumulated Value in the Indexed Segment is automatically transferred to the Basic Strategy.

POLICY VALUES

ACCUMULATED VALUE

The Accumulated Value on the policy Effective Date is the initial Net Premium minus the initial Monthly Deduction.

The Accumulated Value on any other date is equal to the sum of the values of the Basic Strategy, the Fixed-Term Strategy, Indexed Strategies 1, 2, 3, and 4, and the value of any loan collateral account. Upon termination of the policy, however, the Accumulated Value will be no less than the accumulation at the Accumulated Value Interest Rate shown in the Data Section of Net Premiums minus Monthly Deductions minus Withdrawals.

MONTHLY DEDUCTION

The Monthly Deduction due on a Monthly Policy Date shall be the Monthly Cost of Insurance, plus the Monthly Expense Charge, plus the Monthly Policy Fee, plus the monthly cost of any additional benefit riders in force on this policy.

Monthly Deductions will be taken from the Accumulated Value of the policy in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from the Indexed Strategy 4 until exhausted;
4. fourth, from the Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, deductions are made in the reverse order in which the segments were created.

MONTHLY COST OF INSURANCE

The Monthly Cost of Insurance shall be based on the risk classification and duration of this policy, and the sex and Issue Ages of both Insureds.

The Monthly Cost of Insurance for a given policy is equal to the applicable Monthly Cost of Insurance Rate multiplied by the Net Amount at Risk.

The Net Amount at Risk is the excess of:

1. the Death Benefit plus any debt to us on such date, divided by the sum of 1 plus the monthly Accumulated Value Interest Rate shown in the Data Section; over
2. the Accumulated Value of this policy on such date.

We may change the Cost of Insurance rates from time to time based on our expectations of future experience. Future experience can include, but is not limited to, investment earnings, mortality, persistency, taxes and expenses. Any change in the Cost of Insurance rates shall apply to all policies of the same size and duration, insuring persons of the same sex, Issue Age, and risk classification as the Insureds. The Cost of Insurance rates shall not be greater than the rates set forth in the Table of Guaranteed Maximum Cost of Insurance rates shown in the Data Section. These rates are based on the Mortality Table named in the Data Section.

CASH SURRENDER AND WITHDRAWALS

CASH SURRENDER VALUE

The Owner may, by written request to us, surrender this policy while one or both of the Insureds are living for its Cash Surrender Value. We may require that the policy be returned to us. When this policy has been surrendered, it shall be null and void and all rights shall cease.

The Cash Surrender Value on any day shall be equal to:

1. the Accumulated Value on such day; less
2. any Surrender Charge which applies on such day; less
3. any debt to us on this policy.

The Surrender Charges are shown in the Data Section.

WITHDRAWALS

After the first Policy Anniversary and prior to the last day of the Premium Payment Period while one or both of the Insureds are living, the Owner may make withdrawals by written request to us. Withdrawals shall be subject to all of the following terms.

1. Withdrawals may be made only on a Monthly Policy Date which follows receipt of such request.
2. The amount withdrawn may not be less than the Minimum Withdrawal Amount shown in the Data Section.
3. For each withdrawal made, a Withdrawal Fee may be assessed not to exceed the Maximum Withdrawal Fee shown in the Data Section.
4. The amount withdrawn may not exceed the Cash Surrender Value on the Monthly Policy Date less three times the Monthly Deduction for such Monthly Policy Date.
5. The Accumulated Value will be decreased by the amount of the withdrawal plus the Withdrawal Fee if any.
6. If Death Benefit Option A is in effect on the date of the withdrawal, the Face Amount of the policy will be reduced by an amount equal to the amount of the withdrawal plus the Withdrawal Fee if any.

Withdrawals, including the Withdrawal Fee if any, are made from the Accumulated Value in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from Indexed Strategy 4 until exhausted;
4. fourth, from Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, withdrawals are made in the reverse order of which the segments were created.

GENERAL CASH SURRENDER VALUE AND WITHDRAWAL TERMS

We may delay payment of any amounts which are payable as a result of Cash Surrender or Withdrawal. Please refer to the Postponement of Benefits provision.

POLICY LOANS

POLICY LOANS

We will loan an amount up to the Loan Value of the policy less the amount of any outstanding debt, at any time after the first Policy Year. At the time of the loan the policy must be in force and one or both of the Insureds are living. The policy shall be the sole security for the loan and must be duly assigned to us.

Two policy loan options are available with this policy: a Fixed Net Cost Loan and a Variable Net Cost Loan. The loan option is selected at the time a loan is taken, and all outstanding loans must use the same loan option. The Owner may change the loan option only on a Policy Anniversary.

LOAN VALUE

The Loan Value on any day is equal to:

1. the Accumulated Value on such day; less
2. the Surrender Charge on such day, if applicable; less
3. three times the Monthly Deductions due on the most recent prior Monthly Policy Date.

LOAN INTEREST RATE

Any loan shall bear interest from the date the loan is made. The Loan Interest Rate may change from Policy Year to Policy Year.

The Loan Interest Rate on the Effective Date of the policy is stated in the Data Section. Such rate shall apply to any debt to us on this policy until the rate is changed by us. We may change the Loan Interest Rate only on a Policy Anniversary, after which the changed rate will apply to any new or existing debt to us on the policy. The Loan Interest Rate is subject to a minimum annual interest rate of 3.00% and shall not exceed the Maximum Rate allowed. The Maximum Rate allowed is the greater of:

1. the Published Monthly Average for the calendar month ending two months before the calendar month in which the Policy Anniversary occurs; or
2. the yearly Accumulated Value Interest Rate shown in the Data Section plus 1%.

The Published Monthly Average shall be the Moody's Corporate Bond Yield Average - Monthly Average Corporates, as published by Moody's Investors Service, Inc., or any successor to it. If at any time that Published Monthly Average is no longer published, a substantially similar average, established under the law of the state where this policy was delivered, shall be used.

If on any Policy Anniversary the Maximum Rate then allowed is at least 0.50% per year less than the Loan Interest Rate in effect for this policy during the prior Policy Year, we will decrease the Loan Interest Rate for this policy. If on any Policy Anniversary the Maximum Rate then allowed is at least 0.50% per year more than the Loan Interest Rate in effect on this policy during the prior Policy Year, we may increase such Loan Interest Rate. If increased, it shall be increased to a rate not greater than the Maximum Rate then allowed.

We will give to the Owner:

1. notice of the Loan Interest Rate in effect for this policy at the time a loan is made; and
2. at least 30 days' advance notice of any increase in the Loan Interest Rate, if there is any debt to us on this policy.

In no event shall the Loan Interest Rate exceed the highest loan interest rate allowed by law of the state in which this policy is delivered.

FIXED NET COST LOAN

Accumulated Value in the amount of the Fixed Net Cost Loan plus any unpaid loan interest will be removed from the Interest Crediting Strategies of the policy and held in a Loan Collateral Account. Accumulated Value will be removed from the Interest Crediting Strategies in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from Indexed Strategy 4 until exhausted;
4. fourth, from Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, deductions will be made in the reverse order in which the segments were created.

The Accumulated Value removed from the Interest Crediting Strategies to establish a Loan Collateral Account will be held apart from other Accumulated Value in this policy and may be credited interest at a different rate than that of other Accumulated Value in the policy.

Repayments of the loan, including payments of loan interest, will be applied to the outstanding loan balance, and the amount repaid will be deposited into the Basic Strategy. The amount of Accumulated Value held in the Loan Collateral Account will be reduced by the amount of the repayment.

VARIABLE NET COST LOAN

Accumulated Value is not removed from the Interest Crediting Strategies if a Variable Net Cost Loan is taken. All Accumulated Value in this policy will continue to earn interest or Index Earnings as stated in the Interest Crediting Strategies section of this policy.

A Variable Net Cost Loan will be charged interest at the Loan Interest Rate. There is no fixed relationship between the interest credited to Accumulated Value in this policy and the interest assessed on a Variable Net Cost Loan.

GENERAL LOAN TERMS

After the loan is made, loan interest shall be due on the next and all later Policy Anniversaries. If any interest is not paid when due, it shall be added to the loan and bear interest on the same terms.

The debt secured by this policy includes loans, unpaid loan interest and accrued loan interest not otherwise due.

All or any part of the debt may be paid to us at any time prior to:

1. the death of the second of the Insureds; and
2. surrender of the policy.

However, during a Grace Period the debt may not be repaid. Unless the Owner specifies, any payment to us shall be deemed a premium payment and not payment of the debt. At the death of the second of the Insureds or upon the surrender of the policy, all debt shall become due at once. It shall be paid from the policy values.

We may delay payment of any amounts which are payable as a result of a Policy Loan. Please refer to the Postponement of Benefits provision.

PAYMENT OPTIONS

In lieu of a lump sum settlement, all or part of the proceeds of this policy may be applied under a Payment Option. When proceeds are applied under a Payment Option, all other rights and benefits under this policy shall cease.

In addition to the following options, other payment options may be available.

OPTION EFFECTIVE DATE

The Option Effective Date is the date the proceeds become payable.

GENERAL PAYMENT
OPTION TERMS

If the proceeds to be placed under a Payment Option are less than \$5,000, we may pay them in one sum to the payee who otherwise would receive the first payment under the option. If any payments would be less than \$100, we will change the frequency to provide payments of at least \$100.

If the proceeds are assigned on the Option Effective Date, we will pay the assignee's share in one sum and place only the balance under the option. After the Option Effective Date neither the payments nor the remaining value may be assigned or encumbered. To the extent the law permits, they are not subject to any claims against the payee.

We may require proof to our satisfaction that any payee is alive on the date any payment is due.

CHOICE OF
OPTION

Choice of an option may be made:

1. by the Owner if one or both of the Insureds are living; or
2. by the Beneficiary if neither Insured is living and no option is in effect.

Equivalent payments for 12-, 6-, 3-, or 1-month intervals may be chosen. The options are described in terms of monthly payments. We will quote the amount of other payments on request.

We may issue a document stating the terms of the option.

CHANGE OF
PAYMENT OPTION

The right to change Payment Options exists under Options 1, 2, and 4. At the time of change the remaining value under the old option shall become the proceeds to be placed under the new option.

LUMP SUM
REMOVAL OF
PROCEEDS APPLIED
UNDER A PAYMENT
OPTION

Lump sum payments may be taken from the remaining proceeds placed under Payment Options 1, 2, and 4.

Under Options 1 and 4 all or any part of the remaining value may be taken at any time, though no more than four transactions may be made during any calendar year.

Under Option 2 the entire remaining value may be taken at any time.

National Life Insurance Company
*One National Life Drive * Montpelier, Vermont 05604 * (800) 732-8939*

No lump sum removal of proceeds may be made under Options 3, 5, 6, or 7.

OPTION 1
-PAYMENT OF
INTEREST ONLY

Interest at a rate of 1.50% per year shall be paid either for:

1. the life of a chosen human being; or
2. a chosen period.

We may pay more interest in any given year. Upon the earlier of the death of the chosen human being or the end of the chosen period, any remaining value will be paid. The first payment shall be made one month after the Option Effective Date. If the payee is not a human being, payments may not continue for more than 30 years.

OPTION 2
-PAYMENTS FOR A
STATED TIME

Equal monthly payments shall be made for a stated number of years. The first payment shall be made on the Option Effective Date. The amount of each monthly payment is shown in the table. The monthly payments are based on an interest rate of 1.50% per year. We may pay more interest in any year.

Option 2 Table
 Monthly Payments for Each \$1,000 of Proceeds

Stated Number of Years	Monthly Payments
5	17.28
6	14.51
7	12.53
8	11.04
9	9.89
10	8.96
11	8.21
12	7.58
13	7.05
14	6.59
15	6.20
16	5.85
17	5.55
18	5.27
19	5.03
20	4.81
21	4.62
22	4.44
23	4.28
24	4.13
25	3.99
26	3.86
27	3.75
28	3.64
29	3.54
30	3.44

OPTION 3
 -PAYMENTS FOR
 LIFE

Equal monthly payments shall be made for any guaranteed period chosen and thereafter during the life of a chosen human being. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the age and sex of the chosen human being on the Option Effective Date and on any guaranteed period chosen. We may require proof to our satisfaction of such age. We may require like proof that such human being is alive on the date any payment is due. The guaranteed period may be five or ten years or a Refund period. A Refund period extends until the sum of the payments is equal to the proceeds placed under the option. The monthly payments are based on an interest rate of 1.50% per year. We may pay more interest in any year during the guaranteed period. We will quote the amount of monthly payments for lower ages and guaranteed periods not shown in the Option 3 Table on request.

Option 3 Table
 Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Guaranteed Period

Age	Male			Female		
	None	10 Years	Refund	None	10 Years	Refund
50	\$3.24	\$3.22	\$3.02	\$3.00	\$2.99	\$2.86
51	3.31	3.29	3.08	3.06	3.05	2.91
52	3.39	3.36	3.13	3.13	3.11	2.96
53	3.47	3.44	3.19	3.19	3.18	3.02
54	3.55	3.51	3.25	3.26	3.25	3.07
55	3.63	3.60	3.31	3.34	3.32	3.13
56	3.73	3.68	3.38	3.41	3.39	3.19
57	3.82	3.77	3.45	3.50	3.47	3.26
58	3.92	3.87	3.52	3.58	3.56	3.32
59	4.03	3.97	3.60	3.68	3.64	3.39
60	4.15	4.07	3.67	3.78	3.74	3.46
61	4.27	4.19	3.76	3.88	3.83	3.54
62	4.40	4.30	3.84	3.99	3.94	3.62
63	4.54	4.42	3.93	4.11	4.05	3.70
64	4.69	4.55	4.02	4.23	4.16	3.79
65	4.85	4.69	4.12	4.37	4.28	3.88
66	5.02	4.83	4.23	4.51	4.41	3.98
67	5.20	4.98	4.33	4.66	4.55	4.08
68	5.39	5.13	4.45	4.83	4.69	4.19
69	5.60	5.29	4.57	5.00	4.84	4.30
70	5.82	5.45	4.70	5.19	5.00	4.43
71	6.05	5.62	4.82	5.39	5.17	4.55
72	6.30	5.79	4.96	5.61	5.34	4.68
73	6.57	5.96	5.11	5.85	5.52	4.82
74	6.85	6.14	5.25	6.11	5.71	4.98
75	7.15	6.32	5.41	6.39	5.91	5.13
76	7.47	6.51	5.59	6.69	6.11	5.30
77	7.82	6.69	5.75	7.01	6.31	5.47
78	8.19	6.87	5.93	7.36	6.52	5.66
79	8.59	7.05	6.14	7.74	6.73	5.85
80	9.01	7.22	6.34	8.16	6.93	6.04
81	9.47	7.39	6.55	8.60	7.13	6.29
82	9.95	7.56	6.77	9.09	7.33	6.50
83	10.47	7.71	7.00	9.61	7.52	6.76
84	11.02	7.86	7.25	10.18	7.69	7.00
85+	11.61	8.00	7.52	10.79	7.86	7.26

+ Higher ages the same

OPTION 4
-PAYMENTS OF A
STATED AMOUNT

Equal monthly payments of a stated amount shall be made until the proceeds, with interest at 1.50% per year on the unpaid balance, are used up. The first payment shall be made on the Option Effective Date. The amount chosen must be at least \$10 per month for each \$1,000 of proceeds placed under this option. We may add more interest to the unpaid balance in any year, which will extend the number of payments. The last payment will be for the balance only.

OPTION 5 - LIFE
ANNUITY

Equal monthly payments shall be made in the same manner as Option 3 except:

1. the amount of each payment shall be based on our current settlement rates on the Option Effective Date; and
2. no additional interest shall be paid.

OPTION 6 - JOINT
AND TWO-THIRDS
ANNUITY

Equal monthly payments shall be made while two chosen human beings are both living. Upon the death of either, two-thirds of the amount of such payments shall continue during the life of the survivor. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the ages and sexes of the chosen human beings on the Option Effective Date. We may require proof to our satisfaction of their ages. We may require like proof that any chosen human being is alive on the date any payment conditioned on the life of such human being is due. The initial amount of each monthly payment is shown in the table. We will quote the amount of monthly payments for any other age combination on request. The monthly payments are based on an interest rate of 1.50% per year. No additional interest shall be paid.

Option 6 Table
Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Ages of Both	One Male and One Female	Ages of Both	One Male and One Female
50	\$2.97	68	\$4.72
51	3.03	69	4.89
52	3.09	70	5.06
53	3.16	71	5.25
54	3.22	72	5.46
55	3.29	73	5.68
56	3.37	74	5.91
57	3.45	75	6.16
58	3.53	76	6.43
59	3.62	77	6.72
60	3.72	78	7.04
61	3.82	79	7.37
62	3.92	80	7.74
63	4.04	81	8.12
64	4.16	82	8.54
65	4.28	83	8.99
66	4.42	84	9.48
67	4.57	85+	9.99

+ Higher ages the same

OPTION 7 - 50%
SURVIVOR
ANNUITY

Equal monthly payments shall be made during the life of the chosen primary human being. Upon the death of the chosen primary human being, 50% of the amount of such payments shall continue during the life of the chosen secondary human being. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the ages and sexes of the chosen human beings on the Option Effective Date. We may require proof to our satisfaction of their ages. We may require like proof that any chosen human being is alive on the date any payment conditioned on the life of such human being is due. The initial amount of each monthly payment is shown in the table. We will quote the amount of monthly payments for any other age combination on request. The monthly payments are based on an interest rate of 1.50% per year. No additional interest shall be paid.

Option 7 Table
 Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Ages of Both	Male Primary Female Secondary	Female Primary Male Secondary	Ages of Both	Male Primary Female Secondary	Female Primary Male Secondary
50	\$2.96	\$2.85	68	\$4.67	\$4.44
51	3.01	2.90	69	4.83	4.60
52	3.07	2.96	70	5.00	4.76
53	3.14	3.02	71	5.19	4.93
54	3.20	3.08	72	5.38	5.12
55	3.27	3.15	73	5.59	5.32
56	3.35	3.22	74	5.82	5.53
57	3.43	3.29	75	6.06	5.77
58	3.51	3.37	76	6.31	6.01
59	3.60	3.45	77	6.59	6.28
60	3.69	3.53	78	6.88	6.57
61	3.79	3.62	79	7.20	6.89
62	3.89	3.72	80	7.54	7.22
63	4.00	3.82	81	7.90	7.59
64	4.12	3.93	82	8.29	7.98
65	4.24	4.05	83	8.71	8.40
66	4.38	4.17	84	9.16	8.86
67	4.52	4.30	85+	9.64	9.34

+ Higher ages the same

NATIONAL LIFE IS A DYNAMIC AND GROWING FAMILY OF INSURANCE AND FINANCIAL SERVICE COMPANIES OFFERING A COMPREHENSIVE RANGE OF LIFE INSURANCE, ASSET ACCUMULATION AND RETIREMENT PLANNING PRODUCTS. OUR FLAGSHIP, NATIONAL LIFE INSURANCE COMPANY, HAS BEEN SERVING CUSTOMERS WITH VALUE AND INTEGRITY SINCE 1850, AND IS LICENSED IN ALL 50 STATES AND THE DISTRICT OF COLUMBIA.

Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Flexible premiums are payable through the end of the Premium Payment Period or until the death of both Insureds. The adjustable Death Benefit is payable upon the death of the second of the Insureds to die. This policy is non-participating. Although the policy values may be affected by an external index, the policy does not directly participate in any stock or equity investments.

The Owner is a member of National Life Holding Company while this contract is in force. The annual meetings of the Company are held at its Home Office in Montpelier, Vermont, on the second Friday in May in each year at 9 o'clock A.M.

NATIONAL LIFE INSURANCE COMPANY

HOME OFFICE: ONE NATIONAL LIFE DRIVE
MONTPELIER, VERMONT 05604 TELEPHONE: 800-732-8939
WWW.NATIONALLIFE.COM



NATIONAL LIFE

National Life Insurance Company
Montpelier, Vermont 05604
Tel: 802-229-3333

Should You Need to Call

Your agent is, and should continue to be, the primary contact for information about your National Life coverage. However, there may be times when it is necessary to contact our Home Office for assistance.

If you need to contact our Home Office directly, please dial 1-800-732-8939. Contract information is also available at www.nationallife.com, where you can self-register to access policy information in a secure setting.

Limitations and Exclusions Under the Arkansas Life and Health Insurance Guaranty Association Act

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”) may not provide coverage for your policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. **However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.**

The Arkansas Life and Health Insurance Guaranty Association
C/O The Liquidation Division
1023 West Capitol

Little Rock, Arkansas 72201
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act (*Act*). On the next page is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

Coverage

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

Exclusions From Coverage

However, persons owning such policies are **NOT** protected by the Guaranty Association if:

- they are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- the insurer was not authorized to do business in this state;
- their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does **NOT** provide coverage for:

- any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- any policy of reinsurance (unless an assumption certificate was issued);
- interest rate yields that exceed an average rate;
- dividends and voting rights and experience rating credits;
- credits given in connection with the administration of a policy by a group contract holder;
- employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- unallocated annuity contracts (which give rights to group contract holders, not individuals);
- unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation (*FPBC*) (whether the FPBC is yet liable or not);
- portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

Limits on Amount of Coverage

The Act also limits the amount the Guaranty Association is obligated to cover. The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.



We, National Life Insurance Company (the Company), agree to pay the Death Benefit to the Beneficiary, subject to the terms of this policy, when we receive at our Home Office due proof that both Insureds died while this policy was in force.

Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Flexible premiums are payable through the end of the Premium Payment Period or until the death of both Insureds. The adjustable Death Benefit is payable upon the death of the second of the Insureds to die. This policy is nonparticipating. Although the policy values may be affected by an external index, the policy does not directly participate in any stock or equity investments.

Right to Review Policy. This policy, at any time within ten days after its receipt by the Owner, may be returned in person or by mail to us or to the agent through whom it was bought. Upon such return, the policy will be deemed void as of its Effective Date. We will then refund any premium paid.

Effective Date:	03/15/2011
Policy Number:	NL1234567
Face Amount:	\$250,000
First Insured:	Ethan Allen
Issue Age:	35
Second Insured:	Edna Allen
Issue Age:	35
Owner:	As stated in the application unless later changed.
Beneficiary:	As stated in the application unless later changed.

The data and the terms on this and all following pages are part of this policy.

This policy is a legal contract between the policy Owner and National Life Insurance Company. READ YOUR POLICY CAREFULLY.

Signed for National Life Insurance Company at Montpelier, Vermont, as of the Effective Date, by

Mehran Assad
President & Chief Executive Officer

James K. McQuade
Secretary

Registrar

DATA SECTION

POLICY NUMBER: [NL12345657]

FIRST INSURED: [ETHAN ALLEN]
ISSUE AGE: [35]

SECOND INSURED: [EDNA ALLEN]
ISSUE AGE: [35]

FACE AMOUNT: [\$25,000.00]

OWNER: [AS STATED IN THE APPLICATION UNLESS LATER CHANGED].
BENEFICIARY: [AS STATED IN THE APPLICATION UNLESS LATER CHANGED.]

MONTHLY POLICY DATE: [15TH]

DEATH BENEFIT OPTION: [A]

MINIMUM MONTHLY PREMIUM: [\$47.52]
POLICY PROTECTION PERIOD: [MARCH 15, 2011 – MARCH 14, 2021]
[MONTHLY GUARANTEED PREMIUM:] [\$ 60.15]
PLANNED PERIODIC PREMIUM: [\$1,200.00] PAYABLE [ANNUALLY]
FOR PREMIUM PAYMENT PERIOD: [MARCH 15, 2011 TO MARCH 16, 2096]

BASED ON THE PLANNED PERIODIC PREMIUM SHOWN ABOVE AND THE POLICY GUARANTEES,
THIS POLICY WILL TERMINATE ON MARCH 17, 2097.

POLICY LOANS AND WITHDRAWALS WILL REDUCE THE CASH SURRENDER VALUE OF THIS
POLICY AND MAY RESULT IN TERMINATION OF THIS POLICY PRIOR TO THE DEATH OF THE
INSURED.

MINIMUM COVERAGE AMOUNT: \$250,000.00
MINIMUM FACE AMOUNT PER COVERAGE SEGMENT: \$25,000.00
MINIMUM WITHDRAWAL AMOUNT: \$ 500.00
MAXIMUM WITHDRAWAL FEE: \$25.00 FOR EACH WITHDRAWAL

ADDITIONAL BENEFIT RIDERS:
[ADDITIONAL PROTECTION BENEFIT RIDER]
[BALANCE SHEET BENEFIT RIDER]
[DEATH BENEFIT PROTECTION RIDER]
[ESTATE PRESERVATION RIDER]
[LIFETIME INCOME BENEFIT RIDER]
[OVERLOAN PROTECTION RIDER]
[POLICY SPLIT OPTION RIDER]
[SURVIVOR PROTECTION RIDER]

THE LOAN INTEREST RATE IS VARIABLE. THE LOAN INTEREST RATE AT THE EFFECTIVE DATE IS
[5.50%].

DATA SECTION

GUARANTEED BASIS OF CALCULATIONS

FACE AMOUNT: [\$25,000.00]
EFFECTIVE DATE: [MARCH 15, 2011]

ACCUMULATED VALUE INTEREST RATE: 0.20598% COMPOUNDED MONTHLY, WHICH IS
EQUIVALENT TO 2.50% COMPOUNDED PER YEAR

MORTALITY TABLE: 2001 COMMISSIONERS STANDARD ORDINARY [SEX DISTINCT]
SMOKER/NON-SMOKER ULTIMATE AGE NEAREST BIRTHDAY

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
(PER \$1,000 PER MONTH)

<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>	<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>	<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>
[01	0.00008	21	0.03695	41	1.24527
02	0.00026	22	0.04547	42	1.45678
03	0.00048	23	0.05561	43	1.70511
04	0.00073	24	0.06702	44	1.99759
05	0.00102	25	0.08041	45	2.33783
06	0.00136	26	0.09647	46	2.72825
07	0.00177	27	0.11609	47	3.21523
08	0.00228	28	0.14025	48	3.76975
09	0.00291	29	0.16889	49	4.37520
10	0.00369	30	0.20234	50	5.06393
11	0.00467	31	0.24143	51	5.85338
12	0.00584	32	0.28636	52	6.67629
13	0.00730	33	0.33768	53	7.72437
14	0.00888	34	0.39743	54	8.86433
15	0.01077	35	0.46574	55	10.10084
16	0.01316	36	0.54748	56	11.33218
17	0.01607	37	0.64438	57	12.22439
18	0.01980	38	0.76481	58	13.42338
19	0.02430	39	0.90311	59	14.98048
20	0.02992	40	1.06159	60	16.88145]

DATA SECTION

GUARANTEED BASIS OF CALCULATIONS

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES (CONTINUED)
(PER \$1,000 PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>
[61	19.21169	71	45.73402	81	83.33333
62	21.49846	72	50.58032	82	83.33333
63	23.94682	73	55.90819	83	83.33333
64	24.75310	74	61.68802	84	83.33333
65	26.35975	75	68.20117	85	83.33333]
66	28.73671	76	75.47304		
67	31.23543	77	83.17981		
68	34.13909	78	83.33333		
69	37.45990	79	83.33333		
70	41.31436	80	83.33333		

DEFINITION OF LIFE INSURANCE TEST: [GUIDELINE PREMIUM TEST]

[GUIDELINE SINGLE PREMIUM: \$ 39,833.70]

[GUIDELINE LEVEL PREMIUM: \$ 3,879.63]

TABLE OF DEATH BENEFIT STANDARD FACTORS

<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>	<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>	<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>
0 - 40	2.50	54	1.57	68	1.17
41	2.43	55	1.50	69	1.16
42	2.36	56	1.46	70	1.15
43	2.29	57	1.42	71	1.13
44	2.22	58	1.38	72	1.11
45	2.15	59	1.34	73	1.09
46	2.09	60	1.30	74	1.07
47	2.03	61	1.28	75 - 90	1.05
48	1.97	62	1.26	91	1.04
49	1.91	63	1.24	92	1.03
50	1.85	64	1.22	93	1.02
51	1.78	65	1.20	94+	1.01
52	1.71	66	1.19		
53	1.64	67	1.18		

DATA SECTION

AS OF THE EFFECTIVE DATE, THE FOLLOWING RATES ARE APPLICABLE TO INTEREST CREDITING STRATEGIES TO WHICH YOU MAY DIRECT YOUR PREMIUM. THE INITIAL FIXED-TERM SEGMENT INTEREST RATE, THE INITIAL PARTICIPATION RATES, AND THE INITIAL INDEX EARNINGS CAPS ARE GUARANTEED FOR ONE YEAR FROM THE EFFECTIVE DATE OF THIS POLICY.

FIXED-TERM STRATEGY

FIXED-TERM SEGMENT LENGTH:	1 YEAR
MINIMUM FIXED-TERM SEGMENT INTEREST RATE:	2.50% ANNUAL EFFECTIVE RATE
INITIAL FIXED-TERM SEGMENT INTEREST RATE:	[5.50%] ANNUAL EFFECTIVE RATE

INDEXED STRATEGY 1 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[100%]
GUARANTEED MINIMUM PARTICIPATION RATE:	100%
INITIAL INDEX EARNINGS CAP:	[13.5%]
GUARANTEED MINIMUM INDEX EARNINGS CAP:	3.1%

INDEXED STRATEGY 2 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[140%]
GUARANTEED MINIMUM PARTICIPATION RATE:	110%
INITIAL INDEX EARNINGS CAP:	[12.0%]
GUARANTEED MINIMUM INDEX EARNINGS CAP:	3.0%

INDEXED STRATEGY 3 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[62%]
GUARANTEED MINIMUM PARTICIPATION RATE:	25%
INITIAL INDEX EARNINGS CAP:	NO CAP

INDEXED STRATEGY 4 – POINT TO AVERAGE

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[105%]
GUARANTEED MINIMUM PARTICIPATION RATE:	30%
INITIAL INDEX EARNINGS CAP:	NO CAP

INDEX-LINKED RETURNS DO NOT INCLUDE THE PORTION OF RETURNS GENERATED BY THE UNDERLYING INDEX THAT COMES FROM DIVIDENDS.

THE ELEMENTS USED IN DETERMINING THE CREDITED RATES FROM THE INDEX ARE NOT GUARANTEED AND CAN BE CHANGED BY THE COMPANY, SUBJECT TO THE GUARANTEES IN THE POLICY AND THAT ANY SUCH CHANGES CAN AFFECT THE RETURN.

DATA SECTION

FACE AMOUNT: [\$25,000.00]
EFFECTIVE DATE: [MARCH 15, 2011]

PERCENT OF PREMIUM EXPENSE CHARGE: 6%
MONTHLY EXPENSE CHARGE: [\$74.10]

MONTHLY POLICY FEE: \$5.00

SURRENDER CHARGES

TWELVE MONTH PERIOD BEGINNING <u>POLICY YEAR</u>	<u>SURRENDER CHARGE</u>
[MAR 15, 2012	\$329.44
MAR 15, 2013	300.00
MAR 15, 2014	269.81
MAR 15, 2015	238.88
MAR 15, 2016	207.19
MAR 15, 2017	174.75
MAR 15, 2018	141.56
MAR 15, 2019	107.44
MAR 15, 2020	72.38
MAR 15, 2021	36.56
MAR 15, 2022 AND LATER	0.00]

DATA SECTION
ADDITIONAL PROTECTION BENEFIT RIDER

SUM INSURED: [\$225,000.00]

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
RIDER EFFECTIVE DATE: [MAR 15, 2011]

GUARANTEED BASIS OF CALCULATIONS

ACCUMULATED VALUE INTEREST RATE: 0.20598% COMPOUNDED MONTHLY, WHICH IS
EQUIVALENT TO 2.50% COMPOUNDED PER YEAR

MORTALITY TABLE: 2001 COMMISSIONERS STANDARD ORDINARY [SEX DISTINCT]
SMOKER/NON-SMOKER ULTIMATE AGE NEAREST BIRTHDAY

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

POLICY YEARS FOR THIS RIDER ARE MEASURED FROM THE RIDER EFFECTIVE DATE.

DATA SECTION
ADDITIONAL PROTECTION BENEFIT RIDER

SUM INSURED: [\$225,000.00]

RIDER EFFECTIVE DATE: [MAR 15, 2011]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
(PER \$1,000 PER MONTH)

POLICY YEAR	RATE	POLICY YEAR	RATE	POLICY YEAR	RATE
[01	0.00008	30	0.20234	59	14.98048
02	0.00026	31	0.24143	60	16.88145
03	0.00048	32	0.28636	61	19.21169
04	0.00073	33	0.33768	62	21.49846
05	0.00102	34	0.39743	63	23.94682
06	0.00136	35	0.46574	64	24.75310
07	0.00177	36	0.54748	65	26.35975
08	0.00228	37	0.64438	66	28.73671
09	0.00291	38	0.76481	67	31.23543
10	0.00369	39	0.90311	68	34.13909
11	0.00467	40	1.06159	69	37.45990
12	0.00584	41	1.24527	70	41.31436
13	0.00730	42	1.45678	71	45.73402
14	0.00888	43	1.70511	72	50.58032
15	0.01077	44	1.99759	73	55.90819
16	0.01316	45	2.33783	74	61.68802
17	0.01607	46	2.72825	75	68.20117
18	0.01980	47	3.21523	76	75.47304
19	0.02430	48	3.76975	77	83.17981
20	0.02992	49	4.37520	78	83.33333
21	0.03695	50	5.06393	79	83.33333
22	0.04547	51	5.85338	80	83.33333
23	0.05561	52	6.67629	81	83.33333
24	0.06702	53	7.72437	82	83.33333
25	0.08041	54	8.86433	83	83.33333
26	0.09647	55	10.10084	84	83.33333
27	0.11609	56	11.33218	85	83.33333]
28	0.14025	57	12.22439		
29	0.16889	58	13.42338		

DATA SECTION

BALANCE SHEET BENEFIT RIDER

PERCENTAGE OF SURRENDER CHARGES TO BE WAIVED: [25%]*

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

EFFECTIVE DATE: [MARCH 15, 2011]

FACE AMOUNT: [\$25,000.00]

TABLE OF GUARANTEED MONTHLY BALANCE SHEET BENEFIT RIDER CHARGES

<u>POLICY YEARS</u>	<u>AMOUNT</u>
0 - 10	[\$0.09]

*SEE SURRENDER CHARGE SCHEDULE FOR APPLICABLE CHARGE AMOUNT

DATA SECTION

DEATH BENEFIT PROTECTION RIDER

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

EFFECTIVE DATE: [MAR 15, 2011]

DEATH BENEFIT PROTECTION INTEREST RATE: 5.00%

THE DEATH BENEFIT PROTECTION IS IN EFFECT THROUGH [MAR 14, 2041.]

DATA SECTION

ESTATE PRESERVATION RIDER

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

ESTATE PRESERVATION BENEFIT: [\$134,615.38]

POLICY YEARS FOR THIS RIDER ARE MEASURED FROM THE RIDER EFFECTIVE DATE.

TABLE OF GUARANTEED MAXIMUM COST OF ESTATE PRESERVATION BENEFIT RATES
(PER \$1,000 OF ESTATE PRESERVATION BENEFIT PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>
1	[0.00008]
2	[0.00026]
3	[0.00048]
4	[0.00073]

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

RIDER EFFECTIVE DATE: [MAR 15, 2011]

POLICY EFFECTIVE DATE: [MAR 15, 2011]

FIRST INSURED'S ISSUE AGE: [35]

SECOND INSURED'S ISSUE AGE: [35]

MINIMUM EXERCISE PERIOD: [10] YEARS

MINIMUM EXERCISE DATE: [MAR 15, 2036]

MINIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: [60]

MAXIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: [85]

INCOME PAYMENT THRESHOLD: [\$100.00]

MINIMUM DEATH BENEFIT: [\$15,000.00]

MINIMUM CASH SURRENDER VALUE: [\$1,000.00]

GUARANTEED RIDER CHARGE PERCENTAGE: [1.50%] Annual

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF BASE PAYOUT PERCENTAGES
DEATH BENEFIT OPTION: [A]

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
[60	3.70%	73	4.35%
61	3.75%	74	4.40%
62	3.80%	75	4.45%
63	3.85%	76	4.50%
64	3.90%	77	4.55%
65	3.95%	78	4.60%
66	4.00%	79	4.65%
67	4.05%	80	4.70%
68	4.10%	81	4.70%
69	4.15%	82	4.70%
70	4.20%	83	4.70%
71	4.25%	84	4.70%
72	4.30%	85	4.70%]

TABLE OF MAXIMUM DEATH BENEFIT RATIO PERCENTAGES

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	400%	73	270%
61	390%	74	260%
62	380%	75	250%
63	370%	76	240%
64	360%	77	230%
65	350%	78	220%
66	340%	79	210%
67	330%	80	200%
68	320%	81	190%
69	310%	82	180%
70	300%	83	170%
71	290%	84	160%
72	280%	85	150%

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF GUARANTEED INCOME PERCENTAGE ADJUSTMENT FACTORS

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	0.65%	73	1.30%
61	0.70%	74	1.35%
62	0.75%	75	1.40%
63	0.80%	76	1.45%
64	0.85%	77	1.50%
65	0.90%	78	1.55%
66	0.95%	79	1.60%
67	1.00%	80	1.65%
68	1.05%	81	1.65%
69	1.10%	82	1.65%
70	1.15%	83	1.65%
71	1.20%	84	1.65%
72	1.25%	85	1.65%

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF LIFETIME INCOME BENEFIT RIDER
PROTECTION PROVISION CHARGE PERCENTAGES

THE FIRST INSURED HAS BEEN CLASSIFIED [STANDARD NON-SMOKER]

THE SECOND INSURED HAS BEEN CLASSIFIED [STANDARD NON-SMOKER]

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	2.87%	91	3.30%
61	2.87%	92	2.53%
62	2.87%	93	1.72%
63	2.87%	94	0.88%
64	2.87%	95	0.89%
65	2.87%	96	0.91%
66	2.87%	97	0.92%
67	2.87%	98	0.94%
68	2.87%	99	0.97%
69	2.87%	100	0.97%
70	2.87%	101	0.97%
71	2.87%	102	0.97%
72	2.87%	103	0.97%
73	2.87%	104	0.97%
74	2.87%	105	0.97%
75	2.87%	106	0.97%
76	2.98%	107	0.97%
77	3.08%	108	0.97%
78	3.18%	109	0.97%
79	3.28%	110	0.97%
80	3.37%	111	0.97%
81	3.46%	112	0.97%
82	3.54%	113	0.97%
83	3.62%	114	0.97%
84	3.69%	115	0.97%
85	3.76%	116	0.97%
86	3.82%	117	0.97%
87	3.88%	118	0.97%
88	3.94%	119	0.97%
89	4.00%	120	0.97%]
90	4.05%		

DATA SECTION

DATA SECTION

RIDER FOR OVERLOAN PROTECTION

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER]

PERCENT OF ACCUMULATED VALUE EXERCISE CHARGE

ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE
[75	2.87%	84	3.69%	93	1.72%
76	2.98%	85	3.76%	94	0.88%
77	3.08%	86	3.82%	95	0.89%
78	3.18%	87	3.88%	96	0.91%
79	3.28%	88	3.94%	97	0.92%
80	3.37%	89	4.00%	98	0.94%
81	3.46%	90	4.05%	99+	0.97%]
82	3.54%	91	3.30%		
83	3.62%	92	2.53%		

DATA SECTION
SURVIVOR PROTECTION RIDER

POLICY NUMBER: [NL1234567]
 FIRST INSURED: [ETHAN ALLEN]
 SECOND INSURED: [EDNA ALLEN]
 EFFECTIVE DATE: [MARCH 15, 2011]
 BENEFIT AMOUNT: [\$10,000.00]
 LUMP SUM EQUIVALENT AMOUNT: [\$153,237.99]
 PAYOUT YEARS: [20]
 BENEFIT AMOUNT INTEREST RATE: [3.00%]
 RIDER TERMINATION DATE: [MARCH 15, 2076]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
(PER \$1,000 PER MONTH)

POLICY YEAR	RATE	POLICY YEAR	RATE	POLICY YEAR	RATE
[01	0.05916	23	0.59976	45	4.90446
02	0.06915	24	0.66119	46	5.42861
03	0.07915	25	0.72509	47	6.06258
04	0.09164	26	0.81385	48	6.74268
05	0.10164	27	0.89511	49	7.44964
06	0.11413	28	0.98959	50	8.22808
51	0.12579	29	1.09396	51	9.09576
08	0.13828	30	1.20323	52	9.98497
09	0.15160	31	1.32071	53	11.07503
10	0.16742	32	1.44388	54	12.22228
11	0.18573	33	1.57192	55	13.42793
12	0.20654	34	1.71223	56	14.61598
13	0.22984	35	1.86066	57	15.53065
14	0.25398	36	2.03367	58	16.68544
15	0.27561	37	2.22954	59	18.07986
16	0.29807	38	2.47123	60	19.66675
17	0.32801	39	2.72735	61	21.45868
18	0.36128	40	3.00108	62	23.11015
19	0.39952	41	3.30135	63	24.81270
20	0.44108	42	3.62963	64	25.78039
21	0.48928	43	4.00128	65	27.16098]
22	0.54245	44	4.42661		

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We, National Life Insurance Company (the Company), agree to pay the Death Benefit to the Beneficiary, subject to the terms of this policy, when we receive at our Home Office due proof that both Insureds died while this policy was in force.

GENERAL TERMS OF THIS POLICY

CONSIDERATION

This policy is issued in consideration of the application and payment of the first premium. We will incur no liability if no premium is paid.

ENTIRE CONTRACT

On the Effective Date the entire contract between the parties is this policy and a copy of the application and all riders and endorsements which are attached at issue. Any change of this contract must be written and may be made only by one of our authorized officers or registrars. We will send the Owner a copy of any application for a change which we approve. It and any additional Data Section shall become part of this contract on the effective date of such change.

REPRESENTATIONS

Any statement made by or for either or both of the Insureds shall be deemed a representation and not a warranty. Unless such statement is in the attached application or in any subsequent application, it shall not be used to:

1. make this policy void; or
2. make any increase in Face Amount void; or
3. make any Reinstatement void; or
4. defend any claim.

INCONTESTABILITY

After this policy has been in force during the life of each Insured for two years from the Effective Date of the policy, we will not contest it; however,

1. we may contest any increase in Face Amount for which an application is required until such increase has been in force during the life of each Insured for two years from its Effective Date; and
2. we may contest any Reinstatement until such Reinstatement has been in force during the life of each Insured who was living at the time of Reinstatement for two years from its Effective Date.

The statement on which the contest will be based shall be material to the risk accepted or hazard assumed by the Company.

Notwithstanding the above, we may contest your policy at any time if it was procured by fraud, as permitted by law of the state in which your policy was delivered.

*National Life Insurance Company
One National Life Drive * Montpelier, Vermont 05604 * (800) 732-8939*

POLICY EFFECTIVE
DATES

The insurance coverage goes into effect on the Effective Date shown in the Data Section.

Any increase in Face Amount for which an application is required shall become effective on the Monthly Policy Date on or next following the date we approve the application for such increase in Face Amount.

Any increase in Face Amount for which an application is not required shall become effective on the Monthly Policy Date on or next following the date we receive the request for such increase unless otherwise provided by the policy.

Any decrease in Face Amount requested shall become effective on the Monthly Policy Date on or next following the date we receive the request for such decrease.

Any Reinstatement of this policy shall become effective on the Monthly Policy Date on or next following the date we approve the application for Reinstatement.

Any change of Death Benefit Option shall become effective on the Monthly Policy Date on or next following the date we receive the request for such change.

POLICY MONTHS,
YEARS AND
ANNIVERSARIES

Policy Months, Years and Anniversaries shall be measured from the Effective Date. The Monthly Policy Date shown in the Data Section occurs on the same day each month or on the last day of any month having no such date. The Effective Date is the first Monthly Policy Date.

MISSTATEMENT OF
AGE OR SEX

The Issue Ages shown in the Data Section are the ages of the Insureds on their birthdays nearest to the Effective Date. These are based on the dates of birth shown in the application.

If the age or sex of either Insured has been misstated, we will adjust the Death Benefit to be the amount which would have been purchased at the correct ages or sexes of the Insureds in consideration of the most recent Monthly Cost of Insurance. The revised Death Benefit is calculated by adjusting the Net Amount at Risk by the ratio of the incorrect Monthly Cost of Insurance Rate to the correct Monthly Cost of Insurance Rate. The adjustment shall take effect on the Monthly Policy Date on or next following the date we receive proof to our satisfaction of such misstatement. If both Insureds have died, we will adjust the Death Benefit as of the last Monthly Policy Date prior to the date of death of the second of the Insureds to die.

ATTAINED AGE

The Attained Age of each Insured on any date is that Insured's Issue Age shown in the Data Section plus the number of Policy Years and Months which have passed since the Effective Date.

PAYMENT OF BENEFITS

We will pay all benefits under this policy at our Home Office. Before payment of any Death Benefit we may investigate the death.

POSTPONEMENT OF BENEFITS

We may delay payment of any amounts which are payable as a result of Cash Surrender or Withdrawal for up to six months after we receive written request in a form satisfactory to us. If we defer such payment for more than 30 days, we will pay interest at a rate not less than the Accumulated Value Interest Rate shown in the Data Section or as mandated by state law, from the date we receive such request to the date of payment.

We may also delay payment of any amounts which are payable as a result of a Policy Loan, except for loans used to pay premiums into this policy, for up to six months after we receive written request in a form satisfactory to us.

We have the right to postpone payment which is derived from any amount recently paid to us by check or draft, until we are satisfied the check or draft has been paid by the bank or other financial institution on which it is drawn.

DEFINITION OF LIFE INSURANCE

In order for you and the Beneficiary to receive the tax treatment accorded to life insurance contracts by Federal law, this policy must initially qualify and continue to qualify as life insurance under Section 7702 of the Internal Revenue Code of 1986 (the Code), as amended, and its rules and regulations. The definition of life insurance test shown in the Data Section is the specific method by which we determine whether your policy meets the definition of life insurance.

We have designed your policy to qualify as a life insurance contract under the Code. We reserve the right to make any reasonable adjustments to the terms or conditions of this policy if it becomes necessary to allow it to qualify as life insurance.

BASIS OF VALUES

The Cash Surrender Values for this policy are greater than or equal to those required by or pursuant to the NAIC Universal Life Insurance Regulation, model #585. A detailed statement of the method of computing values has been filed in the state in which this policy is delivered.

The Cash Surrender Values are based on the Accumulated Value Interest Rate and Mortality Table shown in the Data Section. For issue ages up to 15, we use guaranteed mortality rates from the Composite tables until Attained Age 15. When the Insured reaches Attained Age 16, we use guaranteed mortality rates from the Nonsmoker table.

The Paid Up Annuity Values, and all tabled values in Payment Options, are based on the 2000 Table for Individual Annuitant Mortality (IAM) and compound interest at a rate of 1.50% per year.

NOTICES

Unless this policy provides otherwise, any requests for changes or notices:

1. from us to the Owner shall be sent to the last address known to us of the Owner; and
2. from us to an assignee shall be sent to the last address known to us of such assignee; and
3. from the Owner or an assignee to us must be in writing and received by us at our Home Office in Montpelier, Vermont.

ANNUAL REPORT

At least once each Policy Year we will send a report to the Owner without charge. The report will show, as of its date:

1. the beginning and ending dates of the reporting period; and
2. the Accumulated Value at the beginning and ending of the reporting period; and
3. the Transaction Summary for the reporting period; and
4. the Cash Surrender Value; and
5. any debt to us on this policy; and
6. the current Death Benefit; and
7. a disclosure notice if the policy will not maintain insurance in force until the end of the next reporting period unless further premiums are made.

The report will also show a summary of transactions of the previous year and any information required by law.

PROJECTION REPORT

The Owner may request, in writing, a report which projects future values and future Death Benefits for this policy. The report will also show any information required by law. One such report will be made available free of charge each year. We may charge a fee for any additional reports requested during that year, such charge not to exceed \$25. The Projection Report will be based on:

1. data the Owner gives us as to Face Amount and premiums; and
2. such assumptions as either the Owner or we specify.

ROLES IN THIS POLICY

OWNER

The Owner may:

1. exercise the rights under this policy; and
2. assign the policy; and
3. release or discharge the policy; and
4. change the policy if we agree to such change; and
5. enjoy the benefits under this policy.

These actions may be taken without the consent and against the interest of any revocable Beneficiary and any contingent owner. If the Owner has waived the right to change the Beneficiary, these actions may be taken by the Owner only with the written consent of all irrevocable Beneficiaries. These actions may be taken only during the lives of one or both of the Insureds.

Changes to Owner designation, unless otherwise specified by the Owner, shall take effect on the date the notice of change is signed by the Owner, subject to any payments made or action taken by us prior to receipt of the notice.

INSUREDS

The Death Benefit becomes payable upon the death of the second of the Insureds to die. The Insureds, in their role as the Insureds, have no rights and receive no benefits under this policy.

BENEFICIARY

The Owner has the right to change the Beneficiary which shall take effect on the date the notice of change is signed by the Owner, subject to any payments made or action taken by the Company prior to receipt of this notice. If the Owner expressly waives this right, no change can be made. Unless later changed, the Beneficiary shall be as stated in the application. The interest of any Beneficiary who dies before the Insureds shall vest in the Owner unless otherwise stated.

Where two or more Beneficiaries are designated to take in the alternative based on the order of the Insureds deaths and there is not sufficient evidence that the Insureds died other than simultaneously, one half of the Death Benefit shall be paid as if the first Insured had survived the second Insured, and one half shall be paid as if the second Insured had survived the first Insured. This shall not apply if the application or the Owner has provided for a different payment.

If used, the term "children" of any person shall include only lawful children born to or legally adopted by that person.

We may rely on an affidavit by any person who in our judgment knows the facts to identify any Beneficiary or payee not specified by name. All our liability shall cease when we pay on the basis of such affidavit.

TRUST BENEFICIARY

Unless an authorized officer or registrar of the Company explicitly agrees in writing, the following provision shall apply when a trust is named as Beneficiary.

In no event is the Company responsible for the application or disposition of any proceeds it pays to a Trust Beneficiary. Payment to a Trust Beneficiary is a full discharge of the liability of the Company. If a designated trust provides for successor trustees, the designation in this policy includes successor trustees. Likewise, if the trust allows amendments, the trust, if so amended, remains as a designated Beneficiary.

A Trust Beneficiary is considered to be a Beneficiary who did not survive the Insureds if:

1. the trust has been terminated; or
2. the specified testamentary trust does not qualify as such; or
3. for any other reason a Trust Beneficiary is not entitled to any proceeds.

CHANGE OF BENEFICIARY

If the Owner has the right, a new Beneficiary may be named from time to time during the lives of one or both of the Insureds by filing at our Home Office written notice in such form as we may require. When notice is received at our Home Office, the change shall take effect on the date the notice is signed by the Owner whether or not either Insured is living at the time of receipt, subject to any payments made or actions taken by the Company prior to receipt of this notice. We will not be liable for any payment we make before receipt of the written notice at our Home Office.

ASSIGNMENTS

We are not responsible for the validity or effect of any assignment of this policy. We will not recognize any assignment until it has been filed at our Home Office. When notice is received at our Home Office, the change shall take effect on the date the notice is signed by the Owner whether or not either Insured is living at the time of receipt, subject to any payments made or actions taken by the Company prior to receipt of this notice. The interest of any Beneficiary whom the assignor can change and of any contingent owner shall be transferred to the assignee by the terms of any assignment. If the assignee acquires a right to proceeds, they shall be paid in one sum even though a Payment Option may be in effect at the time the assignment was signed.

SPENDTHRIFT PROVISION

If we receive at our Home Office written request by the Owner for this Spendthrift Provision, then, to the extent allowed by law:

1. only the Owner may transfer, anticipate, commute, or encumber the proceeds of this policy; and
2. only legal process against the Owner may affect the proceeds of this policy.

Any proceeds payable after this request is withdrawn by the Owner shall not be affected by this provision.

PREMIUMS

POLICY PROTECTION PERIOD

The Policy Protection Period is shown in the Data Section. An increase in coverage does not initiate a new Policy Protection Period.

PAYMENT OF PREMIUMS

The first premium is due on or before the date of issue. This first premium cannot be less than the Minimum Monthly Premium shown in the Data Section. Premium payments shall be permitted during the Premium Payment Period shown in the Data Section while one or both of the Insureds are living.

During the Policy Protection Period the payment of cumulative premiums, in excess of withdrawals and loans, at least equal to the Minimum Monthly Premiums payable since the Effective Date of the policy will keep the policy in force to the next Monthly Policy Date, as long as the Accumulated Value is sufficient to provide for Monthly Deductions. Otherwise, this policy will remain in force as long as the Cash Surrender Value is sufficient to provide for Monthly Deductions.

The Planned Periodic Premiums are the premiums the Applicant has chosen to pay. Planned Periodic Premiums may be paid on an annual, semi-annual, quarterly, or monthly basis. The Owner may change the amount or frequency of such premiums at any time by sending a written notice to us at our Home Office. However, we may limit any increase in either amount or frequency.

Premiums in addition to the Planned Periodic Premiums may be necessary to keep this policy and the coverages provided by this policy and any additional benefit riders in force.

We will accept *Unscheduled Premiums*, which are premiums in addition to the Planned Periodic Premiums. We may limit the number and amount of *Unscheduled Premiums* if payment of the premium results in more than a dollar for dollar increase in the Death Benefit.

All premiums are limited by a minimum and a maximum. The minimum is \$25 per premium. The maximum is the limit imposed by the Internal Revenue Code for qualifying the policy as Life Insurance for Federal Income Tax purposes.

We will not accept any premium in excess of the maximum. We will return any premiums not accepted and any interest credited to such premiums to the Owner within 60 days after the end of the Policy Year in which the premiums were received.

The first premium may be paid to us either through our duly authorized agent in exchange for a receipt signed by that agent or at our Home Office. All later premiums must be paid to us at our Home Office.

NET PREMIUM

A Net Premium is determined by multiplying a premium received times the difference of 1 minus the Percent of Premium Expense Charge stated in the Data Section.

GRACE PERIOD

If on any Monthly Policy Date the Cash Surrender Value is less than the Monthly Deduction on such date, a Grace Period shall start, unless:

1. the policy is within the Policy Protection Period; and
2. the Accumulated Value less any debt to us on this policy is greater than the Monthly Deduction on that date; and
3. the cumulative premiums paid since the policy's Effective Date, less any withdrawals and less any debt to us on this policy, are greater than or equal to the cumulative Minimum Monthly Premiums due since the policy's Effective Date.

A Grace Period shall be 61 days. During a Grace Period this policy shall remain in force.

The premium needed to keep the policy in force beyond a Grace Period which ends during the Policy Protection Period shall equal the greater of (a) or (b) where:

- a) equals the sum of the Minimum Monthly Premiums in effect on the policy over all of the months from the Effective Date of the policy to the start of the Grace Period, plus all withdrawals, plus three times the Minimum Monthly Premium in effect at the beginning of the Grace Period, plus any debt to us on this policy, less all premiums paid; and where
- b) equals the premium which will be sufficient to produce an Accumulated Value, net of policy debt, equal to two times the Monthly Deduction due on the date the Grace Period began.

The premium needed to keep the policy in force beyond a Grace Period which ends after the Policy Protection Period shall be the premium sufficient to produce a Cash Surrender Value equal to three times the Monthly Deduction due on the date the Grace Period began.

We will mail notice of the premium needed to the last known address of the Owner or any assignee of record at least 30 days prior to the termination of coverage. The Owner has the entire Grace Period within which to remit the necessary premium. Any premium sent by U.S. mail shall be postmarked within the Grace Period. If such premium is unpaid on the later of:

1. the first day following the 61-day Grace Period; or
2. the 31st day after such notice is sent;

then this policy shall terminate without value.

A Grace Period will not begin solely because payments of Planned Periodic Premiums are discontinued. Whether or not premiums are paid, Monthly Deductions will be made from the Accumulated Value. The terms of this Grace Period provision will determine if and when a Grace Period starts.

REINSTATEMENT

If this policy terminates after the end of a Grace Period, it may be reinstated. It must be reinstated on a Monthly Policy Date within five years from the start of such Grace Period and prior to the end of the Premium Payment Period.

For Reinstatement we will require:

1. an application for Reinstatement; and
2. proof to our satisfaction that each Insured who was living at the end of the Grace Period is living and insurable; and
3. payment of an amount determined as follows:
 - a) If Reinstatement occurs during a Policy Protection Period, the required payment shall be an amount equal to the premium which will be sufficient to produce an Accumulated Value, net of policy debt, four times the Monthly Deduction due on the date the Grace Period began, or, if greater:
 - i. the sum of the Minimum Monthly Premiums in effect on the policy over all the months from the Effective Date of this policy to the start of the Grace Period; plus
 - ii. all withdrawals; plus
 - iii. three times the Minimum Monthly Premium in effect at the beginning of the Grace Period; plus
 - iv. any debt to us on this policy; less
 - v. all premiums paid.

The above amount not to exceed the premium required to make the Cash Surrender Value sufficient to provide:

- i. two times the Monthly Deduction due on the date the Grace Period began; plus
 - ii. three times the Monthly Deduction due on the date of Reinstatement.
- b) If Reinstatement occurs after the Policy Protection Period, the required payment shall be a premium which will make the Cash Surrender Value sufficient to provide:
 - i. two times the Monthly Deduction due on the date the Grace Period began; plus
 - ii. three times the Monthly Deduction due on the date of Reinstatement.

We will send the Owner notice of the required payment upon request.

In the event of Reinstatement:

1. the Accumulated Value of the policy at the time of final lapse will be restored along with the Cash Value available for deductions at the time that the Grace Period began; and
2. the schedule of Surrender Charges for the policy months following the date the Grace Period began shall become the schedule of Surrender Charges for the policy months following the date of Reinstatement; and
3. the schedule of Monthly Expense Charges for the policy months following the date the Grace Period began shall become the schedule of Monthly Expense Charges for the policy months following the date of Reinstatement; and
4. any Policy Loan that was in force at the time that the Grace Period began may be repaid or may be reinstated.

DEATH BENEFIT AND POLICY CHANGES

DEATH BENEFIT

We will pay the Death Benefit to the Beneficiary when we receive at our Home Office due proof that both Insureds died while this policy was in force. We will pay the Death Benefit in one sum unless a Payment Option is chosen. If the Death Benefit is paid in one sum, it shall be increased by interest from the date of death of the second of the Insureds to die to the date of payment. We will set the rate of interest at not less than the rate applicable for the funds left on deposit. If the Death Benefit is not paid within 30 days after we receive at our Administrative Office due proof of the second Insured died while this policy was in force, the rate of interest shall be 8% per year.

COVERAGE AT AND AFTER AGE 121

If your policy is in force when the younger Insured reaches Attained Age 121, the Face Amount of this policy will be set equal to the Accumulated Value, and the Death Benefit Option will automatically revert to Option A. The Death Benefit Option may not thereafter be changed, and no additional premium will be accepted on this policy. All Monthly Deductions on this policy will cease. The Owner may, however, continue to access the Cash Surrender Value and to make or repay Policy Loans.

You may surrender your policy if you do not want coverage to continue past the younger Insured reaching Attained Age 121.

Continuing coverage beyond the younger Insured's Attained Age 121 may cause your policy to fail to qualify as life insurance under the Internal Revenue Code and you may be subject to adverse tax consequences. You should consult a tax advisor before you choose to continue your policy after the younger Insured's Attained Age 121.

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NOTICE OF DEATH AND CLAIMS

The Owner must notify us within 180 days after the date of death of each Insured. We may require proof whether both Insureds are living two years from the Effective Date. Within 180 days after the date of death of the first Insured to die, we will require the Owner to provide us with evidence of death and proof of age and, if the death is within two years from the Effective Date, the cause of death.

DEATH BENEFIT OPTIONS

The Owner may elect either of two Death Benefit Options, Option A or Option B, for the period prior to the Attained Age 121 of the younger of the Insureds. The Death Benefit Option is stated in the Data Section.

Option A. Under Option A, the Death Benefit is equal to the greater of:

1. the Face Amount of the policy on the date of the death of the second of the Insureds to die; or
2. the Death Benefit Factor shown in the Data Section multiplied by the Accumulated Value on the date of the death of the second of the Insureds to die;

less the amount of any Monthly Deductions then due and any debt to us on this policy.

Option B. Under Option B, the Death Benefit is equal to the greater of:

1. the Face Amount plus the Accumulated Value of the policy on the date of the death of the second of the Insureds to die; or
2. the Death Benefit Factor shown in the Data Section multiplied by the Accumulated Value on the date of the death of the second of the Insureds to die;

less the amount of any Monthly Deductions then due and any debt to us on this policy.

CHANGES IN FACE AMOUNT AND DEATH BENEFIT OPTION

The Owner may request any of the following changes. We will make a change subject to the conditions stated. These changes may be made prior to the younger Insured reaching Attained Age 121 and after the first Policy Anniversary. We will send the Owner a revised or additional Data Section if any of these changes are made.

Face Amount Increases. We will require an application from the Owner and proof to our satisfaction that both of the Insureds are alive and either of the Insureds are then insurable. An increase in Face Amount must satisfy the Minimum Face Amount per Coverage Segment requirements of the policy and must be initiated before the end of the younger Insured's Attained Age 90 and shall be effective upon the Monthly Policy Date on or next following our approval.

Each increase in Face Amount will have its own coverage segment that has its own Monthly Cost of Insurance charges, Monthly Expense Charge, and Surrender Charges, as well as new incontestability and suicide exclusion periods.

Face Amount Decreases. We will require a written request from the Owner. A decrease in Face Amount shall be effective upon the Monthly Policy Date on or next following our receipt of the request.

Decreases shall not be permitted which would reduce the sum of the Face Amount plus the Sums Insured of any riders for Additional Protection Benefit attached to this policy to less than any of the following:

1. the minimum insurance amount for which the policy would qualify as "Life Insurance" for Federal Income Tax purposes under the Internal Revenue Code; or
2. the Minimum Coverage Amount shown in the Data Section; or
3. 75% of the largest sum of the Face Amount plus the Sums Insured of any Riders for Additional Protection Benefit attached to this policy in force at any time in the twelve policy months prior to our receipt of the request. This restriction applies only during the first ten Policy Years.

A decrease in total insurance coverage shall apply in the following order:

1. first, to any increases in Face Amount or to the addition of any rider for Additional Protection Benefit providing coverage on the life of the Insureds, in the reverse order in which they were made;
2. second, to the Face Amount on the date of issue.

If both an increase in Face Amount and the addition of a rider for Additional Protection Benefit providing coverage on the life of the Insureds became effective on the same date, a decrease in total insurance coverage made effective on that date shall apply in the following order:

1. first, to any increase in total insurance coverage resulting from the addition of a Rider for Additional Protection Benefit providing coverage on the life of both Insureds;
2. second, to any increase in Face Amount;
3. third, to the Face Amount on the date of issue.

Death Benefit Option Changes.The Death Benefit Option may be changed once each Policy Year after the first Policy Anniversary prior to the younger Insureds Attained Age 121. We will require a written request from the Owner. A change will be effective on any Monthly Policy Date requested. The change may be made only if after such change the policy would qualify as "Life Insurance" for Federal Income Tax purposes under the Internal Revenue Code. The Minimum Monthly Premium will be recomputed to reflect the change in Options.

1. Upon a change from Option A to Option B, we may require evidence satisfactory to us that both Insureds are living and of the continued insurability of one or both of the Insureds at the time of the change. The Face Amount shall decrease by an amount equal to the Accumulated Value of the policy just prior to the Effective Date of the change. However, the change may be made only if after such change the Face Amount would not be less than the Minimum Coverage Amount shown in the Data Section.
2. Upon a change from Option B to Option A, the Face Amount shall increase by an amount equal to the Accumulated Value just prior to the Effective Date of the change. No additional Surrender Charges shall be imposed solely because of this change.

SUICIDE LIMITATION

If either of the Insureds dies within two years of the Effective Date as the result of suicide, while sane or insane, we will pay only a sum equal to:

1. the premiums paid; less
2. any withdrawals made; less
3. any debt to us on this policy.

This policy shall immediately terminate on the first such death by suicide. Payment will be made to the Beneficiary.

A similar two-year period shall apply to any increase in Face Amount for which an application is required. Such period shall begin on the Effective Date of any such increase. During such period if either Insured dies as the result of suicide, we will terminate the increase segment, and will refund to the Owner only a sum equal to the Cost of Insurance Charges that we have deducted from the Accumulated Value for such increase.

INTEREST CREDITING STRATEGIES

Accumulated Value in this policy is apportioned into one or more segments distinguished by their interest crediting strategies. Six interest crediting strategies are made available under this policy. Interest is nonforfeitable after crediting except indirectly due to surrender charges. The rates of interest will never be less than the Accumulated Value Interest Rate shown in the Data Section.

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BASIC STRATEGY

Interest will be credited to the Accumulated Value in the Basic Strategy on a daily basis at a rate not less than the Accumulated Value Interest Rate shown in the Data Section.

The Basic Strategy Minimum Value for a Policy Year is equal to 12.5 times the Monthly Deduction due on the first day of that Policy Year. It will remain unchanged until the first day of the next Policy Year.

All Net Premiums are paid into the Basic Strategy. On the 21st day of each month, the Accumulated Value in the Basic Strategy that is in excess of the Basic Strategy Minimum Value, subject to a minimum amount of \$50.00, will be transferred to one or more of five interest crediting strategies, including the Fixed-Term Strategy and Strategies 1, 2, 3, and 4, according to an allocation selected by the Applicant at the time of policy application. The Owner has the right to change the allocation selection.

FIXED-TERM STRATEGY

Each transfer of Accumulated Value made to this strategy creates a distinct Fixed-Term Segment. Each Fixed-Term Segment will have a duration of one year. Interest will be credited to the Accumulated Value in each Fixed-Term Segment on a daily basis at a rate not less than the Accumulated Value Interest Rate shown in the Data Section.

Accumulated Value cannot be transferred out of any Fixed-Term Segment prior to the end of its one-year duration and at that time will be automatically transferred to the Basic Strategy. Different Fixed-Term Segments may be credited interest at different rates.

INDEXED STRATEGIES

Each transfer of Accumulated Value made to an Indexed Strategy creates a distinct Indexed Segment. Each Indexed Segment will have a crediting period of one year. Index Earnings will be credited to the Accumulated Value in each segment at the end of the crediting period.

The Index Earnings for Indexed Strategies 1, 2, and 3 will be credited to Accumulated Value in each Indexed Segment at the end of the crediting period based on the performance of the Index on such day (Point-to-Point). The Index Earnings for Indexed Strategy 4 will be credited to Accumulated Value in each Indexed Segment at the end of the crediting period based on the performance of the Index averaged throughout the preceding twelve months (Point-to-Average).

Index. Index refers to the Standard & Poor's 500 Index, excluding dividend income. It will be used in the determination of Index Earnings made to each segment within an Indexed Strategy. If the publication of the Index is discontinued, a suitable index will be substituted and you will be notified of such index.

Index Value. The Index Value as of any date is the published value of the Index at the close of business on that date. If no value was published on that date, the last published value of the Index will be used.

Index Growth. The Index Growth for an Indexed Segment is calculated at the end of the segment's crediting period.

The Index Growth for the Indexed Strategies 1, 2, and 3 is the following:

1. the Index Value as of the one-year anniversary of the Indexed Segment; minus
2. the Index Value as of the inception of the Indexed Segment; this difference divided by
3. the Index Value as of the inception of the Indexed Segment.

The Index Growth for Indexed Strategy 4 is the following:

1. the sum of the Index Values for each day the Index Value was published between the inception of the Indexed Segment and the one-year anniversary of the Indexed Segment, excluding the Index Value at the inception but including the Index Value on its anniversary; divided by
2. the number of days the Index Value was published between the inception of the Indexed Segment and the one-year anniversary of the Indexed Segment excluding the day it was created but including the anniversary; minus
3. the Index Value as of the inception of the Indexed Segment; this difference divided by
4. the Index Value as of the inception of the Indexed Segment.

Participation Rate. Each Indexed Segment will have a Participation Rate. The Participation Rate is determined in advance of establishment of an Indexed Segment. The Participation Rate will never be less than the Guaranteed Minimum Participation Rate for the applicable strategy shown in the Data Section.

Index Earnings Cap. Each Indexed Segment will have an Index Earnings Cap. The Index Earnings Cap is determined in advance of establishment of an Indexed Segment. The Index Earnings Cap for a segment will never be less than the Guaranteed Minimum Cap for the applicable strategy shown in the Data Section.

Index Earnings. The Index Earnings for each Indexed Segment are calculated at the end of the crediting period of such segment as follows:

1. the Index Growth for the segment multiplied by the segment's Participation Rate, with this product adjusted so that it is no less than zero and no greater than the segment's Index Earnings Cap; multiplied by
2. the value of the Indexed Segment at the end of the crediting period.

The Owner may not request that Accumulated Value in an Indexed Segment be transferred out of that segment prior to the end of the segment's crediting period. Accumulated Value in an Indexed Segment may be transferred out of that segment prior to the end of the segment's crediting period for the payment of Monthly Deductions, for the creation of a Fixed Net Cost Loan, due to a partial Withdrawal, or due to the termination of the policy. Indexed Earnings will be credited on the Accumulated Value remaining in an Indexed Segment at the end of the segment's crediting period. At the end of the crediting period the Accumulated Value in the Indexed Segment is automatically transferred to the Basic Strategy.

POLICY VALUES

ACCUMULATED VALUE

The Accumulated Value on the policy Effective Date is the initial Net Premium minus the initial Monthly Deduction.

The Accumulated Value on any other date is equal to the sum of the values of the Basic Strategy, the Fixed-Term Strategy, Indexed Strategies 1, 2, 3, and 4, and the value of any loan collateral account. Upon termination of the policy, however, the Accumulated Value will be no less than the accumulation at the Accumulated Value Interest Rate shown in the Data Section of Net Premiums minus Monthly Deductions minus Withdrawals.

MONTHLY DEDUCTION

The Monthly Deduction due on a Monthly Policy Date shall be the Monthly Cost of Insurance, plus the Monthly Expense Charge, plus the Monthly Policy Fee, plus the monthly cost of any additional benefit riders in force on this policy.

Monthly Deductions will be taken from the Accumulated Value of the policy in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from the Indexed Strategy 4 until exhausted;
4. fourth, from the Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, deductions are made in the reverse order in which the segments were created.

MONTHLY COST OF INSURANCE

The Monthly Cost of Insurance shall be based on the risk classification and duration of this policy, and the sex and Issue Ages of both Insureds.

The Monthly Cost of Insurance for a given policy is equal to the applicable Monthly Cost of Insurance Rate multiplied by the Net Amount at Risk.

The Net Amount at Risk is the excess of:

1. the Death Benefit plus any debt to us on such date, divided by the sum of 1 plus the monthly Accumulated Value Interest Rate shown in the Data Section; over
2. the Accumulated Value of this policy on such date.

We may change the Cost of Insurance rates from time to time based on our expectations of future experience. Future experience can include, but is not limited to, investment earnings, mortality, persistency, taxes and expenses. Any change in the Cost of Insurance rates shall apply to all policies of the same size and duration, insuring persons of the same sex, Issue Age, and risk classification as the Insureds. The Cost of Insurance rates shall not be greater than the rates set forth in the Table of Guaranteed Maximum Cost of Insurance rates shown in the Data Section. These rates are based on the Mortality Table named in the Data Section.

CASH SURRENDER AND WITHDRAWALS

CASH SURRENDER VALUE

The Owner may, by written request to us, surrender this policy while one or both of the Insureds are living for its Cash Surrender Value. We may require that the policy be returned to us. When this policy has been surrendered, it shall be null and void and all rights shall cease.

The Cash Surrender Value on any day shall be equal to:

1. the Accumulated Value on such day; less
2. any Surrender Charge which applies on such day; less
3. any debt to us on this policy.

The Surrender Charges are shown in the Data Section.

WITHDRAWALS

After the first Policy Anniversary and prior to the last day of the Premium Payment Period while one or both of the Insureds are living, the Owner may make withdrawals by written request to us. Withdrawals shall be subject to all of the following terms.

1. Withdrawals may be made only on a Monthly Policy Date which follows receipt of such request.
2. The amount withdrawn may not be less than the Minimum Withdrawal Amount shown in the Data Section.
3. For each withdrawal made, a Withdrawal Fee may be assessed not to exceed the Maximum Withdrawal Fee shown in the Data Section.
4. The amount withdrawn may not exceed the Cash Surrender Value on the Monthly Policy Date less three times the Monthly Deduction for such Monthly Policy Date.
5. The Accumulated Value will be decreased by the amount of the withdrawal plus the Withdrawal Fee if any.
6. If Death Benefit Option A is in effect on the date of the withdrawal, the Face Amount of the policy will be reduced by an amount equal to the amount of the withdrawal plus the Withdrawal Fee if any.

Withdrawals, including the Withdrawal Fee if any, are made from the Accumulated Value in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from Indexed Strategy 4 until exhausted;
4. fourth, from Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, withdrawals are made in the reverse order of which the segments were created.

GENERAL CASH SURRENDER VALUE AND WITHDRAWAL TERMS

We may delay payment of any amounts which are payable as a result of Cash Surrender or Withdrawal. Please refer to the Postponement of Benefits provision.

POLICY LOANS

POLICY LOANS

We will loan an amount up to the Loan Value of the policy less the amount of any outstanding debt, at any time after the first Policy Year. At the time of the loan the policy must be in force and one or both of the Insureds are living. The policy shall be the sole security for the loan and must be duly assigned to us.

Two policy loan options are available with this policy: a Fixed Net Cost Loan and a Variable Net Cost Loan. The loan option is selected at the time a loan is taken, and all outstanding loans must use the same loan option. The Owner may change the loan option only on a Policy Anniversary.

LOAN VALUE

The Loan Value on any day is equal to:

1. the Accumulated Value on such day; less
2. the Surrender Charge on such day, if applicable; less
3. three times the Monthly Deductions due on the most recent prior Monthly Policy Date.

LOAN INTEREST RATE

Any loan shall bear interest from the date the loan is made. The Loan Interest Rate may change from Policy Year to Policy Year.

The Loan Interest Rate on the Effective Date of the policy is stated in the Data Section. Such rate shall apply to any debt to us on this policy until the rate is changed by us. We may change the Loan Interest Rate only on a Policy Anniversary, after which the changed rate will apply to any new or existing debt to us on the policy. The Loan Interest Rate is subject to a minimum annual interest rate of 3.00% and shall not exceed the Maximum Rate allowed. The Maximum Rate allowed is the greater of:

1. the Published Monthly Average for the calendar month ending two months before the calendar month in which the Policy Anniversary occurs; or
2. the yearly Accumulated Value Interest Rate shown in the Data Section plus 1%.

The Published Monthly Average shall be the Moody's Corporate Bond Yield Average - Monthly Average Corporates, as published by Moody's Investors Service, Inc., or any successor to it. If at any time that Published Monthly Average is no longer published, a substantially similar average, established under the law of the state where this policy was delivered, shall be used.

If on any Policy Anniversary the Maximum Rate then allowed is at least 0.50% per year less than the Loan Interest Rate in effect for this policy during the prior Policy Year, we will decrease the Loan Interest Rate for this policy. If on any Policy Anniversary the Maximum Rate then allowed is at least 0.50% per year more than the Loan Interest Rate in effect on this policy during the prior Policy Year, we may increase such Loan Interest Rate. If increased, it shall be increased to a rate not greater than the Maximum Rate then allowed.

We will give to the Owner:

1. notice of the Loan Interest Rate in effect for this policy at the time a loan is made; and
2. at least 30 days' advance notice of any increase in the Loan Interest Rate, if there is any debt to us on this policy.

In no event shall the Loan Interest Rate exceed the highest loan interest rate allowed by law of the state in which this policy is delivered.

FIXED NET COST LOAN

Accumulated Value in the amount of the Fixed Net Cost Loan plus any unpaid loan interest will be removed from the Interest Crediting Strategies of the policy and held in a Loan Collateral Account. Accumulated Value will be removed from the Interest Crediting Strategies in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from Indexed Strategy 4 until exhausted;
4. fourth, from Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, deductions will be made in the reverse order in which the segments were created.

The Accumulated Value removed from the Interest Crediting Strategies to establish a Loan Collateral Account will be held apart from other Accumulated Value in this policy and may be credited interest at a different rate than that of other Accumulated Value in the policy.

Repayments of the loan, including payments of loan interest, will be applied to the outstanding loan balance, and the amount repaid will be deposited into the Basic Strategy. The amount of Accumulated Value held in the Loan Collateral Account will be reduced by the amount of the repayment.

VARIABLE NET COST LOAN

Accumulated Value is not removed from the Interest Crediting Strategies if a Variable Net Cost Loan is taken. All Accumulated Value in this policy will continue to earn interest or Index Earnings as stated in the Interest Crediting Strategies section of this policy.

A Variable Net Cost Loan will be charged interest at the Loan Interest Rate. There is no fixed relationship between the interest credited to Accumulated Value in this policy and the interest assessed on a Variable Net Cost Loan.

GENERAL LOAN TERMS

After the loan is made, loan interest shall be due on the next and all later Policy Anniversaries. If any interest is not paid when due, it shall be added to the loan and bear interest on the same terms.

The debt secured by this policy includes loans, unpaid loan interest and accrued loan interest not otherwise due.

All or any part of the debt may be paid to us at any time prior to:

1. the death of the second of the Insureds; and
2. surrender of the policy.

However, during a Grace Period the debt may not be repaid. Unless the Owner specifies, any payment to us shall be deemed a premium payment and not payment of the debt. At the death of the second of the Insureds or upon the surrender of the policy, all debt shall become due at once. It shall be paid from the policy values.

We may delay payment of any amounts which are payable as a result of a Policy Loan. Please refer to the Postponement of Benefits provision.

PAYMENT OPTIONS

In lieu of a lump sum settlement, all or part of the proceeds of this policy may be applied under a Payment Option. When proceeds are applied under a Payment Option, all other rights and benefits under this policy shall cease.

In addition to the following options, other payment options may be available.

OPTION EFFECTIVE DATE

The Option Effective Date is the date the proceeds become payable.

GENERAL PAYMENT
OPTION TERMS

If the proceeds to be placed under a Payment Option are less than \$5,000, we may pay them in one sum to the payee who otherwise would receive the first payment under the option. If any payments would be less than \$100, we will change the frequency to provide payments of at least \$100.

If the proceeds are assigned on the Option Effective Date, we will pay the assignee's share in one sum and place only the balance under the option. After the Option Effective Date neither the payments nor the remaining value may be assigned or encumbered. To the extent the law permits, they are not subject to any claims against the payee.

We may require proof to our satisfaction that any payee is alive on the date any payment is due.

CHOICE OF
OPTION

Choice of an option may be made:

1. by the Owner if one or both of the Insureds are living; or
2. by the Beneficiary if neither Insured is living and no option is in effect.

Equivalent payments for 12-, 6-, 3-, or 1-month intervals may be chosen. The options are described in terms of monthly payments. We will quote the amount of other payments on request.

We may issue a document stating the terms of the option.

CHANGE OF
PAYMENT OPTION

The right to change Payment Options exists under Options 1, 2, and 4. At the time of change the remaining value under the old option shall become the proceeds to be placed under the new option.

LUMP SUM
REMOVAL OF
PROCEEDS APPLIED
UNDER A PAYMENT
OPTION

Lump sum payments may be taken from the remaining proceeds placed under Payment Options 1, 2, and 4.

Under Options 1 and 4 all or any part of the remaining value may be taken at any time, though no more than four transactions may be made during any calendar year.

Under Option 2 the entire remaining value may be taken at any time.

National Life Insurance Company
*One National Life Drive * Montpelier, Vermont 05604 * (800) 732-8939*

No lump sum removal of proceeds may be made under Options 3, 5, 6, or 7.

OPTION 1
-PAYMENT OF
INTEREST ONLY

Interest at a rate of 1.50% per year shall be paid either for:

1. the life of a chosen human being; or
2. a chosen period.

We may pay more interest in any given year. Upon the earlier of the death of the chosen human being or the end of the chosen period, any remaining value will be paid. The first payment shall be made one month after the Option Effective Date. If the payee is not a human being, payments may not continue for more than 30 years.

OPTION 2
-PAYMENTS FOR A
STATED TIME

Equal monthly payments shall be made for a stated number of years. The first payment shall be made on the Option Effective Date. The amount of each monthly payment is shown in the table. The monthly payments are based on an interest rate of 1.50% per year. We may pay more interest in any year.

Option 2 Table
 Monthly Payments for Each \$1,000 of Proceeds

Stated Number of Years	Monthly Payments
5	17.28
6	14.51
7	12.53
8	11.04
9	9.89
10	8.96
11	8.21
12	7.58
13	7.05
14	6.59
15	6.20
16	5.85
17	5.55
18	5.27
19	5.03
20	4.81
21	4.62
22	4.44
23	4.28
24	4.13
25	3.99
26	3.86
27	3.75
28	3.64
29	3.54
30	3.44

OPTION 3
 -PAYMENTS FOR
 LIFE

Equal monthly payments shall be made for any guaranteed period chosen and thereafter during the life of a chosen human being. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the age and sex of the chosen human being on the Option Effective Date and on any guaranteed period chosen. We may require proof to our satisfaction of such age. We may require like proof that such human being is alive on the date any payment is due. The guaranteed period may be five or ten years or a Refund period. A Refund period extends until the sum of the payments is equal to the proceeds placed under the option. The monthly payments are based on an interest rate of 1.50% per year. We may pay more interest in any year during the guaranteed period. We will quote the amount of monthly payments for lower ages and guaranteed periods not shown in the Option 3 Table on request.

Option 3 Table
Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Guaranteed Period

Age	Male			Female		
	None	10 Years	Refund	None	10 Years	Refund
50	\$3.24	\$3.22	\$3.02	\$3.00	\$2.99	\$2.86
51	3.31	3.29	3.08	3.06	3.05	2.91
52	3.39	3.36	3.13	3.13	3.11	2.96
53	3.47	3.44	3.19	3.19	3.18	3.02
54	3.55	3.51	3.25	3.26	3.25	3.07
55	3.63	3.60	3.31	3.34	3.32	3.13
56	3.73	3.68	3.38	3.41	3.39	3.19
57	3.82	3.77	3.45	3.50	3.47	3.26
58	3.92	3.87	3.52	3.58	3.56	3.32
59	4.03	3.97	3.60	3.68	3.64	3.39
60	4.15	4.07	3.67	3.78	3.74	3.46
61	4.27	4.19	3.76	3.88	3.83	3.54
62	4.40	4.30	3.84	3.99	3.94	3.62
63	4.54	4.42	3.93	4.11	4.05	3.70
64	4.69	4.55	4.02	4.23	4.16	3.79
65	4.85	4.69	4.12	4.37	4.28	3.88
66	5.02	4.83	4.23	4.51	4.41	3.98
67	5.20	4.98	4.33	4.66	4.55	4.08
68	5.39	5.13	4.45	4.83	4.69	4.19
69	5.60	5.29	4.57	5.00	4.84	4.30
70	5.82	5.45	4.70	5.19	5.00	4.43
71	6.05	5.62	4.82	5.39	5.17	4.55
72	6.30	5.79	4.96	5.61	5.34	4.68
73	6.57	5.96	5.11	5.85	5.52	4.82
74	6.85	6.14	5.25	6.11	5.71	4.98
75	7.15	6.32	5.41	6.39	5.91	5.13
76	7.47	6.51	5.59	6.69	6.11	5.30
77	7.82	6.69	5.75	7.01	6.31	5.47
78	8.19	6.87	5.93	7.36	6.52	5.66
79	8.59	7.05	6.14	7.74	6.73	5.85
80	9.01	7.22	6.34	8.16	6.93	6.04
81	9.47	7.39	6.55	8.60	7.13	6.29
82	9.95	7.56	6.77	9.09	7.33	6.50
83	10.47	7.71	7.00	9.61	7.52	6.76
84	11.02	7.86	7.25	10.18	7.69	7.00
85+	11.61	8.00	7.52	10.79	7.86	7.26

+ Higher ages the same

OPTION 4
-PAYMENTS OF A
STATED AMOUNT

Equal monthly payments of a stated amount shall be made until the proceeds, with interest at 1.50% per year on the unpaid balance, are used up. The first payment shall be made on the Option Effective Date. The amount chosen must be at least \$10 per month for each \$1,000 of proceeds placed under this option. We may add more interest to the unpaid balance in any year, which will extend the number of payments. The last payment will be for the balance only.

OPTION 5 - LIFE
ANNUITY

Equal monthly payments shall be made in the same manner as Option 3 except:

1. the amount of each payment shall be based on our current settlement rates on the Option Effective Date; and
2. no additional interest shall be paid.

OPTION 6 - JOINT
AND TWO-THIRDS
ANNUITY

Equal monthly payments shall be made while two chosen human beings are both living. Upon the death of either, two-thirds of the amount of such payments shall continue during the life of the survivor. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the ages and sexes of the chosen human beings on the Option Effective Date. We may require proof to our satisfaction of their ages. We may require like proof that any chosen human being is alive on the date any payment conditioned on the life of such human being is due. The initial amount of each monthly payment is shown in the table. We will quote the amount of monthly payments for any other age combination on request. The monthly payments are based on an interest rate of 1.50% per year. No additional interest shall be paid.

Option 6 Table
 Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Ages of Both	One Male and One Female	Ages of Both	One Male and One Female
50	\$2.97	68	\$4.72
51	3.03	69	4.89
52	3.09	70	5.06
53	3.16	71	5.25
54	3.22	72	5.46
55	3.29	73	5.68
56	3.37	74	5.91
57	3.45	75	6.16
58	3.53	76	6.43
59	3.62	77	6.72
60	3.72	78	7.04
61	3.82	79	7.37
62	3.92	80	7.74
63	4.04	81	8.12
64	4.16	82	8.54
65	4.28	83	8.99
66	4.42	84	9.48
67	4.57	85+	9.99

+ Higher ages the same

OPTION 7 - 50%
 SURVIVOR
 ANNUITY

Equal monthly payments shall be made during the life of the chosen primary human being. Upon the death of the chosen primary human being, 50% of the amount of such payments shall continue during the life of the chosen secondary human being. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the ages and sexes of the chosen human beings on the Option Effective Date. We may require proof to our satisfaction of their ages. We may require like proof that any chosen human being is alive on the date any payment conditioned on the life of such human being is due. The initial amount of each monthly payment is shown in the table. We will quote the amount of monthly payments for any other age combination on request. The monthly payments are based on an interest rate of 1.50% per year. No additional interest shall be paid.

Option 7 Table
 Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Ages of Both	Male Primary Female Secondary	Female Primary Male Secondary	Ages of Both	Male Primary Female Secondary	Female Primary Male Secondary
50	\$2.96	\$2.85	68	\$4.67	\$4.44
51	3.01	2.90	69	4.83	4.60
52	3.07	2.96	70	5.00	4.76
53	3.14	3.02	71	5.19	4.93
54	3.20	3.08	72	5.38	5.12
55	3.27	3.15	73	5.59	5.32
56	3.35	3.22	74	5.82	5.53
57	3.43	3.29	75	6.06	5.77
58	3.51	3.37	76	6.31	6.01
59	3.60	3.45	77	6.59	6.28
60	3.69	3.53	78	6.88	6.57
61	3.79	3.62	79	7.20	6.89
62	3.89	3.72	80	7.54	7.22
63	4.00	3.82	81	7.90	7.59
64	4.12	3.93	82	8.29	7.98
65	4.24	4.05	83	8.71	8.40
66	4.38	4.17	84	9.16	8.86
67	4.52	4.30	85+	9.64	9.34

+ Higher ages the same

NATIONAL LIFE IS A DYNAMIC AND GROWING FAMILY OF INSURANCE AND FINANCIAL SERVICE COMPANIES OFFERING A COMPREHENSIVE RANGE OF LIFE INSURANCE, ASSET ACCUMULATION AND RETIREMENT PLANNING PRODUCTS. OUR FLAGSHIP, NATIONAL LIFE INSURANCE COMPANY, HAS BEEN SERVING CUSTOMERS WITH VALUE AND INTEGRITY SINCE 1850, AND IS LICENSED IN ALL 50 STATES AND THE DISTRICT OF COLUMBIA.

Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Flexible premiums are payable through the end of the Premium Payment Period or until the death of both Insureds. The adjustable Death Benefit is payable upon the death of the second of the Insureds to die. This policy is non-participating. Although the policy values may be affected by an external index, the policy does not directly participate in any stock or equity investments.

The Owner is a member of National Life Holding Company while this contract is in force. The annual meetings of the Company are held at its Home Office in Montpelier, Vermont, on the second Friday in May in each year at 9 o'clock A.M.

NATIONAL LIFE INSURANCE COMPANY

HOME OFFICE: ONE NATIONAL LIFE DRIVE
MONTPELIER, VERMONT 05604 TELEPHONE: 800-732-8939
WWW.NATIONALLIFE.COM



NATIONAL LIFE

National Life Insurance Company
Montpelier, Vermont 05604
Tel: 802-229-3333

Should You Need to Call

Your agent is, and should continue to be, the primary contact for information about your National Life coverage. However, there may be times when it is necessary to contact our Home Office for assistance.

If you need to contact our Home Office directly, please dial 1-800-732-8939. Contract information is also available at www.nationallife.com, where you can self-register to access policy information in a secure setting.

Limitations and Exclusions Under the Arkansas Life and Health Insurance Guaranty Association Act

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”) may not provide coverage for your policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. **However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.**

The Arkansas Life and Health Insurance Guaranty Association
C/O The Liquidation Division
1023 West Capitol

Little Rock, Arkansas 72201
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act (*Act*). On the next page is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

Coverage

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

Exclusions From Coverage

However, persons owning such policies are **NOT** protected by the Guaranty Association if:

- they are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- the insurer was not authorized to do business in this state;
- their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does **NOT** provide coverage for:

- any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- any policy of reinsurance (unless an assumption certificate was issued);
- interest rate yields that exceed an average rate;
- dividends and voting rights and experience rating credits;
- credits given in connection with the administration of a policy by a group contract holder;
- employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- unallocated annuity contracts (which give rights to group contract holders, not individuals);
- unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation (*FPBC*) (whether the *FPBC* is yet liable or not);
- portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

Limits on Amount of Coverage

The Act also limits the amount the Guaranty Association is obligated to cover. The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.



We, National Life Insurance Company (the Company), agree to pay the Death Benefit to the Beneficiary, subject to the terms of this policy, when we receive at our Home Office due proof that both Insureds died while this policy was in force.

Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Unisex Version. Flexible premiums are payable through the end of the Premium Payment Period or until the death of both Insureds. The adjustable Death Benefit is payable upon the death of the second of the Insureds to die. This policy is nonparticipating. Although the policy values may be affected by an external index, the policy does not directly participate in any stock or equity investments.

Right to Review Policy. This policy, at any time within ten days after its receipt by the Owner, may be returned in person or by mail to us or to the agent through whom it was bought. Upon such return, the policy will be deemed void as of its Effective Date. We will then refund any premium paid.

Effective Date:	03/15/2011
Policy Number:	NL1234567
Face Amount:	\$250,000
First Insured:	Ethan Allen
Issue Age:	35
Second Insured:	Edna Allen
Issue Age:	35
Owner:	As stated in the application unless later changed.
Beneficiary:	As stated in the application unless later changed.

The data and the terms on this and all following pages are part of this policy.

This policy is a legal contract between the policy Owner and National Life Insurance Company. READ YOUR POLICY CAREFULLY.

Signed for National Life Insurance Company at Montpelier, Vermont, as of the Effective Date, by

Mehman Assad
President & Chief Executive Officer

James K. McQuade
Secretary

Registrar

DATA SECTION

POLICY NUMBER: [NL12345657]

FIRST INSURED: [ETHAN ALLEN]
ISSUE AGE: [35]

SECOND INSURED: [EDNA ALLEN]
ISSUE AGE: [35]

FACE AMOUNT: [\$25,000.00]

OWNER: [AS STATED IN THE APPLICATION UNLESS LATER CHANGED.]
BENEFICIARY: [AS STATED IN THE APPLICATION UNLESS LATER CHANGED.]

MONTHLY POLICY DATE: [15TH]

DEATH BENEFIT OPTION: [A]

MINIMUM MONTHLY PREMIUM: [\$47.64]
POLICY PROTECTION PERIOD: [MARCH 15, 2011 – MARCH 14, 2021]
[MONTHLY GUARANTEED PREMIUM:] [\$58.62]
PLANNED PERIODIC PREMIUM: [\$1,200.00] PAYABLE [ANNUALLY]
FOR PREMIUM PAYMENT PERIOD: [MARCH 15, 2011 TO MARCH 16, 2096]

THIS POLICY MAY TERMINATE PRIOR TO THE END OF THE PREMIUM PAYMENT PERIOD IF PREMIUMS PAID ARE INSUFFICIENT TO CONTINUE COVERAGE. PREMIUMS IN ADDITION TO THE PLANNED PERIODIC PREMIUM MAY BE NECESSARY TO KEEP THIS COVERAGE IN FORCE.

POLICY LOANS AND WITHDRAWALS WILL REDUCE THE CASH SURRENDER VALUE OF THIS POLICY AND MAY RESULT IN TERMINATION OF THIS POLICY PRIOR TO THE DEATH OF THE INSURED.

MINIMUM COVERAGE AMOUNT: \$250,000.00
MINIMUM FACE AMOUNT PER COVERAGE SEGMENT: \$25,000.00
MINIMUM WITHDRAWAL AMOUNT: \$500.00
MAXIMUM WITHDRAWAL FEE: \$25.00 FOR EACH WITHDRAWAL

ADDITIONAL BENEFIT RIDERS:
[ADDITIONAL PROTECTION BENEFIT RIDER]
[BALANCE SHEET BENEFIT RIDER]
[DEATH BENEFIT PROTECTION RIDER]
[ESTATE PRESERVATION RIDER]
[LIFETIME INCOME BENEFIT RIDER]
[OVERLOAN PROTECTION RIDER]
[POLICY SPLIT OPTION RIDER]
[SURVIVOR PROTECTION RIDER]

THE LOAN INTEREST RATE IS VARIABLE. THE LOAN INTEREST RATE AT THE EFFECTIVE DATE IS [5.50%].

DATA SECTION

GUARANTEED BASIS OF CALCULATIONS

FACE AMOUNT: [\$25,000.00]
 EFFECTIVE DATE: [MARCH 15, 2011]

ACCUMULATED VALUE INTEREST RATE: 0.20598% COMPOUNDED MONTHLY, WHICH IS
 EQUIVALENT TO 2.50% COMPOUNDED PER YEAR

MORTALITY TABLE: 2001 COMMISSIONERS STANDARD ORDINARY [UNISEX]
 SMOKER/NON-SMOKER ULTIMATE AGE NEAREST BIRTHDAY

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
 (PER \$1,000 PER MONTH)

<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>	<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>	<u>POLICY</u> <u>YEAR</u>	<u>RATE</u>
01	0.00008	21	0.03725	41	1.27340
02	0.00026	22	0.04584	42	1.48936
03	0.00048	23	0.05605	43	1.74370
04	0.00073	24	0.06755	44	2.04338
05	0.00103	25	0.08106	45	2.39302
06	0.00138	26	0.09731	46	2.79326
07	0.00180	27	0.11719	47	3.28726
08	0.00231	28	0.14177	48	3.84617
09	0.00296	29	0.17114	49	4.45608
10	0.00377	30	0.20544	50	5.14895
11	0.00476	31	0.24540	51	5.93974
12	0.00595	32	0.29142	52	6.76869
13	0.00744	33	0.34406	53	7.80701
14	0.00903	34	0.40508	54	8.93487
15	0.01091	35	0.47487	55	10.15521
16	0.01328	36	0.55847	56	11.37307
17	0.01619	37	0.65728	57	12.26392
18	0.01992	38	0.78112	58	13.44009
19	0.02443	39	0.92286	59	14.95892
20	0.03012	40	1.08534	60	16.81684

DATA SECTION

GUARANTEED BASIS OF CALCULATIONS

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES (CONTINUED)
(PER \$1,000 PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>	<u>POLICY YEAR</u>	<u>RATE</u>
[61	19.10401	71	45.67466	81	83.33333
62	21.36559	72	50.53770	82	83.33333
63	23.80463	73	55.87899	83	83.33333
64	24.64035	74	61.66932	84	83.33333
65	26.25928	75	68.19093	85	83.33333]
66	28.62793	76	75.46882		
67	31.13870	77	83.17840		
68	34.02818	78	83.33333		
69	37.36503	79	83.33333		
70	41.23449	80	83.33333		

DEFINITION OF LIFE INSURANCE TEST: [GUIDELINE PREMIUM TEST]

[GUIDELINE SINGLE PREMIUM: \$ 39,361.38]

[GUIDELINE LEVEL PREMIUM: \$ 3,821.24]

TABLE OF DEATH BENEFIT STANDARD FACTORS

<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>	<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>	<u>ATTAINED AGE OF YOUNGER INSURED</u>	<u>DEATH BENEFIT FACTOR</u>
0 - 40	2.50	54	1.57	68	1.17
41	2.43	55	1.50	69	1.16
42	2.36	56	1.46	70	1.15
43	2.29	57	1.42	71	1.13
44	2.22	58	1.38	72	1.11
45	2.15	59	1.34	73	1.09
46	2.09	60	1.30	74	1.07
47	2.03	61	1.28	75 - 90	1.05
48	1.97	62	1.26	91	1.04
49	1.91	63	1.24	92	1.03
50	1.85	64	1.22	93	1.02
51	1.78	65	1.20	94+	1.01
52	1.71	66	1.19		
53	1.64	67	1.18		

DATA SECTION

AS OF THE EFFECTIVE DATE, THE FOLLOWING RATES ARE APPLICABLE TO INTEREST CREDITING STRATEGIES TO WHICH YOU MAY DIRECT YOUR PREMIUM. THESE RATES ARE IN EFFECT UNTIL FURTHER NOTICE.

FIXED-TERM STRATEGY

FIXED-TERM SEGMENT LENGTH:	1 YEAR
MINIMUM FIXED-TERM SEGMENT INTEREST RATE:	2.50% ANNUAL EFFECTIVE RATE
INITIAL FIXED-TERM SEGMENT INTEREST RATE:	[5.50%] ANNUAL EFFECTIVE RATE

INDEXED STRATEGY 1 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[100%]
GUARANTEED MINIMUM PARTICIPATION RATE:	100%
INITIAL INDEX EARNINGS CAP:	[13.5%]
GUARANTEED MINIMUM INDEX EARNINGS CAP:	3.1%

INDEXED STRATEGY 2 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[140%]
GUARANTEED MINIMUM PARTICIPATION RATE:	110%
INITIAL INDEX EARNINGS CAP:	[12.0%]
GUARANTEED MINIMUM INDEX EARNINGS CAP:	3.0%

INDEXED STRATEGY 3 – POINT TO POINT

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[62%]
GUARANTEED MINIMUM PARTICIPATION RATE:	25%
INITIAL INDEX EARNINGS CAP:	NO CAP

INDEXED STRATEGY 4 – POINT TO AVERAGE

INDEX:	STANDARD & POOR'S 500 INDEX
INDEXED TERM:	1 YEAR
INITIAL PARTICIPATION RATE:	[105%]
GUARANTEED MINIMUM PARTICIPATION RATE:	30%
INITIAL INDEX EARNINGS CAP:	NO CAP

INDEX-LINKED RETURNS DO NOT INCLUDE THE PORTION OF RETURNS GENERATED BY THE UNDERLYING INDEX THAT COMES FROM DIVIDENDS.

THE ELEMENTS USED IN DETERMINING THE CREDITED RATES FROM THE INDEX ARE NOT GUARANTEED AND CAN BE CHANGED BY THE COMPANY, SUBJECT TO THE GUARANTEES IN THE POLICY AND THAT ANY SUCH CHANGES CAN AFFECT THE RETURN.

DATA SECTION

FACE AMOUNT: [\$25,000.00]
EFFECTIVE DATE: [MARCH 15, 2011]

PERCENT OF PREMIUM EXPENSE CHARGE: 6%
MONTHLY EXPENSE CHARGE: [\$74.10]

MONTHLY POLICY FEE: \$5.00

SURRENDER CHARGES

TWELVE MONTH PERIOD BEGINNING <u>POLICY YEAR</u>	<u>SURRENDER CHARGE</u>
[MAR 15, 2011	\$330.00
MAR 15, 2012	300.56
MAR 15, 2013	270.38
MAR 15, 2014	239.44
MAR 15, 2015	207.75
MAR 15, 2016	175.13
MAR 15, 2017	141.75
MAR 15, 2018	107.63
MAR 15, 2019	72.56
MAR 15, 2020	36.75
MAR 15, 2021 AND LATER	0.00]

DATA SECTION
ADDITIONAL PROTECTION BENEFIT RIDER

SUM INSURED: [\$225,000.00]

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
RIDER EFFECTIVE DATE: [MAR 15, 2011]

GUARANTEED BASIS OF CALCULATIONS

ACCUMULATED VALUE INTEREST RATE: 0.20598% COMPOUNDED MONTHLY, WHICH IS
EQUIVALENT TO 2.50% COMPOUNDED PER YEAR

MORTALITY TABLE: 2001 COMMISSIONERS STANDARD ORDINARY [UNISEX]
SMOKER/NON-SMOKER ULTIMATE AGE NEAREST BIRTHDAY

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER.]

POLICY YEARS FOR THIS RIDER ARE MEASURED FROM THE RIDER EFFECTIVE DATE.

DATA SECTION
 ADDITIONAL PROTECTION BENEFIT RIDER

SUM INSURED: [\$225,000.00]

RIDER EFFECTIVE DATE: [MAR 15, 2011]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
 (PER \$1,000 PER MONTH)

POLICY YEAR	RATE	POLICY YEAR	RATE	POLICY YEAR	RATE
[01	0.00008	30	0.20544	59	14.95892
02	0.00026	31	0.24540	60	16.81684
03	0.00048	32	0.29142	61	19.10401
04	0.00073	33	0.34406	62	21.36559
05	0.00103	34	0.40508	63	23.80463
06	0.00138	35	0.47487	64	24.64035
07	0.00180	36	0.55847	65	26.25928
08	0.00231	37	0.65728	66	28.62793
09	0.00296	38	0.78112	67	31.13870
10	0.00377	39	0.92286	68	34.02818
11	0.00476	40	1.08534	69	37.36503
12	0.00595	41	1.27340	70	41.23449
13	0.00744	42	1.48936	71	45.67466
14	0.00903	43	1.74370	72	50.53770
15	0.01091	44	2.04338	73	55.87899
16	0.01328	45	2.39302	74	61.66932
17	0.01619	46	2.79326	75	68.19093
18	0.01992	47	3.28726	76	75.46882
19	0.02443	48	3.84617	77	83.17840
20	0.03012	49	4.45608	78	83.33333
21	0.03725	50	5.14895	79	83.33333
22	0.04584	51	5.93974	80	83.33333
23	0.05605	52	6.76869	81	83.33333
24	0.06755	53	7.80701	82	83.33333
25	0.08106	54	8.93487	83	83.33333
26	0.09731	55	10.15521	84	83.33333
27	0.11719	56	11.37307	85	83.33333]
28	0.14177	57	12.26392		
29	0.17114	58	13.44009		

DATA SECTION

BALANCE SHEET BENEFIT RIDER

PERCENTAGE OF SURRENDER CHARGES TO BE WAIVED: [25%]*

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

EFFECTIVE DATE: [MARCH 15, 2011]

FACE AMOUNT: [\$25,000.00]

TABLE OF GUARANTEED MONTHLY BALANCE SHEET BENEFIT RIDER CHARGES

<u>POLICY YEARS</u>	<u>AMOUNT</u>
0 - 10	[\$0.09]

*SEE SURRENDER CHARGE SCHEDULE FOR APPLICABLE CHARGE AMOUNT

DATA SECTION

DEATH BENEFIT PROTECTION RIDER

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

DEATH BENEFIT PROTECTION INTEREST RATE: 5.00%

THE DEATH BENEFIT PROTECTION IS IN EFFECT THROUGH [MAR 14, 2041.]

DATA SECTION

ESTATE PRESERVATION RIDER

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

ESTATE PRESERVATION BENEFIT: [\$134,615.38]

POLICY YEARS FOR THIS RIDER ARE MEASURED FROM THE RIDER EFFECTIVE DATE.

TABLE OF GUARANTEED MAXIMUM COST OF ESTATE PRESERVATION BENEFIT RATES
(PER \$1,000 OF ESTATE PRESERVATION BENEFIT PER MONTH)

<u>POLICY YEAR</u>	<u>RATE</u>
1	[0.00008]
2	[0.00026]
3	[0.00048]
4	[0.00073]

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

POLICY NUMBER: [NL1234567]

FIRST INSURED: [ETHAN ALLEN]

SECOND INSURED: [EDNA ALLEN]

RIDER EFFECTIVE DATE: [MAR 15, 2011]

POLICY EFFECTIVE DATE: [MAR 15, 2011]

FIRST INSURED'S ISSUE AGE: [35]

SECOND INSURED'S ISSUE AGE: [35]

MINIMUM EXERCISE PERIOD: [10] YEARS

MINIMUM EXERCISE DATE: [MAR 15, 2036]

MINIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: [60]

MAXIMUM EXERCISE AGE BASED ON THE YOUNGER INSURED: [85]

INCOME PAYMENT THRESHOLD: [\$100.00]

MINIMUM DEATH BENEFIT: [\$15,000.00]

MINIMUM CASH SURRENDER VALUE: [\$1,000.00]

GUARANTEED RIDER CHARGE PERCENTAGE: [1.50%] Annual

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF BASE PAYOUT PERCENTAGES
DEATH BENEFIT OPTION: [A]

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
[60	3.70%	73	4.35%
61	3.75%	74	4.40%
62	3.80%	75	4.45%
63	3.85%	76	4.50%
64	3.90%	77	4.55%
65	3.95%	78	4.60%
66	4.00%	79	4.65%
67	4.05%	80	4.70%
68	4.10%	81	4.70%
69	4.15%	82	4.70%
70	4.20%	83	4.70%
71	4.25%	84	4.70%
72	4.30%	85	4.70%]

TABLE OF MAXIMUM DEATH BENEFIT RATIO PERCENTAGES

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	400%	73	270%
61	390%	74	260%
62	380%	75	250%
63	370%	76	240%
64	360%	77	230%
65	350%	78	220%
66	340%	79	210%
67	330%	80	200%
68	320%	81	190%
69	310%	82	180%
70	300%	83	170%
71	290%	84	160%
72	280%	85	150%

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF GUARANTEED INCOME PERCENTAGE ADJUSTMENT FACTORS

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	0.65%	73	1.30%
61	0.70%	74	1.35%
62	0.75%	75	1.40%
63	0.80%	76	1.45%
64	0.85%	77	1.50%
65	0.90%	78	1.55%
66	0.95%	79	1.60%
67	1.00%	80	1.65%
68	1.05%	81	1.65%
69	1.10%	82	1.65%
70	1.15%	83	1.65%
71	1.20%	84	1.65%
72	1.25%	85	1.65%

DATA SECTION

DATA SECTION

LIFETIME INCOME BENEFIT RIDER

TABLE OF LIFETIME INCOME BENEFIT RIDER
PROTECTION PROVISION CHARGE PERCENTAGES

THE FIRST INSURED HAS BEEN CLASSIFIED [STANDARD NON-SMOKER]

THE SECOND INSURED HAS BEEN CLASSIFIED [STANDARD NON-SMOKER]

ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	PERCENTAGE
60	2.89%	91	3.33%
61	2.89%	92	2.54%
62	2.89%	93	1.73%
63	2.89%	94	0.88%
64	2.89%	95	0.90%
65	2.89%	96	0.91%
66	2.89%	97	0.92%
67	2.89%	98	0.94%
68	2.89%	99	0.97%
69	2.89%	100	0.97%
70	2.89%	101	0.97%
71	2.89%	102	0.97%
72	2.89%	103	0.97%
73	2.89%	104	0.97%
74	2.89%	105	0.97%
75	2.89%	106	0.97%
76	3.00%	107	0.97%
77	3.10%	108	0.97%
78	3.20%	109	0.97%
79	3.30%	110	0.97%
80	3.39%	111	0.97%
81	3.48%	112	0.97%
82	3.57%	113	0.97%
83	3.64%	114	0.97%
84	3.72%	115	0.97%
85	3.79%	116	0.97%
86	3.85%	117	0.97%
87	3.91%	118	0.97%
88	3.97%	119	0.97%
89	4.02%	120	0.97%]
90	4.08%		

DATA SECTION

DATA SECTION

RIDER FOR OVERLOAN PROTECTION

POLICY NUMBER: [NL1234567]
FIRST INSURED: [ETHAN ALLEN]
SECOND INSURED: [EDNA ALLEN]
EFFECTIVE DATE: [MAR 15, 2011]

THE FIRST INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER]

THE SECOND INSURED HAS BEEN CLASSIFIED A [STANDARD NON-SMOKER]

PERCENT OF ACCUMULATED VALUE EXERCISE CHARGE

ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE	ATTAINED AGE OF YOUNGER INSURED	EXERCISE CHARGE PERCENTAGE
[75	2.89%	84	3.72%	93	1.73%
76	3.00%	85	3.79%	94	0.88%
77	3.10%	86	3.85%	95	0.90%
78	3.20%	87	3.91%	96	0.91%
79	3.30%	88	3.97%	97	0.92%
80	3.39%	89	4.02%	98	0.94%
81	3.48%	90	4.08%	99+	0.97%]
82	3.57%	91	3.33%		
83	3.64%	92	2.54%		

DATA SECTION

DATA SECTION
SURVIVOR PROTECTION RIDER

POLICY NUMBER: [NL1234567]
 FIRST INSURED: [ETHAN ALLEN]
 SECOND INSURED: [EDNA ALLEN]
 EFFECTIVE DATE: [MARCH 15, 2011]
 BENEFIT AMOUNT: [\$10,000.00]
 LUMP SUM EQUIVALENT AMOUNT: [\$153,237.99]
 PAYOUT YEARS: [20]
 BENEFIT AMOUNT INTEREST RATE: [3.00%]
 RIDER TERMINATION DATE: [MARCH 15, 2076]

TABLE OF GUARANTEED MAXIMUM COST OF INSURANCE RATES
(PER \$1,000 PER MONTH)

POLICY YEAR	RATE	POLICY YEAR	RATE	POLICY YEAR	RATE
[01	0.05832	23	0.60058	45	4.81017
02	0.06832	24	0.66035	46	5.30607
03	0.07998	25	0.72508	47	5.90967
04	0.09164	26	0.81467	48	6.55413
05	0.10164	27	0.89425	49	7.21501
06	0.11496	28	0.98872	50	7.93805
51	0.12662	29	1.09306	51	8.73808
08	0.13828	30	1.20230	52	9.52913
09	0.15160	31	1.31808	53	10.52799
10	0.16658	32	1.44039	54	11.56491
11	0.18656	33	1.56756	55	12.64658
12	0.20654	34	1.70618	56	13.67129
13	0.22984	35	1.85292	57	14.32803
14	0.25480	36	2.02422	58	15.26514
15	0.27477	37	2.21673	59	16.50068
16	0.29807	38	2.45498	60	17.99819
17	0.32801	39	2.70600	61	19.79785
18	0.36127	40	2.97464	62	21.49199
19	0.39952	41	3.26733	63	23.25102
20	0.44108	42	3.58558	64	23.75940
21	0.48928	43	3.94549	65	24.85489]
22	0.54245	44	4.35490		

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We, National Life Insurance Company (the Company), agree to pay the Death Benefit to the Beneficiary, subject to the terms of this policy, when we receive at our Home Office due proof that both Insureds died while this policy was in force.

GENERAL TERMS OF THIS POLICY

CONSIDERATION

This policy is issued in consideration of the application and payment of the first premium. We will incur no liability if no premium is paid.

ENTIRE CONTRACT

On the Effective Date the entire contract between the parties is this policy and a copy of the application and all riders and endorsements which are attached at issue. Any change of this contract must be written and may be made only by one of our authorized officers or registrars. We will send the Owner a copy of any application for a change which we approve. It and any additional Data Section shall become part of this contract on the effective date of such change.

REPRESENTATIONS

Any statement made by or for either or both of the Insureds shall be deemed a representation and not a warranty. Unless such statement is in the attached application or in any subsequent application, it shall not be used to:

1. make this policy void; or
2. make any increase in Face Amount void; or
3. make any Reinstatement void; or
4. defend any claim.

INCONTESTABILITY

After this policy has been in force during the life of each Insured for two years from the Effective Date of the policy, we will not contest it; however,

1. we may contest any increase in Face Amount for which an application is required until such increase has been in force during the life of each Insured for two years from its Effective Date; and
2. we may contest any Reinstatement until such Reinstatement has been in force during the life of each Insured who was living at the time of Reinstatement for two years from its Effective Date.

The statement on which the contest will be based shall be material to the risk accepted or hazard assumed by the Company.

Notwithstanding the above, we may contest your policy at any time if it was procured by fraud, as permitted by law of the state in which your policy was delivered.

*National Life Insurance Company
One National Life Drive * Montpelier, Vermont 05604 * (800) 732-8939*

POLICY EFFECTIVE
DATES

The insurance coverage goes into effect on the Effective Date shown in the Data Section.

Any increase in Face Amount for which an application is required shall become effective on the Monthly Policy Date on or next following the date we approve the application for such increase in Face Amount.

Any increase in Face Amount for which an application is not required shall become effective on the Monthly Policy Date on or next following the date we receive the request for such increase unless otherwise provided by the policy.

Any decrease in Face Amount requested shall become effective on the Monthly Policy Date on or next following the date we receive the request for such decrease.

Any Reinstatement of this policy shall become effective on the Monthly Policy Date on or next following the date we approve the application for Reinstatement.

Any change of Death Benefit Option shall become effective on the Monthly Policy Date on or next following the date we receive the request for such change.

POLICY MONTHS,
YEARS AND
ANNIVERSARIES

Policy Months, Years and Anniversaries shall be measured from the Effective Date. The Monthly Policy Date shown in the Data Section occurs on the same day each month or on the last day of any month having no such date. The Effective Date is the first Monthly Policy Date.

MISSTATEMENT OF
AGE

The Issue Ages shown in the Data Section are the ages of the Insureds on their birthdays nearest to the Effective Date. These are based on the dates of birth shown in the application.

If the age of either Insured has been misstated, we will adjust the Death Benefit to be the amount which would have been purchased at the correct ages in consideration of the most recent Monthly Cost of Insurance. The revised Death Benefit is calculated by adjusting the Net Amount at Risk by the ratio of the incorrect Monthly Cost of Insurance Rate to the correct Monthly Cost of Insurance Rate. The adjustment shall take effect on the Monthly Policy Date on or next following the date we receive proof to our satisfaction of such misstatement. If both Insureds have died, we will adjust the Death Benefit as of the last Monthly Policy Date prior to the date of death of the second of the Insureds to die.

ATTAINED AGE

The Attained Age of each Insured on any date is that Insured's Issue Age shown in the Data Section plus the number of Policy Years and Months which have passed since the Effective Date.

PAYMENT OF BENEFITS

We will pay all benefits under this policy at our Home Office. Before payment of any Death Benefit we may investigate the death.

POSTPONEMENT OF BENEFITS

We may delay payment of any amounts which are payable as a result of Cash Surrender or Withdrawal for up to six months after we receive written request in a form satisfactory to us. If we defer such payment for more than 30 days, we will pay interest at a rate not less than the Accumulated Value Interest Rate shown in the Data Section or as mandated by state law, from the date we receive such request to the date of payment.

We may also delay payment of any amounts which are payable as a result of a Policy Loan, except for loans used to pay premiums into this policy, for up to six months after we receive written request in a form satisfactory to us.

We have the right to postpone payment which is derived from any amount recently paid to us by check or draft, until we are satisfied the check or draft has been paid by the bank or other financial institution on which it is drawn.

DEFINITION OF LIFE INSURANCE

In order for you and the Beneficiary to receive the tax treatment accorded to life insurance contracts by Federal law, this policy must initially qualify and continue to qualify as life insurance under Section 7702 of the Internal Revenue Code of 1986 (the Code), as amended, and its rules and regulations. The definition of life insurance test shown in the Data Section is the specific method by which we determine whether your policy meets the definition of life insurance.

We have designed your policy to qualify as a life insurance contract under the Code. We reserve the right to make any reasonable adjustments to the terms or conditions of this policy if it becomes necessary to allow it to qualify as life insurance.

BASIS OF VALUES

The Cash Surrender Values for this policy are greater than or equal to those required by or pursuant to the NAIC Universal Life Insurance Regulation, model #585. A detailed statement of the method of computing values has been filed in the state in which this policy is delivered.

The Cash Surrender Values are based on the Accumulated Value Interest Rate and Mortality Table shown in the Data Section. For issue ages up to 15, we use guaranteed mortality rates from the Composite tables until Attained Age 15. When the Insured reaches Attained Age 16, we use guaranteed mortality rates from the Nonsmoker table.

The Paid Up Annuity Values, and all tabled values in Payment Options, are based on the 2000 Table for Individual Annuitant Mortality (IAM) and compound interest at a rate of 1.50% per year.

NOTICES

Unless this policy provides otherwise, any requests for changes or notices:

1. from us to the Owner shall be sent to the last address known to us of the Owner; and
2. from us to an assignee shall be sent to the last address known to us of such assignee; and
3. from the Owner or an assignee to us must be in writing and received by us at our Home Office in Montpelier, Vermont.

ANNUAL REPORT

At least once each Policy Year we will send a report to the Owner without charge. The report will show, as of its date:

1. the beginning and ending dates of the reporting period; and
2. the Accumulated Value at the beginning and ending of the reporting period; and
3. the Transaction Summary for the reporting period; and
4. the Cash Surrender Value; and
5. any debt to us on this policy; and
6. the current Death Benefit; and
7. a disclosure notice if the policy will not maintain insurance in force until the end of the next reporting period unless further premiums are made.

The report will also show a summary of transactions of the previous year and any information required by law.

PROJECTION REPORT

The Owner may request, in writing, a report which projects future values and future Death Benefits for this policy. The report will also show any information required by law. One such report will be made available free of charge each year. We may charge a fee for any additional reports requested during that year, such charge not to exceed \$25. The Projection Report will be based on:

1. data the Owner gives us as to Face Amount and premiums; and
2. such assumptions as either the Owner or we specify.

ROLES IN THIS POLICY

OWNER

The Owner may:

1. exercise the rights under this policy; and
2. assign the policy; and
3. release or discharge the policy; and
4. change the policy if we agree to such change; and
5. enjoy the benefits under this policy.

These actions may be taken without the consent and against the interest of any revocable Beneficiary and any contingent owner. If the Owner has waived the right to change the Beneficiary, these actions may be taken by the Owner only with the written consent of all irrevocable Beneficiaries. These actions may be taken only during the lives of one or both of the Insureds.

Changes to Owner designation, unless otherwise specified by the Owner, shall take effect on the date the notice of change is signed by the Owner, subject to any payments made or action taken by us prior to receipt of the notice.

INSUREDS

The Death Benefit becomes payable upon the death of the second of the Insureds to die. The Insureds, in their role as the Insureds, have no rights and receive no benefits under this policy.

BENEFICIARY

The Owner has the right to change the Beneficiary which shall take effect on the date the notice of change is signed by the Owner, subject to any payments made or action taken by the Company prior to receipt of this notice. If the Owner expressly waives this right, no change can be made. Unless later changed, the Beneficiary shall be as stated in the application. The interest of any Beneficiary who dies before the Insureds shall vest in the Owner unless otherwise stated.

Where two or more Beneficiaries are designated to take in the alternative based on the order of the Insureds deaths and there is not sufficient evidence that the Insureds died other than simultaneously, one half of the Death Benefit shall be paid as if the first Insured had survived the second Insured, and one half shall be paid as if the second Insured had survived the first Insured. This shall not apply if the application or the Owner has provided for a different payment.

If used, the term "children" of any person shall include only lawful children born to or legally adopted by that person.

We may rely on an affidavit by any person who in our judgment knows the facts to identify any Beneficiary or payee not specified by name. All our liability shall cease when we pay on the basis of such affidavit.

TRUST BENEFICIARY

Unless an authorized officer or registrar of the Company explicitly agrees in writing, the following provision shall apply when a trust is named as Beneficiary.

In no event is the Company responsible for the application or disposition of any proceeds it pays to a Trust Beneficiary. Payment to a Trust Beneficiary is a full discharge of the liability of the Company. If a designated trust provides for successor trustees, the designation in this policy includes successor trustees. Likewise, if the trust allows amendments, the trust, if so amended, remains as a designated Beneficiary.

A Trust Beneficiary is considered to be a Beneficiary who did not survive the Insureds if:

1. the trust has been terminated; or
2. the specified testamentary trust does not qualify as such; or
3. for any other reason a Trust Beneficiary is not entitled to any proceeds.

CHANGE OF BENEFICIARY

If the Owner has the right, a new Beneficiary may be named from time to time during the lives of one or both of the Insureds by filing at our Home Office written notice in such form as we may require. When notice is received at our Home Office, the change shall take effect on the date the notice is signed by the Owner whether or not either Insured is living at the time of receipt, subject to any payments made or actions taken by the Company prior to receipt of this notice. We will not be liable for any payment we make before receipt of the written notice at our Home Office.

ASSIGNMENTS

We are not responsible for the validity or effect of any assignment of this policy. We will not recognize any assignment until it has been filed at our Home Office. When notice is received at our Home Office, the change shall take effect on the date the notice is signed by the Owner whether or not either Insured is living at the time of receipt, subject to any payments made or actions taken by the Company prior to receipt of this notice. The interest of any Beneficiary whom the assignor can change and of any contingent owner shall be transferred to the assignee by the terms of any assignment. If the assignee acquires a right to proceeds, they shall be paid in one sum even though a Payment Option may be in effect at the time the assignment was signed.

SPENDTHRIFT PROVISION

If we receive at our Home Office written request by the Owner for this Spendthrift Provision, then, to the extent allowed by law:

1. only the Owner may transfer, anticipate, commute, or encumber the proceeds of this policy; and
2. only legal process against the Owner may affect the proceeds of this policy.

Any proceeds payable after this request is withdrawn by the Owner shall not be affected by this provision.

PREMIUMS

POLICY PROTECTION PERIOD

The Policy Protection Period is shown in the Data Section. An increase in coverage does not initiate a new Policy Protection Period.

PAYMENT OF PREMIUMS

The first premium is due on or before the date of issue. This first premium cannot be less than the Minimum Monthly Premium shown in the Data Section. Premium payments shall be permitted during the Premium Payment Period shown in the Data Section while one or both of the Insureds are living.

During the Policy Protection Period the payment of cumulative premiums, in excess of withdrawals and loans, at least equal to the Minimum Monthly Premiums payable since the Effective Date of the policy will keep the policy in force to the next Monthly Policy Date, as long as the Accumulated Value is sufficient to provide for Monthly Deductions. Otherwise, this policy will remain in force as long as the Cash Surrender Value is sufficient to provide for Monthly Deductions.

The Planned Periodic Premiums are the premiums the Applicant has chosen to pay. Planned Periodic Premiums may be paid on an annual, semi-annual, quarterly, or monthly basis. The Owner may change the amount or frequency of such premiums at any time by sending a written notice to us at our Home Office. However, we may limit any increase in either amount or frequency.

Premiums in addition to the Planned Periodic Premiums may be necessary to keep this policy and the coverages provided by this policy and any additional benefit riders in force.

We will accept *Unscheduled Premiums*, which are premiums in addition to the Planned Periodic Premiums. We may limit the number and amount of *Unscheduled Premiums* if payment of the premium results in more than a dollar for dollar increase in the Death Benefit.

All premiums are limited by a minimum and a maximum. The minimum is \$25 per premium. The maximum is the limit imposed by the Internal Revenue Code for qualifying the policy as Life Insurance for Federal Income Tax purposes.

We will not accept any premium in excess of the maximum. We will return any premiums not accepted and any interest credited to such premiums to the Owner within 60 days after the end of the Policy Year in which the premiums were received.

The first premium may be paid to us either through our duly authorized agent in exchange for a receipt signed by that agent or at our Home Office. All later premiums must be paid to us at our Home Office.

NET PREMIUM

A Net Premium is determined by multiplying a premium received times the difference of 1 minus the Percent of Premium Expense Charge stated in the Data Section.

GRACE PERIOD

If on any Monthly Policy Date the Cash Surrender Value is less than the Monthly Deduction on such date, a Grace Period shall start, unless:

1. the policy is within the Policy Protection Period; and
2. the Accumulated Value less any debt to us on this policy is greater than the Monthly Deduction on that date; and
3. the cumulative premiums paid since the policy's Effective Date, less any withdrawals and less any debt to us on this policy, are greater than or equal to the cumulative Minimum Monthly Premiums due since the policy's Effective Date.

A Grace Period shall be 61 days. During a Grace Period this policy shall remain in force.

The premium needed to keep the policy in force beyond a Grace Period which ends during the Policy Protection Period shall equal the greater of (a) or (b) where:

- a) equals the sum of the Minimum Monthly Premiums in effect on the policy over all of the months from the Effective Date of the policy to the start of the Grace Period, plus all withdrawals, plus three times the Minimum Monthly Premium in effect at the beginning of the Grace Period, plus any debt to us on this policy, less all premiums paid; and where
- b) equals the premium which will be sufficient to produce an Accumulated Value, net of policy debt, equal to two times the Monthly Deduction due on the date the Grace Period began.

The premium needed to keep the policy in force beyond a Grace Period which ends after the Policy Protection Period shall be the premium sufficient to produce a Cash Surrender Value equal to three times the Monthly Deduction due on the date the Grace Period began.

We will mail notice of the premium needed to the last known address of the Owner or any assignee of record at least 30 days prior to the termination of coverage. The Owner has the entire Grace Period within which to remit the necessary premium. Any premium sent by U.S. mail shall be postmarked within the Grace Period. If such premium is unpaid on the later of:

1. the first day following the 61-day Grace Period; or
2. the 31st day after such notice is sent;

then this policy shall terminate without value.

A Grace Period will not begin solely because payments of Planned Periodic Premiums are discontinued. Whether or not premiums are paid, Monthly Deductions will be made from the Accumulated Value. The terms of this Grace Period provision will determine if and when a Grace Period starts.

REINSTATEMENT

If this policy terminates after the end of a Grace Period, it may be reinstated. It must be reinstated on a Monthly Policy Date within five years from the start of such Grace Period and prior to the end of the Premium Payment Period.

For Reinstatement we will require:

1. an application for Reinstatement; and
2. proof to our satisfaction that each Insured who was living at the end of the Grace Period is living and insurable; and
3. payment of an amount determined as follows:
 - a) If Reinstatement occurs during a Policy Protection Period, the required payment shall be an amount equal to the premium which will be sufficient to produce an Accumulated Value, net of policy debt, four times the Monthly Deduction due on the date the Grace Period began, or, if greater:
 - i. the sum of the Minimum Monthly Premiums in effect on the policy over all the months from the Effective Date of this policy to the start of the Grace Period; plus
 - ii. all withdrawals; plus
 - iii. three times the Minimum Monthly Premium in effect at the beginning of the Grace Period; plus
 - iv. any debt to us on this policy; less
 - v. all premiums paid.

The above amount not to exceed the premium required to make the Cash Surrender Value sufficient to provide:

- i. two times the Monthly Deduction due on the date the Grace Period began; plus
 - ii. three times the Monthly Deduction due on the date of Reinstatement.
- b) If Reinstatement occurs after the Policy Protection Period, the required payment shall be a premium which will make the Cash Surrender Value sufficient to provide:
 - i. two times the Monthly Deduction due on the date the Grace Period began; plus
 - ii. three times the Monthly Deduction due on the date of Reinstatement.

We will send the Owner notice of the required payment upon request.

In the event of Reinstatement:

1. the Accumulated Value of the policy at the time of final lapse will be restored along with the Cash Value available for deductions at the time that the Grace Period began; and
2. the schedule of Surrender Charges for the policy months following the date the Grace Period began shall become the schedule of Surrender Charges for the policy months following the date of Reinstatement; and
3. the schedule of Monthly Expense Charges for the policy months following the date the Grace Period began shall become the schedule of Monthly Expense Charges for the policy months following the date of Reinstatement; and
4. any Policy Loan that was in force at the time that the Grace Period began may be repaid or may be reinstated.

DEATH BENEFIT AND POLICY CHANGES

DEATH BENEFIT

We will pay the Death Benefit to the Beneficiary when we receive at our Home Office due proof that both Insureds died while this policy was in force. We will pay the Death Benefit in one sum unless a Payment Option is chosen. If the Death Benefit is paid in one sum, it shall be increased by interest from the date of death of the second of the Insureds to die to the date of payment. We will set the rate of interest at not less than the rate applicable for the funds left on deposit. If the Death Benefit is not paid within 30 days after we receive at our Administrative Office due proof of the second Insured died while this policy was in force, the rate of interest shall be 8% per year.

COVERAGE AT AND AFTER AGE 121

If your policy is in force when the younger Insured reaches Attained Age 121, the Face Amount of this policy will be set equal to the Accumulated Value, and the Death Benefit Option will automatically revert to Option A. The Death Benefit Option may not thereafter be changed, and no additional premium will be accepted on this policy. All Monthly Deductions on this policy will cease. The Owner may, however, continue to access the Cash Surrender Value and to make or repay Policy Loans.

You may surrender your policy if you do not want coverage to continue past the younger Insured reaching Attained Age 121.

Continuing coverage beyond the younger Insured's Attained Age 121 may cause your policy to fail to qualify as life insurance under the Internal Revenue Code and you may be subject to adverse tax consequences. You should consult a tax advisor before you choose to continue your policy after the younger Insured's Attained Age 121.

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NOTICE OF DEATH AND CLAIMS

The Owner must notify us within 180 days after the date of death of each Insured. We may require proof whether both Insureds are living two years from the Effective Date. Within 180 days after the date of death of the first Insured to die, we will require the Owner to provide us with evidence of death and proof of age and, if the death is within two years from the Effective Date, the cause of death.

DEATH BENEFIT OPTIONS

The Owner may elect either of two Death Benefit Options, Option A or Option B, for the period prior to the Attained Age 121 of the younger of the Insureds. The Death Benefit Option is stated in the Data Section.

Option A. Under Option A, the Death Benefit is equal to the greater of:

1. the Face Amount of the policy on the date of the death of the second of the Insureds to die; or
2. the Death Benefit Factor shown in the Data Section multiplied by the Accumulated Value on the date of the death of the second of the Insureds to die;

less the amount of any Monthly Deductions then due and any debt to us on this policy.

Option B. Under Option B, the Death Benefit is equal to the greater of:

1. the Face Amount plus the Accumulated Value of the policy on the date of the death of the second of the Insureds to die; or
2. the Death Benefit Factor shown in the Data Section multiplied by the Accumulated Value on the date of the death of the second of the Insureds to die;

less the amount of any Monthly Deductions then due and any debt to us on this policy.

CHANGES IN FACE AMOUNT AND DEATH BENEFIT OPTION

The Owner may request any of the following changes. We will make a change subject to the conditions stated. These changes may be made prior to the younger Insured reaching Attained Age 121 and after the first Policy Anniversary. We will send the Owner a revised or additional Data Section if any of these changes are made.

Face Amount Increases. We will require an application from the Owner and proof to our satisfaction that both of the Insureds are alive and either of the Insureds are then insurable. An increase in Face Amount must satisfy the Minimum Face Amount per Coverage Segment requirements of the policy and must be initiated before the end of the younger Insured's Attained Age 90 and shall be effective upon the Monthly Policy Date on or next following our approval.

Each increase in Face Amount will have its own coverage segment that has its own Monthly Cost of Insurance charges, Monthly Expense Charge, and Surrender Charges, as well as new incontestability and suicide exclusion periods.

Face Amount Decreases. We will require a written request from the Owner. A decrease in Face Amount shall be effective upon the Monthly Policy Date on or next following our receipt of the request.

Decreases shall not be permitted which would reduce the sum of the Face Amount plus the Sums Insured of any riders for Additional Protection Benefit attached to this policy to less than any of the following:

1. the minimum insurance amount for which the policy would qualify as "Life Insurance" for Federal Income Tax purposes under the Internal Revenue Code; or
2. the Minimum Coverage Amount shown in the Data Section; or
3. 75% of the largest sum of the Face Amount plus the Sums Insured of any Riders for Additional Protection Benefit attached to this policy in force at any time in the twelve policy months prior to our receipt of the request. This restriction applies only during the first ten Policy Years.

A decrease in total insurance coverage shall apply in the following order:

1. first, to any increases in Face Amount or to the addition of any rider for Additional Protection Benefit providing coverage on the life of the Insureds, in the reverse order in which they were made;
2. second, to the Face Amount on the date of issue.

If both an increase in Face Amount and the addition of a rider for Additional Protection Benefit providing coverage on the life of the Insureds became effective on the same date, a decrease in total insurance coverage made effective on that date shall apply in the following order:

1. first, to any increase in total insurance coverage resulting from the addition of a Rider for Additional Protection Benefit providing coverage on the life of both Insureds;
2. second, to any increase in Face Amount;
3. third, to the Face Amount on the date of issue.

Death Benefit Option Changes.The Death Benefit Option may be changed once each Policy Year after the first Policy Anniversary prior to the younger Insureds Attained Age 121. We will require a written request from the Owner. A change will be effective on any Monthly Policy Date requested. The change may be made only if after such change the policy would qualify as "Life Insurance" for Federal Income Tax purposes under the Internal Revenue Code. The Minimum Monthly Premium will be recomputed to reflect the change in Options.

1. Upon a change from Option A to Option B, we may require evidence satisfactory to us that both Insureds are living and of the continued insurability of one or both of the Insureds at the time of the change. The Face Amount shall decrease by an amount equal to the Accumulated Value of the policy just prior to the Effective Date of the change. However, the change may be made only if after such change the Face Amount would not be less than the Minimum Coverage Amount shown in the Data Section.
2. Upon a change from Option B to Option A, the Face Amount shall increase by an amount equal to the Accumulated Value just prior to the Effective Date of the change. No additional Surrender Charges shall be imposed solely because of this change.

SUICIDE LIMITATION

If either of the Insureds dies within two years of the Effective Date as the result of suicide, while sane or insane, we will pay only a sum equal to:

1. the premiums paid; less
2. any withdrawals made; less
3. any debt to us on this policy.

This policy shall immediately terminate on the first such death by suicide. Payment will be made to the Beneficiary.

A similar two-year period shall apply to any increase in Face Amount for which an application is required. Such period shall begin on the Effective Date of any such increase. During such period if either Insured dies as the result of suicide, we will terminate the increase segment, and will refund to the Owner only a sum equal to the Cost of Insurance Charges that we have deducted from the Accumulated Value for such increase.

INTEREST CREDITING STRATEGIES

Accumulated Value in this policy is apportioned into one or more segments distinguished by their interest crediting strategies. Six interest crediting strategies are made available under this policy. Interest is nonforfeitable after crediting except indirectly due to surrender charges. The rates of interest will never be less than the Accumulated Value Interest Rate shown in the Data Section.

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BASIC STRATEGY

Interest will be credited to the Accumulated Value in the Basic Strategy on a daily basis at a rate not less than the Accumulated Value Interest Rate shown in the Data Section.

The Basic Strategy Minimum Value for a Policy Year is equal to 12.5 times the Monthly Deduction due on the first day of that Policy Year. It will remain unchanged until the first day of the next Policy Year.

All Net Premiums are paid into the Basic Strategy. On the 21st day of each month, the Accumulated Value in the Basic Strategy that is in excess of the Basic Strategy Minimum Value, subject to a minimum amount of \$50.00, will be transferred to one or more of five interest crediting strategies, including the Fixed-Term Strategy and Strategies 1, 2, 3, and 4, according to an allocation selected by the Applicant at the time of policy application. The Owner has the right to change the allocation selection.

FIXED-TERM STRATEGY

Each transfer of Accumulated Value made to this strategy creates a distinct Fixed-Term Segment. Each Fixed-Term Segment will have a duration of one year. Interest will be credited to the Accumulated Value in each Fixed-Term Segment on a daily basis at a rate not less than the Accumulated Value Interest Rate shown in the Data Section.

Accumulated Value cannot be transferred out of any Fixed-Term Segment prior to the end of its one-year duration and at that time will be automatically transferred to the Basic Strategy. Different Fixed-Term Segments may be credited interest at different rates.

INDEXED STRATEGIES

Each transfer of Accumulated Value made to an Indexed Strategy creates a distinct Indexed Segment. Each Indexed Segment will have a crediting period of one year. Index Earnings will be credited to the Accumulated Value in each segment at the end of the crediting period.

The Index Earnings for Indexed Strategies 1, 2, and 3 will be credited to Accumulated Value in each Indexed Segment at the end of the crediting period based on the performance of the Index on such day (Point-to-Point). The Index Earnings for Indexed Strategy 4 will be credited to Accumulated Value in each Indexed Segment at the end of the crediting period based on the performance of the Index averaged throughout the preceding twelve months (Point-to-Average).

Index. Index refers to the Standard & Poor's 500 Index, excluding dividend income. It will be used in the determination of Index Earnings made to each segment within an Indexed Strategy. If the publication of the Index is discontinued, a suitable index will be substituted and you will be notified of such index.

Index Value. The Index Value as of any date is the published value of the Index at the close of business on that date. If no value was published on that date, the last published value of the Index will be used.

Index Growth. The Index Growth for an Indexed Segment is calculated at the end of the segment's crediting period.

The Index Growth for the Indexed Strategies 1, 2, and 3 is the following:

1. the Index Value as of the one-year anniversary of the Indexed Segment; minus
2. the Index Value as of the inception of the Indexed Segment; this difference divided by
3. the Index Value as of the inception of the Indexed Segment.

The Index Growth for Indexed Strategy 4 is the following:

1. the sum of the Index Values for each day the Index Value was published between the inception of the Indexed Segment and the one-year anniversary of the Indexed Segment, excluding the Index Value at the inception but including the Index Value on its anniversary; divided by
2. the number of days the Index Value was published between the inception of the Indexed Segment and the one-year anniversary of the Indexed Segment excluding the day it was created but including the anniversary; minus
3. the Index Value as of the inception of the Indexed Segment; this difference divided by
4. the Index Value as of the inception of the Indexed Segment.

Participation Rate. Each Indexed Segment will have a Participation Rate. The Participation Rate is determined in advance of establishment of an Indexed Segment. The Participation Rate will never be less than the Guaranteed Minimum Participation Rate for the applicable strategy shown in the Data Section.

Index Earnings Cap. Each Indexed Segment will have an Index Earnings Cap. The Index Earnings Cap is determined in advance of establishment of an Indexed Segment. The Index Earnings Cap for a segment will never be less than the Guaranteed Minimum Cap for the applicable strategy shown in the Data Section.

Index Earnings. The Index Earnings for each Indexed Segment are calculated at the end of the crediting period of such segment as follows:

1. the Index Growth for the segment multiplied by the segment's Participation Rate, with this product adjusted so that it is no less than zero and no greater than the segment's Index Earnings Cap; multiplied by
2. the value of the Indexed Segment at the end of the crediting period.

The Owner may not request that Accumulated Value in an Indexed Segment be transferred out of that segment prior to the end of the segment's crediting period. Accumulated Value in an Indexed Segment may be transferred out of that segment prior to the end of the segment's crediting period for the payment of Monthly Deductions, for the creation of a Fixed Net Cost Loan, due to a partial Withdrawal, or due to the termination of the policy. Indexed Earnings will be credited on the Accumulated Value remaining in an Indexed Segment at the end of the segment's crediting period. At the end of the crediting period the Accumulated Value in the Indexed Segment is automatically transferred to the Basic Strategy.

POLICY VALUES

ACCUMULATED VALUE

The Accumulated Value on the policy Effective Date is the initial Net Premium minus the initial Monthly Deduction.

The Accumulated Value on any other date is equal to the sum of the values of the Basic Strategy, the Fixed-Term Strategy, Indexed Strategies 1, 2, 3, and 4, and the value of any loan collateral account. Upon termination of the policy, however, the Accumulated Value will be no less than the accumulation at the Accumulated Value Interest Rate shown in the Data Section of Net Premiums minus Monthly Deductions minus Withdrawals.

MONTHLY DEDUCTION

The Monthly Deduction due on a Monthly Policy Date shall be the Monthly Cost of Insurance, plus the Monthly Expense Charge, plus the Monthly Policy Fee, plus the monthly cost of any additional benefit riders in force on this policy.

Monthly Deductions will be taken from the Accumulated Value of the policy in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from the Indexed Strategy 4 until exhausted;
4. fourth, from the Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, deductions are made in the reverse order in which the segments were created.

MONTHLY COST OF INSURANCE

The Monthly Cost of Insurance shall be based on the risk classification and duration of this policy, and the Issue Ages of both Insureds.

The Monthly Cost of Insurance for a given policy is equal to the applicable Monthly Cost of Insurance Rate multiplied by the Net Amount at Risk.

The Net Amount at Risk is the excess of:

1. the Death Benefit plus any debt to us on such date, divided by the sum of 1 plus the monthly Accumulated Value Interest Rate shown in the Data Section; over
2. the Accumulated Value of this policy on such date.

We may change the Cost of Insurance rates from time to time based on our expectations of future experience. Future experience can include, but is not limited to, investment earnings, mortality, persistency, taxes and expenses. Any change in the Cost of Insurance rates shall apply to all policies of the same size and duration, insuring persons of the same Issue Age and risk classification as the Insureds. The Cost of Insurance rates shall not be greater than the rates set forth in the Table of Guaranteed Maximum Cost of Insurance rates shown in the Data Section. These rates are based on the Mortality Table named in the Data Section.

CASH SURRENDER AND WITHDRAWALS

CASH SURRENDER VALUE

The Owner may, by written request to us, surrender this policy while one or both of the Insureds are living for its Cash Surrender Value. We may require that the policy be returned to us. When this policy has been surrendered, it shall be null and void and all rights shall cease.

The Cash Surrender Value on any day shall be equal to:

1. the Accumulated Value on such day; less
2. any Surrender Charge which applies on such day; less
3. any debt to us on this policy.

The Surrender Charges are shown in the Data Section.

WITHDRAWALS

After the first Policy Anniversary and prior to the last day of the Premium Payment Period while one or both of the Insureds are living, the Owner may make withdrawals by written request to us. Withdrawals shall be subject to all of the following terms.

1. Withdrawals may be made only on a Monthly Policy Date which follows receipt of such request.
2. The amount withdrawn may not be less than the Minimum Withdrawal Amount shown in the Data Section.
3. For each withdrawal made, a Withdrawal Fee may be assessed not to exceed the Maximum Withdrawal Fee shown in the Data Section.
4. The amount withdrawn may not exceed the Cash Surrender Value on the Monthly Policy Date less three times the Monthly Deduction for such Monthly Policy Date.
5. The Accumulated Value will be decreased by the amount of the withdrawal plus the Withdrawal Fee if any.
6. If Death Benefit Option A is in effect on the date of the withdrawal, the Face Amount of the policy will be reduced by an amount equal to the amount of the withdrawal plus the Withdrawal Fee if any.

Withdrawals, including the Withdrawal Fee if any, are made from the Accumulated Value in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from Indexed Strategy 4 until exhausted;
4. fourth, from Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, withdrawals are made in the reverse order of which the segments were created.

GENERAL CASH SURRENDER VALUE AND WITHDRAWAL TERMS

We may delay payment of any amounts which are payable as a result of Cash Surrender or Withdrawal. Please refer to the Postponement of Benefits provision.

POLICY LOANS

POLICY LOANS

We will loan an amount up to the Loan Value of the policy less the amount of any outstanding debt, at any time after the first Policy Year. At the time of the loan the policy must be in force and one or both of the Insureds are living. The policy shall be the sole security for the loan and must be duly assigned to us.

Two policy loan options are available with this policy: a Fixed Net Cost Loan and a Variable Net Cost Loan. The loan option is selected at the time a loan is taken, and all outstanding loans must use the same loan option. The Owner may change the loan option only on a Policy Anniversary.

LOAN VALUE

The Loan Value on any day is equal to:

1. the Accumulated Value on such day; less
2. the Surrender Charge on such day, if applicable; less
3. three times the Monthly Deductions due on the most recent prior Monthly Policy Date.

LOAN INTEREST RATE

Any loan shall bear interest from the date the loan is made. The Loan Interest Rate may change from Policy Year to Policy Year.

The Loan Interest Rate on the Effective Date of the policy is stated in the Data Section. Such rate shall apply to any debt to us on this policy until the rate is changed by us. We may change the Loan Interest Rate only on a Policy Anniversary, after which the changed rate will apply to any new or existing debt to us on the policy. The Loan Interest Rate is subject to a minimum annual interest rate of 3.00% and shall not exceed the Maximum Rate allowed. The Maximum Rate allowed is the greater of:

1. the Published Monthly Average for the calendar month ending two months before the calendar month in which the Policy Anniversary occurs; or
2. the yearly Accumulated Value Interest Rate shown in the Data Section plus 1%.

The Published Monthly Average shall be the Moody's Corporate Bond Yield Average - Monthly Average Corporates, as published by Moody's Investors Service, Inc., or any successor to it. If at any time that Published Monthly Average is no longer published, a substantially similar average, established under the law of the state where this policy was delivered, shall be used.

If on any Policy Anniversary the Maximum Rate then allowed is at least 0.50% per year less than the Loan Interest Rate in effect for this policy during the prior Policy Year, we will decrease the Loan Interest Rate for this policy. If on any Policy Anniversary the Maximum Rate then allowed is at least 0.50% per year more than the Loan Interest Rate in effect on this policy during the prior Policy Year, we may increase such Loan Interest Rate. If increased, it shall be increased to a rate not greater than the Maximum Rate then allowed.

We will give to the Owner:

1. notice of the Loan Interest Rate in effect for this policy at the time a loan is made; and
2. at least 30 days' advance notice of any increase in the Loan Interest Rate, if there is any debt to us on this policy.

In no event shall the Loan Interest Rate exceed the highest loan interest rate allowed by law of the state in which this policy is delivered.

FIXED NET COST LOAN

Accumulated Value in the amount of the Fixed Net Cost Loan plus any unpaid loan interest will be removed from the Interest Crediting Strategies of the policy and held in a Loan Collateral Account. Accumulated Value will be removed from the Interest Crediting Strategies in the following order:

1. first, from the Basic Strategy until exhausted;
2. second, from the Fixed-Term Strategy until exhausted;
3. third, from Indexed Strategy 4 until exhausted;
4. fourth, from Indexed Strategy 1 until exhausted;
5. fifth, from the Indexed Strategy 2 until exhausted; and
6. sixth, from the Indexed Strategy 3 until exhausted.

If the Fixed-Term Strategy and/or the Indexed Strategies have multiple segments, deductions will be made in the reverse order in which the segments were created.

The Accumulated Value removed from the Interest Crediting Strategies to establish a Loan Collateral Account will be held apart from other Accumulated Value in this policy and may be credited interest at a different rate than that of other Accumulated Value in the policy.

Repayments of the loan, including payments of loan interest, will be applied to the outstanding loan balance, and the amount repaid will be deposited into the Basic Strategy. The amount of Accumulated Value held in the Loan Collateral Account will be reduced by the amount of the repayment.

VARIABLE NET COST LOAN

Accumulated Value is not removed from the Interest Crediting Strategies if a Variable Net Cost Loan is taken. All Accumulated Value in this policy will continue to earn interest or Index Earnings as stated in the Interest Crediting Strategies section of this policy.

A Variable Net Cost Loan will be charged interest at the Loan Interest Rate. There is no fixed relationship between the interest credited to Accumulated Value in this policy and the interest assessed on a Variable Net Cost Loan.

GENERAL LOAN TERMS

After the loan is made, loan interest shall be due on the next and all later Policy Anniversaries. If any interest is not paid when due, it shall be added to the loan and bear interest on the same terms.

The debt secured by this policy includes loans, unpaid loan interest and accrued loan interest not otherwise due.

All or any part of the debt may be paid to us at any time prior to:

1. the death of the second of the Insureds; and
2. surrender of the policy.

However, during a Grace Period the debt may not be repaid. Unless the Owner specifies, any payment to us shall be deemed a premium payment and not payment of the debt. At the death of the second of the Insureds or upon the surrender of the policy, all debt shall become due at once. It shall be paid from the policy values.

We may delay payment of any amounts which are payable as a result of a Policy Loan. Please refer to the Postponement of Benefits provision.

PAYMENT OPTIONS

In lieu of a lump sum settlement, all or part of the proceeds of this policy may be applied under a Payment Option. When proceeds are applied under a Payment Option, all other rights and benefits under this policy shall cease.

In addition to the following options, other payment options may be available.

OPTION EFFECTIVE DATE

The Option Effective Date is the date the proceeds become payable.

GENERAL PAYMENT
OPTION TERMS

If the proceeds to be placed under a Payment Option are less than \$5,000, we may pay them in one sum to the payee who otherwise would receive the first payment under the option. If any payments would be less than \$100, we will change the frequency to provide payments of at least \$100.

If the proceeds are assigned on the Option Effective Date, we will pay the assignee's share in one sum and place only the balance under the option. After the Option Effective Date neither the payments nor the remaining value may be assigned or encumbered. To the extent the law permits, they are not subject to any claims against the payee.

We may require proof to our satisfaction that any payee is alive on the date any payment is due.

CHOICE OF
OPTION

Choice of an option may be made:

1. by the Owner if one or both of the Insureds are living; or
2. by the Beneficiary if neither Insured is living and no option is in effect.

Equivalent payments for 12-, 6-, 3-, or 1-month intervals may be chosen. The options are described in terms of monthly payments. We will quote the amount of other payments on request.

We may issue a document stating the terms of the option.

CHANGE OF
PAYMENT OPTION

The right to change Payment Options exists under Options 1, 2, and 4. At the time of change the remaining value under the old option shall become the proceeds to be placed under the new option.

LUMP SUM
REMOVAL OF
PROCEEDS APPLIED
UNDER A PAYMENT
OPTION

Lump sum payments may be taken from the remaining proceeds placed under Payment Options 1, 2, and 4.

Under Options 1 and 4 all or any part of the remaining value may be taken at any time, though no more than four transactions may be made during any calendar year.

Under Option 2 the entire remaining value may be taken at any time.

National Life Insurance Company
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No lump sum removal of proceeds may be made under Options 3, 5, 6, or 7.

OPTION 1
-PAYMENT OF
INTEREST ONLY

Interest at a rate of 1.50% per year shall be paid either for:

1. the life of a chosen human being; or
2. a chosen period.

We may pay more interest in any given year. Upon the earlier of the death of the chosen human being or the end of the chosen period, any remaining value will be paid. The first payment shall be made one month after the Option Effective Date. If the payee is not a human being, payments may not continue for more than 30 years.

OPTION 2
-PAYMENTS FOR A
STATED TIME

Equal monthly payments shall be made for a stated number of years. The first payment shall be made on the Option Effective Date. The amount of each monthly payment is shown in the table. The monthly payments are based on an interest rate of 1.50% per year. We may pay more interest in any year.

Option 2 Table
 Monthly Payments for Each \$1,000 of Proceeds

Stated Number of Years	Monthly Payments
5	17.28
6	14.51
7	12.53
8	11.04
9	9.89
10	8.96
11	8.21
12	7.58
13	7.05
14	6.59
15	6.20
16	5.85
17	5.55
18	5.27
19	5.03
20	4.81
21	4.62
22	4.44
23	4.28
24	4.13
25	3.99
26	3.86
27	3.75
28	3.64
29	3.54
30	3.44

OPTION 3
 -PAYMENTS FOR
 LIFE

Equal monthly payments shall be made for any guaranteed period chosen and thereafter during the life of a chosen human being. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the age of the chosen human being on the Option Effective Date and on any guaranteed period chosen. We may require proof to our satisfaction of such age. We may require like proof that such human being is alive on the date any payment is due. The guaranteed period may be five or ten years or a Refund period. A Refund period extends until the sum of the payments is equal to the proceeds placed under the option. The monthly payments are based on an interest rate of 1.50% per year. We may pay more interest in any year during the guaranteed period. We will quote the amount of monthly payments for lower ages and guaranteed periods not shown in the Option 3 Table on request.

Option 3 Table
Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Guaranteed Period

Age	None	10 Years	Refund
50	\$3.10	\$3.08	\$2.92
51	3.16	3.14	2.97
52	3.23	3.21	3.03
53	3.30	3.28	3.08
54	3.37	3.35	3.14
55	3.45	3.43	3.20
56	3.53	3.50	3.26
57	3.62	3.59	3.33
58	3.71	3.68	3.39
59	3.81	3.77	3.46
60	3.92	3.87	3.54
61	4.03	3.97	3.62
62	4.15	4.08	3.70
63	4.27	4.19	3.79
64	4.41	4.31	3.88
65	4.55	4.44	3.97
66	4.70	4.57	4.07
67	4.86	4.71	4.17
68	5.04	4.86	4.28
69	5.22	5.01	4.40
70	5.42	5.17	4.52
71	5.63	5.33	4.64
72	5.86	5.51	4.78
73	6.11	5.69	4.93
74	6.38	5.87	5.08
75	6.66	6.06	5.22
76	6.97	6.25	5.39
77	7.30	6.45	5.57
78	7.65	6.65	5.75
79	8.04	6.84	5.93
80	8.45	7.04	6.15
81	8.90	7.23	6.37
82	9.38	7.41	6.59
83	9.90	7.59	6.85
84	10.46	7.75	7.06
85+	11.07	7.91	7.36

+ Higher ages the same

OPTION 4
-PAYMENTS OF A
STATED AMOUNT

Equal monthly payments of a stated amount shall be made until the proceeds, with interest at 1.50% per year on the unpaid balance, are used up. The first payment shall be made on the Option Effective Date. The amount chosen must be at least \$10 per month for each \$1,000 of proceeds placed under this option. We may add more interest to the unpaid balance in any year, which will extend the number of payments. The last payment will be for the balance only.

OPTION 5 - LIFE
ANNUITY

Equal monthly payments shall be made in the same manner as Option 3 except:

1. the amount of each payment shall be based on our current settlement rates on the Option Effective Date; and
2. no additional interest shall be paid.

OPTION 6 - JOINT
AND TWO-THIRDS
ANNUITY

Equal monthly payments shall be made while two chosen human beings are both living. Upon the death of either, two-thirds of the amount of such payments shall continue during the life of the survivor. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the ages of the chosen human beings on the Option Effective Date. We may require proof to our satisfaction of their ages. We may require like proof that any chosen human being is alive on the date any payment conditioned on the life of such human being is due. The initial amount of each monthly payment is shown in the table. We will quote the amount of monthly payments for any other age combination on request. The monthly payments are based on an interest rate of 1.50% per year. No additional interest shall be paid.

Option 6 Table
 Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Ages of Both	Initial Monthly Payment	Ages of Both	Initial Monthly Payment
50	\$2.95	68	\$4.68
51	3.01	69	4.84
52	3.07	70	5.02
53	3.14	71	5.20
54	3.20	72	5.40
55	3.27	73	5.62
56	3.35	74	5.85
57	3.43	75	6.10
58	3.51	76	6.36
59	3.60	77	6.65
60	3.69	78	6.96
61	3.79	79	7.29
62	3.89	80	7.65
63	4.00	81	8.03
64	4.12	82	8.45
65	4.25	83	8.90
66	4.38	84	9.38
67	4.52	85+	9.90

+ Higher ages the same

OPTION 7 - 50%
 SURVIVOR
 ANNUITY

Equal monthly payments shall be made during the life of the chosen primary human being. Upon the death of the chosen primary human being, 50% of the amount of such payments shall continue during the life of the chosen secondary human being. The first payment shall be made on the Option Effective Date. The amount of each monthly payment depends on the ages of the chosen human beings on the Option Effective Date. We may require proof to our satisfaction of their ages. We may require like proof that any chosen human being is alive on the date any payment conditioned on the life of such human being is due. The initial amount of each monthly payment is shown in the table. We will quote the amount of monthly payments for any other age combination on request. The monthly payments are based on an interest rate of 1.50% per year. No additional interest shall be paid.

Option 7 Table
 Monthly Payments for Each \$1,000 of Proceeds

(Amounts shown are for the age nearest birthday on the Option Effective Date)

Ages of Both	Initial Monthly Payment	Ages of Both	Initial Monthly Payment
50	\$2.89	68	\$4.52
51	2.94	69	4.67
52	3.00	70	4.83
53	3.06	71	5.01
54	3.12	72	5.20
55	3.19	73	5.40
56	3.26	74	5.62
57	3.34	75	5.85
58	3.41	76	6.10
59	3.50	77	6.37
60	3.59	78	6.66
61	3.68	79	6.97
62	3.78	80	7.30
63	3.88	81	7.66
64	3.99	82	8.05
65	4.11	83	8.47
66	4.24	84	8.92
67	4.37	85+	9.40

+ Higher ages the same

NATIONAL LIFE IS A DYNAMIC AND GROWING FAMILY OF INSURANCE AND FINANCIAL SERVICE COMPANIES OFFERING A COMPREHENSIVE RANGE OF LIFE INSURANCE, ASSET ACCUMULATION AND RETIREMENT PLANNING PRODUCTS. OUR FLAGSHIP, NATIONAL LIFE INSURANCE COMPANY, HAS BEEN SERVING CUSTOMERS WITH VALUE AND INTEGRITY SINCE 1850, AND IS LICENSED IN ALL 50 STATES AND THE DISTRICT OF COLUMBIA.

Flexible Premium Adjustable Benefit Survivorship Life Insurance with an Index-Linked Interest Option. Unisex Version. Flexible premiums are payable through the end of the Premium Payment Period or until the death of both Insureds. The adjustable Death Benefit is payable upon the death of the second of the Insureds to die. This policy is non-participating. Although the policy values may be affected by an external index, the policy does not directly participate in any stock or equity investments.

The Owner is a member of National Life Holding Company while this contract is in force. The annual meetings of the Company are held at its Home Office in Montpelier, Vermont, on the second Friday in May in each year at 9 o'clock A.M.

NATIONAL LIFE INSURANCE COMPANY

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