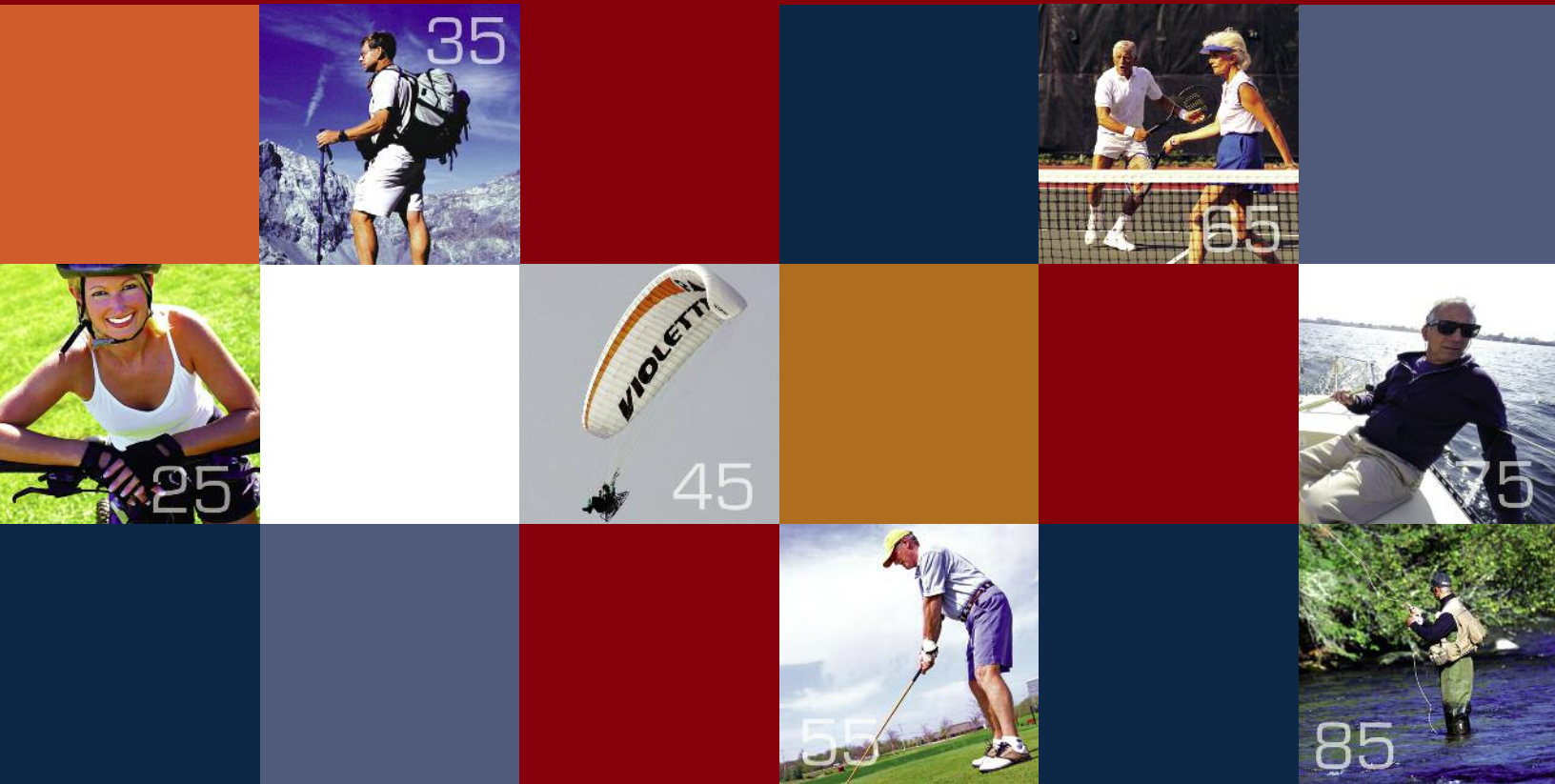




NATIONAL WESTERN
LIFE INSURANCE COMPANY

Never Stop Living...



Index *Select*

Consumer Brochure
A Flexible Premium Adjustable Life
Insurance Policy with Equity Index
Options

Policy Form 01-2060-IE
and variations thereof

National Western Life
Insurance Company
850 East Anderson Lane
Austin, Texas 78752



Have you been faced with the difficult choice of purchasing the security of a fixed universal life product and having to accept today's low interest rates, or choosing the growth potential of a variable product but then having to live with the inherent volatility? You no longer have to be locked into that kind of decision. Today, fixed universal life policies are combined with unique methods of crediting interest.

Index Select is a flexible premium universal life insurance policy that combines the features of traditional fixed life insurance with the potential to have credited interest linked in part to the S&P 500® Composite Stock Index, which excludes dividends.

A life insurance policy to die for? No, a life insurance policy to live for!

You have only “one lifetime”, and *Index Select* will give you the protection to meet unexpected demands, and the peace of mind of an opportunity of a continued income. You will have the opportunity to accumulate an account balance, where the credited interest is linked in part to the S&P 500® Composite Stock Index (which excludes dividends), and to experience what many of us are looking for as we plan for our financial future: the opportunity to benefit from the Ups of the market, without the devastating losses of the Downs. Remember, you have only your lifetime to make this happen, and you should not have the worry of risking it all.

Sooner or later everyone reaches that time in life when working 24/7 is no longer an option. What are **Your Goals?** Whether it is a cabin in the woods, a summer home, world travel, or just a worry-free comfortable life, you will need a continued income to fulfill your dreams. But, at the same time you must remember that you are not indestructible and will want to provide the security of a death benefit for your family if

something should happen to **YOU**. If affordable protection with strong cash value accumulation potential, and the flexibility to accommodate changing financial circumstances *is What You Want, then Index Select is What You Need!*

Overview

Let's take a look at how *Index Select* can provide the income you need later and the protection you need now.

If you are age 0-85, *Index Select* allows flexible premium payments sufficient to pay for the amount of coverage (Face Amount) selected by you, with the minimum amount being \$100,000. There are two Death Benefit Options available depending on your needs. You may select Option 1 that provides a Death Benefit equal to the Face Amount, or Option 2 that is equal to the Face Amount plus the Account Balance.

A change from Option 1 to Option 2 will increase the Death Benefit by the amount of the Account Balance, and the company reserves the right to request evidence of insurability. A change (one change allowed in any twelve month period) in your Death Benefit may be requested in writing after the first Policy Anniversary.

The Account Balance in your policy is the accumulation of premium paid less expense charges, partial surrenders and surrender charges, and cost of insurance charges, plus credited interest. Interest is credited monthly on the portion of the Account Balance that is not indexed. Interest is credited annually on the portion of the Account Balance that is indexed. **Your Account Balance will never be reduced due to poor market performance.**

In order to maintain the benefits of your policy, there is a percentage of premium charge on all premiums paid that is guaranteed to never be more than 10.0%. There is a monthly administration rate per \$1,000 of Face Amount that varies by sex, issue age, and underwriting class, and is a guaranteed rate applicable for a maximum of 20 Policy Years. And there is a monthly expense charge that varies by face amount but is guaranteed to never be more than \$10.00. All applicable rates and charges are stated in the policy.

With a No Lapse Guarantee Period, your insurance coverage will not lapse during the stated period if the total premiums paid exceed the cumulative required minimum monthly continuation premium, as stated in the policy, plus any Loan Balance and partial surrenders.

Interest Options

You currently have the choice of four interest options for Account Balance fund allocation: three index interest options and fixed interest. And, since no one knows for sure what tomorrow will bring, on four (4) specific dates during each calendar year, **Index Select** gives you the flexibility to adjust your interest strategy.

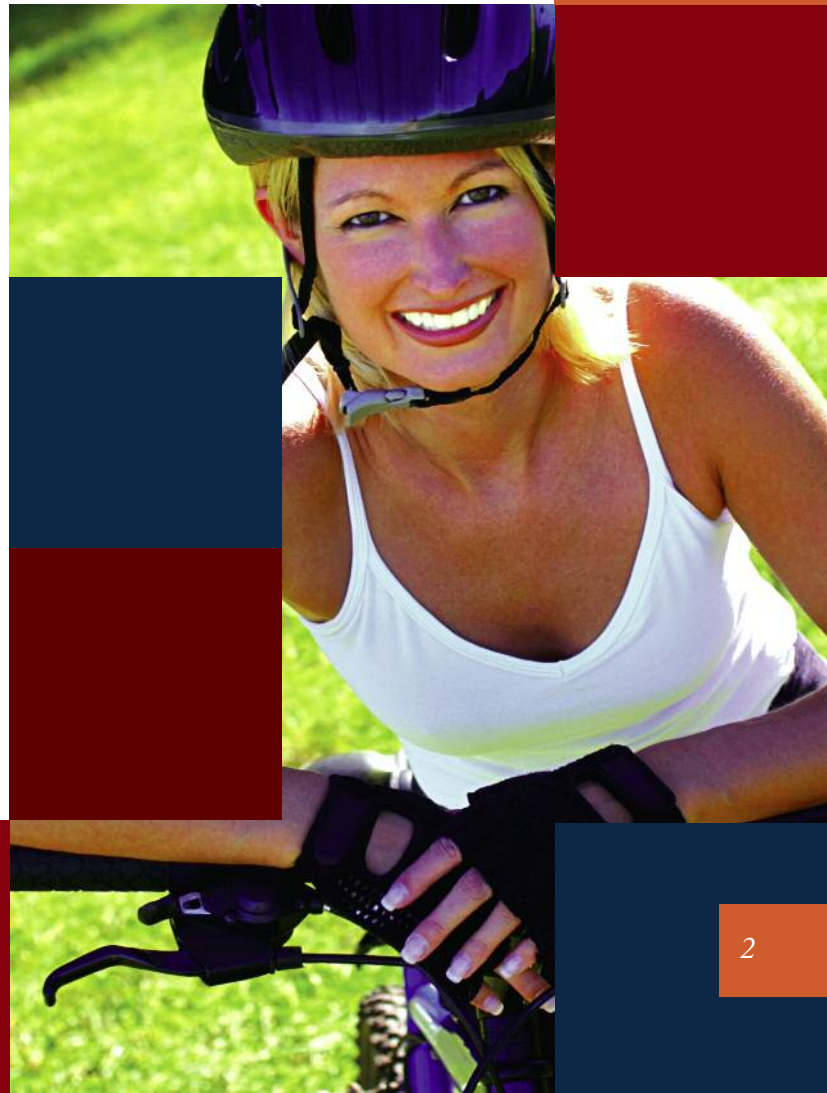
The four specific Index Dates per calendar year are January 10th, April 10th, July 10th and October 10th. At the time your policy is issued you have the choice of allocating a percentage of the available Account Balance (*new money*) to either fixed interest, or three index interest options, or simultaneously to all four. The Allocation Percentages must be in whole numbers and must total to 100%. The first Index Date of your policy is the Index Date immediately following the date the first Net Premium is applied to put the policy in force.

On each Index Date after that you will be able to specify the percentage of the available Account Balance (*new money, expiring fixed and index amounts, less yearly charges*) to allocate to available index options and fixed interest. In addition, you will be able to request transfers from the fixed interest amount to the index amounts. The Index Anniversary is 12 months from each Index Date. The crediting of Index Interest to the Account Balance occurs on each corresponding Index Anniversary.

The annual interest rate on the portion of the Account Balance that is not indexed is guaranteed to be never less than 1.00% compounded annually.

Even though there is no annual guaranteed interest rate on the portion of the Account Balance that is indexed, there is a Minimum Guaranteed Account Balance. The Minimum Guaranteed Account Balance is a calculation like the Account Balance calculation done at an annual rate of 1%. An interest rate bonus, as stated in the policy, will be credited to the Account Balance after the 10th Policy Anniversary if the declared annual fixed interest rate is greater than the guaranteed annual interest rate.

NOTES: Any portion of the Account Balance that is not indexed, including new premiums received prior to the next Index Date, will be credited the current fixed interest rate up to the Index Date. Index interest credit options may not be available for future index periods.



Terms You Should Know

Participation Rate - The participation rate determines how much of the gain, if any, experienced by the monthly average index formula will be credited.

Monthly Cap Rate - The monthly cap rate is stated as a percentage and is the maximum positive change in the S&P 500® Index per month that will be used in the Monthly Cap formula that calculates the interest rate used at the end of the 1 year indexing period.

Annual Cap Rate - The annual cap rate is stated as a percentage and is the maximum positive change in the S&P 500® Index per year in determining The Index Interest Earnings in Option J.

Fixed Interest Rate - The fixed interest rate is a declared rate set by the company, and is guaranteed to never be less than the guaranteed annual interest rate of 1.0% compounded annually.

Index Interest Earnings - Regardless of the index interest option, this is the earnings credited based on increases or decreases in value of a specific equity index.

Index Interest Credit Options

As mentioned previously, in addition to the Account Balance earning a fixed interest rate, you will have an opportunity to earn interest based on the indexes offered. The 3 indexes currently offered are Option A, which is more commonly known as a “monthly average” option, Option D, which is more commonly known as the “monthly cap” index option, and Option J which is more commonly known as the “Annual Point to Point” or “Annual Reset” index option.

The portion of the Account Balance allocated to Index Option A will earn interest every 12 months. The crediting rate for a 12 month index period is the average of the 12 monthly index values, minus the index value at the start of the period, divided by the index value at the start of the period, and then multiplied by the participation rate. Lastly, if the calculation above is negative, then the crediting rate is set equal to zero. The crediting rate, regardless of the movement of the indexes, will never be negative.

The portion of the Account Balance allocated to the Index Option D will earn interest every

The index interest options that are currently available in the *Index Select* are as follows:

Three Excellent Strategies Linked in Part to The S & P 500® Index

Monthly Average Option A

Current Participation Rate: 100%*
Guaranteed Minimum Participation Rate: 25%

When the stock market is classified as less “volatile” the Monthly Average may be your most likely choice.

A period of time with “moderate ups and downs” or “steady increases” in the market are indications of a less “volatile” market.

Monthly Point to Point Option D

Current Monthly Cap: 3.50%**
Guaranteed Monthly Minimum Cap: 1.00%

When the Stock Market is classified as very “volatile” the Monthly Cap or Annual Cap strategy may be your most likely choice.

“Large ups and downs” or “wide swings” in increases and decreases in the market are indications of a very “volatile” market.

Annual Point to Point Option J

Current Annual Cap: 8.25%**
Guaranteed Minimum Annual Cap: 4.00%

The index interest under Option A, Option D, and Option J will never be negative.

*As of 12/31/08 and subject to change. **As of 10/01/07 and subject to change.

***See the policy for complete information; certain limitations and exclusions may apply.

12 months. The crediting rate for a 12 month index period is the sum of the 12 monthly index change rates. The monthly index change rates are based on the change in the index values from one month to the next, subject to the monthly cap rate, for the 12 month index period. If the sum above is negative, then the crediting rate is set equal to zero. The crediting rate, regardless of the movement of the indexes, will never be negative.

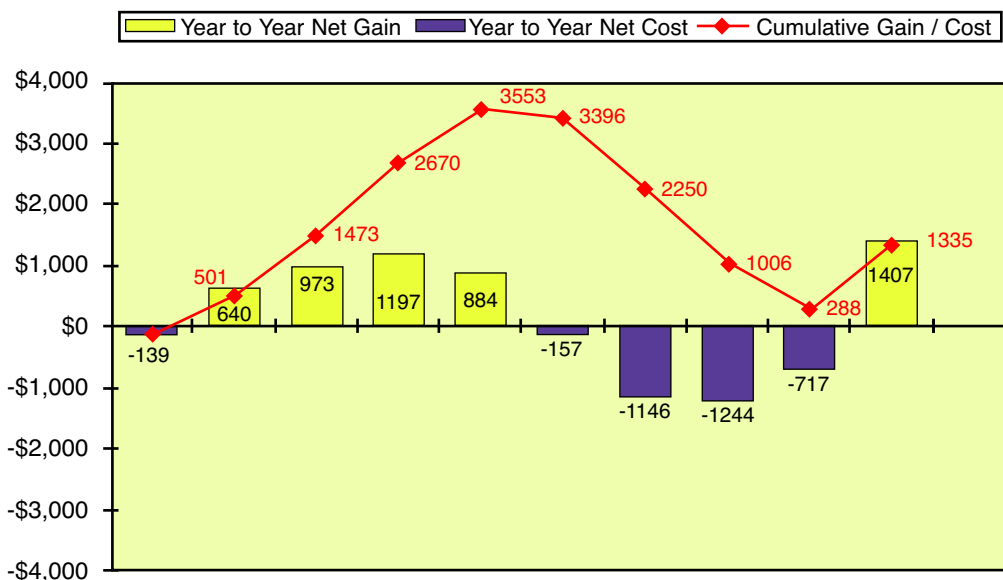
The portion of the Account Balance allocated to the Index Option J will earn interest every 12 months. The annual index change rates are based on the change of the index values from one year to the next, subject to the annual cap rate for the annual index period. If the above result is negative, then the crediting rate is set equal to zero. The crediting rate, regardless of the movement of the indexes, will never be negative.

Liquidity

Policy Surrender* - Should you choose to surrender your *Index Select*, the Cash Value is available to you. The Cash Value is the greater of the Account Balance or the Minimum Guaranteed Account Balance, less surrender charges and outstanding loans, if any. The surrender charges vary by sex, issue age, duration, and underwriting class, and will reduce to zero in the 15th policy year. Partial surrenders are also available; however, the Account Balance will be reduced, and it may be necessary to reduce a previously allocated Index Amount.



*Hypothetical Example: Net Effect of \$10,000 Variable Loan Over Ten Years



NOTES:

1. Interest Crediting Rate varies, based on Index Option(s) selected. Crediting Rate cannot be negative.
2. Loan Rate (Moody's Corporate Bond Yield) can be higher or lower.
3. This is an example only.

*Using the Monthly Averaging Index Option

Policy Loans* - After three full years' premiums have been paid you may obtain a Loan with a variable Loan Interest Rate using the Cash Value as the Loan security. The initial Loan Interest Rate for the first Policy Year will be specified in the policy. You are able to borrow from your **Index Select** policy using a variable loan rate. The variable Loan Interest Rate is tied to Moody's Corporate Bond Yield and is calculated once each year. On traditional, fixed rate life insurance, there is a Net-Cost loan because the loan interest rate charged is usually greater than the crediting rate. With **Index Select**, it is possible to have a Net-Gain loan if the crediting rate is greater than the Loan Interest Rate charged. Variable loans have a Net-Cost or Net-Gain that is ultimately based on the difference between the interest credited to the policy and the Loan Interest charged. **See example above.**

A Loan will not have an effect on the crediting rate (either fixed or indexed) applicable to the Account Balance. Note: Loans may be repaid in amounts of \$50 or more.

*See the policy for complete information; certain limitations and exclusions may apply.

Optional Benefits and Riders**

In addition to the basic protection provided by **Index Select**, there are additional benefits and riders that may be added to enhance your life plan for an additional charge.

Waiver of Monthly Deduction Disability Benefit Rider Form 01-3085IE

This rider waives the monthly deductions for the policy that fall due after the Policy Anniversary when the Insured's age is 15 or older, and while the Insured is disabled and meets the definition of disability.

Accidental Death Benefit Form 01-3045I(Rev.06/01)

This rider provides an additional benefit payable if the Insured dies as the result of an accident, as defined in the rider, within 90 days of such accident.

Accidental Death and Dismemberment Benefit Form 01-3067I(Rev.06/01)

This rider provides an additional benefit payable if the insured dies or suffers a covered dismemberment as the result of an accident as defined in the rider, within 90 days of such accident.

Beneficiary Accidental Death Benefit Form 01-3054I

This rider provides an additional benefit payable if the primary beneficiary dies as the result of an accident as defined in the rider, within 90 days of such accident.

Living Benefit Rider (Accelerated Benefits Rider) Form 01-3111IE

This rider provides an advance of the Death Benefit to the policy owner if the Insured is terminally ill, subject to the terms of the rider. The maximum benefit will be the lesser of \$250,000 or 75% of the Death Benefit minus any outstanding policy loans and unpaid loan interest. A one-time claims processing fee of \$300 may apply.

Critical Illness Benefit Rider (01-3084IE (Rev. 11/01)). If the insured is diagnosed with a Covered Occurrence, the optional Critical Illness Benefit will allow a portion of the Death Benefit to be paid before the Insured's death.

Following verification of the Covered Occurrence, the Insured may choose to receive a lump sum benefit up to 25% or 50%, chosen at issue, of the Critical Illness Benefit. The accelerated benefit is paid while the Insured is alive and can make an important difference to the Insured's quality of life.

Term Insurance on the primary Insured (01-3122IE-08). Provides for additional life insurance for you. Issues ages 18-75.

Other Insured Term Rider Form 01-3110IE-08
This rider provides a level term insurance benefit upon the death of an Other Insured, for example a business partner or spouse.

***See endorsements or riders for complete information; certain limitations and exclusions may apply.*

Annual Report - An Annual Report will be sent to you at least once a year without charge. This report will show the current amount of insurance, Account Balance, Cash Value, and Loan Balance of the policy. It will also show the premiums paid, partial surrenders, and the charges made on the policy since the last report.

Index Select is underwritten by National Western Life Insurance Company, Austin, Texas and issued under Policy Form 01-2060-08 and variations there of.

Standard and Poor's

The S&P 500[®] Composite Stock Price Index (S&P 500[®] Index) is a market valued-weighted index of 500 common stocks traded on every major U.S. Stock Exchange. These 500 companies tend to be leading companies from leading industries. Often used as a benchmark for economic growth, the S&P 500[®] is compiled daily by Standard & Poor's[®], a division of the McGraw-Hill Companies.

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Index Select is not sponsored, endorsed, sold, or promoted by Standard & Poor's[®], and Standard & Poor's[®] makes no representation regarding the advisability of purchasing this product.

Limitations and Exclusions

Suicide: Within three years after the policy date, if the death of the Insured is a result of suicide, while sane or insane, we will pay nothing under the policy except to return premiums that have been paid, less all partial surrenders, charges, and any Loan balance.

Within three years from the Effective Date of any increase in the Face Amount, if the death of

the insured is the result of suicide, while sane or insane, we will pay nothing with respect to the increases except to return all Monthly Deductions deducted for such increases.

Incontestability: With respect to statements made in the initial application, any subsequent applications, and amendments thereto for this policy, we will not contest this policy after it has been in force during the lifetime of the Insured for two years from the Policy Date, except for rider provisions relating to disability benefits or additional benefits in the event of accidental death, or except for fraud.

With respect to statements made in any application for increase or additions in coverage, we will not contest the increase or addition in coverage after the increase or addition has been in force during the lifetime of the Insured, for two years after the Effective Date of the increase or addition, except for rider provisions relating to disability benefits or additional benefits in the event of accidental death, or except for fraud.

With respect to statements made in the application for policy reinstatements, we will not contest the policy reinstatement after the policy reinstatement has been in force during the lifetime of the Insured for two years after the Effective Date of reinstatement, except for fraud.

Delayed Payment of Cash Surrender or Policy Loan: The Company has the right to delay the payment of any cash surrender or the payment of a loan (unless the loan will be used to pay premiums), for a period of up to six months.

Misstatement of Age or Sex: If the age or sex of the Insured has been misstated, the benefit payable shall be adjusted to that which would be purchased by the most recent monthly deductions at the correct age and sex.

About The Company

National Western Life Insurance Company is a Colorado corporation with executive offices in Austin, Texas. The Company offers a full line of life insurance and annuity products (both on an individual and group basis), through general agency offices in 49 states and the District of Columbia, and accepts applications from citizens of several foreign countries.

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

ASK YOUR AGENT FOR A POLICY ILLUSTRATION