

NATIONAL WESTERN LIFE INSURANCE CO
Form DEFA14A
June 12, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

National Western Life Insurance Company
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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1. Title of each class of securities to which transaction applies:

2. Aggregate number of securities to which transaction applies:

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1. Amount Previously Paid:

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National Western Life Insurance Company

SUPPLEMENT TO PROXY STATEMENT/PROSPECTUS
FOR THE ANNUAL MEETING OF SHAREHOLDERS
To Be Held on June 19, 2015

This proxy statement/prospectus supplement (the “Proxy/Prospectus Supplement”) amends, supplements and updates the (i) definitive proxy statement of National Western Life Insurance Company, a Colorado corporation (the “Company,” “NWLIC,” “we,” “our” and “us”) filed with the Securities and Exchange Commission on April 30, 2015 (the “Proxy Statement”) regarding the Annual Meeting of Shareholders of the Company to be held on Friday, June 19, 2015 at 9 a.m. local time at the Moody Gardens Hotel at Seven Hope Boulevard, Galveston, Texas 77554 (the “Annual Meeting”) and (ii) the prospectus of National Western Life Group, Inc. (“Newco”) filed with the Securities and Exchange Commission on April 30, 2015 (the “Prospectus” and, together with the Proxy Statement, the “Proxy Statement/Prospectus”) relating to its issuance of Class A and Class B common stock in connection in the Reorganizational Proposal described below. Except as amended, supplemented or updated by this Proxy/Prospectus Supplement, all information set forth in the Proxy Statement/Prospectus remains unchanged and should be considered in casting your vote by proxy or in person at the Annual Meeting. To the extent that information in this Proxy/Prospectus Supplement differs from, conflicts with, or updates information contained in the Proxy Statement/Prospectus, the information in this Proxy/Prospectus Supplement is more current and shall prevail.

As described in the Proxy Statement/Prospectus, we are asking shareholders to vote on a proposal to reorganize our company into a holding company (Proposal 1), which we refer to as the “Reorganization Proposal,” pursuant to which our present company will become a subsidiary of a newly formed Delaware corporation with the name, National Western Life Group, Inc., and all stockholders of the Company will become the stockholders of such newly formed Delaware corporation. The purpose of this Proxy/Prospectus Supplement is to update the Proxy Statement/Prospectus to inform you that Newco’s certificate of incorporation (the “restated certificate of incorporation”) and/or bylaws (the “bylaws”) will:

(i) Permit the bylaws to be altered, amended or repealed or new bylaws to be adopted by (1) a majority vote of the board of directors or (2) the affirmative vote of a majority of the shares of capital stock entitled to vote.

(ii) Elect not to be governed by Section 203 of the General Corporation Law of the State of Delaware (“DGCL”), an anti-takeover provision of the DGCL, which, if it had been applicable to Newco, would have prohibited Newco from engaging in any “business combination” with any “interested stockholder” for a period of three years following the time that the stockholder became an interested stockholder, unless certain approvals were obtained by the board of directors and/or stockholders, as applicable, or certain other requirements were satisfied, as provided in Section 203 of the DGCL.

(iii) Provide that a special meeting of the stockholders may be called by the Secretary upon the written request of record holder(s) of at least ten percent of the outstanding shares of Newco’s common stock.

Revised versions of Newco's restated certificate of incorporation and bylaws are attached to this Proxy/Prospectus Supplement as Annexes II and III, respectively, and such documents amend, restate, and otherwise replace in their entirety Annexes II and III, respectively, contained in the Proxy Statement/Prospectus. All references in the Proxy Statement/Prospectus to Annexes II and III shall refer to Annexes II and III in this Proxy/Prospectus Supplement.

Your vote is very important. The Board of Directors encourages you to consider the information in the Proxy Statement/Prospectus, as amended by this Proxy/Prospectus Supplement, when considering how you will vote on the Reorganization Proposal and the other proposals contained in the Proxy Statement. The Board of Directors unanimously recommends a vote "FOR" the Reorganization Proposal. If you have not voted your shares, the Board of Directors encourages you to submit your vote as soon as possible by following the instructions in the Notice of Internet Availability of Proxy Materials previously sent to you, or the instructions previously sent to you by your broker or nominee.

If you have already submitted your vote and wish to change your vote, please follow the instructions as set forth under "Revocability of Proxy" in the Proxy Statement, which provides that a person giving his, her or its proxy has the power to revoke it at any time before it is exercised at the Annual Meeting by (1) delivering written notice of revocation to our Secretary at our principal offices at 850 East Anderson Lane, Austin, Texas 78752, (2) duly executing and delivering a proxy for the Annual Meeting bearing a later date, or (3) if a record holder of our common stock, voting in person at the Annual Meeting.

We have engaged Morrow & Co., LLC, a professional proxy solicitation firm, to aid in the solicitation of proxies for the 2015 Annual Meeting of Shareholders. Morrow & Co., LLC may solicit proxies by personal interview, mail, telephone, facsimile, email or otherwise. We will pay Morrow & Co., LLC a fee, estimated to be approximately \$5,000, plus reasonable out-of-pocket expenses incurred in the process of soliciting proxies.

The following information amends, supplements and, where applicable, replaces the information under the heading "Risk Factors" and under the headings "Description of Newco Capital Stock," and "Comparative Rights of Holders of NWLIC Capital Stock and Newco Capital Stock" under "Proposal 1 – Reorganization" of the Proxy Statement/Prospectus. The information below may not contain all the information that is important to you with respect to Proposal 1 - The Reorganization Proposal. We urge you to read this Proxy/Prospectus Supplement and the Proxy Statement/Prospectus carefully, including the attached Annexes and the other documents incorporated by reference in the Proxy Statement/Prospectus.

UPDATES TO RISK FACTORS

The risk factors entitled "As a stockholder of a Delaware corporation, and based on Newco's restated certificate of incorporation and bylaws, your rights after the Reorganization will be different from, and may be less favorable than, your current rights as a shareholder of a Colorado corporation and based on NWLIC's restated articles of incorporation and bylaws" and "Anti-takeover provisions in Newco's restated certificate of incorporation and bylaws and under Delaware law may delay or prevent a third party acquisition of Newco, which could decrease the value of Newco's Class A and Class B common stock" in the Proxy Statement are amended and restated in their entirety as follows:

As a stockholder of a Delaware corporation, and based on Newco's restated certificate of incorporation and bylaws, your rights after the Reorganization will be different from, and may be less favorable than,

your current rights as a shareholder of a Colorado corporation and based on NWLIC's restated articles of incorporation and bylaws.

After the completion of the Reorganization, you will become a stockholder of a public company incorporated in Delaware instead of Colorado and will be subject to the terms of Newco's restated certificate of incorporation and bylaws instead of NWLIC's restated articles of incorporation and bylaws. As a result, your rights as a stockholder will be governed by Delaware corporate law as opposed to Colorado corporate law, and by the terms of the organizational documents of Newco as opposed to the organizational documents of NWLIC. Because they are separate bodies of law and separate organizational documents, Delaware corporate law will be different from Colorado corporate law and Newco's organizational documents will be different from NWLIC's organizational documents. Although many of these differences will not have a significant impact on the rights of stockholders, some of these differences may be less favorable to stockholders. Some of the differences between Delaware and Colorado corporate law, and Newco's and NWLIC's organizational documents, that may be less favorable to stockholders after the completion of the Reorganization are the following:

under Newco's bylaws, advance notice is required for stockholders to submit nominations for election to the board of directors and to propose matters that can be acted upon by stockholders at a meeting, including requirements as to the content and timely provision of such a notice, as opposed to Colorado corporate law and NWLIC's organizational documents, which do not impose such advance notice requirements on stockholders;

under Newco's restated certificate of incorporation, any action taken by stockholders must be taken at an annual or special meeting of the stockholders and may not be taken by stockholders by written consent without a meeting, as opposed to Colorado corporate law and NWLIC's organizational documents, which, taken together, permit stockholders of NWLIC to take action by written consent in lieu of a meeting so long as consent to such action is unanimous; and

under Delaware corporate law, fewer corporate transactions give rise to dissenters' rights than under Colorado corporate law.

These differences may limit the significance of your rights as a stockholder in these contexts. For a discussion of these and other differences between Delaware and Colorado corporate law, and certain provisions of the organizational documents of Newco and NWLIC, see "Description of Newco Capital Stock," "Description of NWLIC Capital Stock" and "Comparative Rights of Holders of Newco Capital Stock and NWLIC Capital Stock" below.

Anti-takeover provisions in Newco's restated certificate of incorporation and bylaws and under Delaware law may delay or prevent a third party acquisition of Newco, which could decrease the value of Newco's Class A and Class B common stock.

The restated certificate of incorporation and bylaws of Newco, as well as Delaware law, contain provisions that could make it more difficult for a third party to acquire it without the consent of its Board of Directors. For example:

Newco's bylaws limit the business at special meetings of the stockholders to the purpose stated in the notice of the meeting; provided that Newco's board of directors has the authority to submit additional matters to the stockholders and to cause other business to be transacted;

Newco's bylaws establish advance notice requirements for submitting nominations for election to the board of directors and for proposing matters that can be acted upon by stockholders at a meeting, including requirements as to the content and timely provision of such a notice;

Newco's bylaws limit the ability of Newco's stockholders to request a special meeting of the stockholders, requiring a requesting stockholder to be a record holder of at least 10% of the outstanding shares of common stock of Newco;

Newco's restated certificate of incorporation grants the holders of Class A common stock the exclusive right to elect one-third (1/3) of the members of our board of directors (plus one director for any remaining fraction) and the holders of Class B common stock the exclusive right to elect the remaining members of Newco's board of directors;

Newco's restated certificate of incorporation and bylaws limit the removal of any director elected by the holders of the Class A common stock or the Class B common stock voting as a separate class or otherwise designated as a Class A or Class B director to removal, with or without cause, solely by the affirmative vote of a majority of the holders of the Class A common stock or Class B common stock, as applicable, voting as a separate class and then entitled to vote at an election of such designated directors;

Newco's restated certificate of incorporation and bylaws limit the filling of director vacancies to the vote of the majority of the remaining directors, even if less than a quorum, who were elected or designated by the same class of stockholders who elected or designated the director whose position is being filled or, if there are no such remaining directors, then by the holders of the same class of stock who elected the director whose position is being filled; and

Newco's restated certificate of incorporation requires that any action taken by stockholders only be taken at an annual or special meeting of the stockholders and prohibits any stockholder action from being taken by written consent without a meeting.

Although we believe all of these provisions will make a higher third-party bid more likely by requiring potential acquirers to negotiate with the board of directors, these provisions will apply even if an initial offer may be considered beneficial by some stockholders and therefore could delay and/or prevent a deemed beneficial offer from being considered.

UPDATES TO DESCRIPTION OF NEWCO CAPITAL STOCK

The subsections entitled "Stockholder Action; Special Meetings of Stockholders," "Amendment to the Restated Certificate of Incorporation and Bylaws," and "Delaware Anti-Takeover Statute" in "Description of Newco Capital Stock" under "Proposal 1 – Reorganization" of the Proxy Statement are amended and restated in its entirety as follows:

Stockholder Action; Special Meetings of Stockholders

The restated certificate of incorporation of Newco provides that any action required or permitted to be taken by stockholders at an annual meeting or special meeting of the stockholders may only be taken at an annual or special meeting before which it is properly brought, and not by written consent without a meeting. The bylaws also provide that special meetings of stockholders may be called by (i) the board of directors, (ii) the chairman of the board of directors, (iii) the President, (iv) the Chief Executive Officer, or (v) the Secretary upon the written request of the record holder(s) of at least 10% of the outstanding shares of Newco's common stock.

Amendment to the Restated Certificate of Incorporation and Bylaws

The restated certificate of incorporation may generally be amended (after the board of directors adopts a resolution declaring the advisability of such an amendment) by a majority of its stockholders, except with respect to provisions regarding the board of directors, limitations on director liability and indemnification and advancement of expenses to directors and officers, stockholder meetings, and amendments to the restated certificate of incorporation and bylaws, which provisions of the restated certificate of incorporation may only be amended upon approval of holders of at least 66-2/3% of Newco's outstanding voting stock. The restated certificate of incorporation separately requires the approval of at least 75% of the voting power of all outstanding Class A common stock to amend certain provisions of the restated certificate of incorporation relating to the dividend and liquidation preferences of the Class A common stock. The bylaws may generally be amended by the board of directors or by stockholders upon approval of holders of at least a majority of Newco's outstanding voting stock.

Delaware Anti-Takeover Statute

Newco has elected not to be governed by or subject to the provisions of Section 203 of the DGCL, an anti-takeover law. Therefore, Newco will not be subject to the anti-takeover protections that would have been provided by Section 203 of the DGCL, and Newco will not be prohibited from engaging in a "business combination" with an "interested stockholder" that may have otherwise been prohibited by Section 203 of the DGCL.

Subject to exceptions, the statute prohibits a publicly-held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the person became an interested stockholder, unless:

• prior to such date, the Board of Directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;

• upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced (excluding for purposes of determining the number of shares outstanding, those shares owned by (1) persons who are directors and also officers and (2) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer); or

on or after such date, the business combination is approved by the Board of Directors and authorized at an annual or special meeting of stockholders and not by written consent, by the affirmative vote of at least 66-2/3% of the outstanding voting stock which is not owned by the interested stockholder.

For purposes of Section 203, a “business combination” includes a merger, asset sale, or other transaction resulting in a financial benefit to the interested stockholder, with an “interested stockholder” being defined as a person who, together with affiliates and associates, owns (or who is an affiliate or associate of the corporation and did own within three years prior to the date of determination whether the person is an “interested stockholder”) 15% or more of the corporation’s voting stock.

UPDATES TO DESCRIPTION OF COMPARATIVE RIGHTS OF HOLDERS OF NWLIC CAPITAL STOCK AND NEWCO CAPITAL STOCK

The following subsections in “Comparative Rights of Holders of NWLIC Capital Stock and Newco Capital Stock” under “Proposal 1 – Reorganization” of the Proxy Statement/Prospectus are amended and restated in their entirety as follows:

Amendments to the Bylaws:	<p>Rights of Holders of NWLIC Common Stock</p> <p>Pursuant to NWLIC’s bylaws, the bylaws may be altered, amended or repealed or new bylaws may be adopted by either (i) a majority vote of the board of directors or (ii) the affirmative vote of a majority of the holders of stock entitled to vote on the matter.</p>	<p>Rights of Holders of Newco Common Stock</p> <p>Pursuant to Newco’s restated certificate of incorporation and bylaws, the bylaws may be altered, amended or repealed or new bylaws may be adopted by either (i) a majority vote of the board of directors or (ii) the affirmative vote of a majority of the shares of capital stock entitled to vote.</p>
	Special Stockholders’ Meetings:	<p>Rights of Holders of NWLIC Common Stock</p> <p>Under the bylaws, special meetings of the shareholders may be called by the Chairman of the Board of Directors, the President, or the Board of Directors. Under the Colorado Business Corporation Act (“CBCA”), special meetings of shareholders may also be called by shareholders representing at least ten percent of all the votes entitled to be cast on any issue proposed to be considered at the meeting.</p>

	Rights of Holders of NWLIC Common Stock	Rights of Holders of Newco Common Stock
Relevant Business Combination Provisions and Statutes:	The CBCA does not contain any “business combination provisions” which would serve to prevent or delay combinations with “interested shareholders.”	Newco has elected not to be governed by Section 203 of the DGCL, which is an anti-takeover statute. As a result, Newco will not be governed by or subject to the “business combination provision” of the DGCL, which may have served to prevent or delay combinations with “interested stockholders.”

UPDATES TO DOCUMENTS INCORPORATED BY REFERENCE

The subsection entitled “Documents Incorporated by Reference” under “Where You Can Find More Information” of the Proxy Statement is amended and restated in its entirety as follows:

Documents Incorporated by Reference

The SEC allows us to “incorporate by reference” the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus and later information filed with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and all documents subsequently filed with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, prior to the termination of the offering under this prospectus (other than information deemed furnished and not filed in accordance with SEC rules, including Items 2.02 and 7.01 of Form 8-K):

Annual Report on Form 10-K for the fiscal year ended December 31, 2014 filed with the SEC on March 13, 2015;

Quarterly Reports on Form 10-Q for the fiscal quarter ended March 31, 2015, filed with the SEC on May 8, 2015; and

Current Reports on Form 8-K filed with the SEC on March 20, 2015, April 6, 2015, and May 8, 2015.

Following the Reorganization described in this proxy statement/prospectus, Newco will become subject to the same informational requirements as NWLIC was prior to the Reorganization, and will file annual, quarterly and special reports, proxy statements and other information with the SEC in accordance with the Exchange Act and the NASDAQ Stock Market pursuant to the Exchange Act and NASDAQ listing rules. NWLIC does not expect to be subject to such requirements following the Reorganization.

* * * *

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this proxy statement/prospectus or determined if this Proxy Supplement is accurate or adequate. Any representation to the contrary is a criminal offense.

This Proxy/Prospectus Supplement is dated June 12, 2015 and is being made available to NWLIC shareholders on or about June 12, 2015.

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ANNEX II

RESTATED CERTIFICATE OF INCORPORATION
OF
NATIONAL WESTERN LIFE GROUP, INC.
(a Delaware corporation)

National Western Life Group, Inc. (the "Corporation"), a corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows:

1. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on March 6, 2015.
2. This Restated Certificate of Incorporation (the "Certificate of Incorporation") was duly adopted by the Board of Directors of the Corporation and by the stockholders of the Corporation in accordance with Sections 228, 242, and 245 of the General Corporation Law of the State of Delaware ("DGCL").
3. The Certificate of Incorporation of the Corporation is hereby amended and restated in its entirety to read as follows:

ARTICLE I

NAME

The name of the Corporation is National Western Life Group, Inc.

ARTICLE II

REGISTERED OFFICE AND AGENT

The address of the registered office of the Corporation in the State of Delaware is Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle. The name of the registered agent of the Corporation in the State of Delaware at such address is The Corporation Trust Company.

ARTICLE III

PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV
CAPITALIZATION

A. Authorized Capital Stock. The total number of shares of all classes of stock that the Corporation shall have authority to issue is 7,700,000, consisting of 7,500,000 shares of Class A Common Stock, par value \$0.01 per share (the "Class A Common Stock"), and 200,000 shares of Class B Common Stock, par value \$0.01 per share (the "Class B Common Stock," and together with the Class A Common Stock, the "Common Stock"). Immediately upon filing of this Certificate of Incorporation, each previously authorized, issued, and outstanding share of common stock shall be automatically converted into one (1) share of fully-paid, non-assessable Class A Common Stock.

B. Class A Common Stock and Class B Common Stock. The powers, preferences, and rights, and the qualifications, limitations and restrictions, of the Class A Common Stock and Class B Common Stock are as follows and as otherwise provided in this Certificate of Incorporation:

1. Equal Status. The Class A Common Stock and Class B Common Stock shall have the same powers, preferences, and rights, except as otherwise provided in this Certificate of Incorporation or required by applicable law.
2. Voting Generally. Except as otherwise provided in this Certificate of Incorporation or required by the laws of the State of Delaware, each holder of Common Stock shall be entitled to vote at all meetings of the stockholders and shall have one vote for each share of Common Stock held by such stockholder, and, except as otherwise provided in this Certificate of Incorporation or required by the laws of the State of Delaware, the Class A Common Stock and the Class B Common Stock shall vote as a single class with respect to all matters submitted to a vote of stockholders of the Corporation.
3. No Cumulative Voting. The holders of the Class A Common Stock and Class B Common Stock shall not have cumulative voting rights (as defined in Section 214 of the DGCL).
4. Dividends. Subject to any other provisions of this Certificate of Incorporation or the laws of the State of Delaware, holders of Common Stock shall be entitled to receive such dividends and other distributions in cash, stock, or property of the Corporation if, as, and when declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor; provided that, any such dividends or other distributions to be paid on each share of the Class B Common Stock per annum shall be only one-half (1/2) of the dividends or other distributions to be paid on each share of the Class A Common Stock.
5. Liquidation, Dissolution, and Winding-Up. In the event of any liquidation, dissolution, or winding-up of the Corporation, whether voluntary or involuntary, after payment or provision for payment of the debt and liabilities of the Corporation, the holders of Common Stock shall be entitled to receive the assets and funds of the Corporation remaining for distribution in proportion to the number of shares held by them, respectively; provided that, any such assets and funds shall be distributed among the Class A Common Stock and Class B Common Stock in the following manner:
 - (i) the holders of Class A Common Stock shall first receive the par value of their shares;
 - (ii) the holders of Class B Common Stock shall then receive the par value of their shares; and

(iii) the remaining assets and funds of the Corporation shall then be divided and distributed to and among the holders of all the capital stock of the Corporation in proportion to the number of shares of stock held by each, without preference of any one class of stock over any other class.

ARTICLE V

BOARD OF DIRECTORS

A. Management by Board of Directors. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by the laws of the State of Delaware or this Certificate of Incorporation required to be done by the stockholders.

B. Number of Directors. The number of directors shall be fixed from time to time exclusively by resolution of the Board of Directors.

C. Election of Directors. The holders of the Class A Common Stock, voting as a separate class, shall have the exclusive right to elect such number of directors that constitutes one third (1/3) of the total number of directors constituting the whole Board of Directors, and if one third (1/3) of the total number of directors is not a whole number, then the holders of the Class A Common Stock shall have the exclusive right to elect an additional director for such fractional amount. The holders of the Class B Common Stock, voting as a separate class, shall have the exclusive right to elect the remaining directors.

D. Removal of Directors. Any director elected by the holders of the Class A Common Stock voting as a separate class or otherwise designated as a Class A director may be removed from office at any time, with or without cause, solely by the affirmative vote of a majority of the holders of the Class A Common Stock then entitled to vote at an election of directors. Any director elected by the holders of the Class B Common Stock voting as a separate class or otherwise designated as a Class B director may be removed from office at any time, with or without cause, solely by the affirmative vote of a majority of the holders of the Class B Common Stock then entitled to vote at an election of directors.

E. Vacancies. Any vacancy in the Board of Directors of a director elected by the holders of Class A Common Stock voting as a separate class or otherwise designated as a Class A director (a "Class A Vacancy"), whether such vacancy results from death, resignation, retirement, disqualification, removal from office, or other cause, shall be filled only by a majority of the remaining directors so elected by the Class A Common Stock or designated as Class A directors, even if less than a quorum, or by the sole such remaining director, or, if there are no such directors, by the holders of Class A Common Stock, voting as a separate class. Any vacancy in the Board of Directors of a director elected by the holders of Class B Common Stock voting as a separate class or otherwise designated as a Class B director (a "Class B Vacancy"), whether such vacancy results from death, resignation, retirement, disqualification, removal from office, or other cause, shall be filled only by a majority of the remaining directors so elected by the Class B Common Stock or designated as Class B directors, even if less than a quorum, or by the sole such remaining director, or, if there are no such directors, by the holders of Class B Common Stock, voting as a separate class. Any vacancy in the Board of Directors of a director elected by the holders of the Class A Common Stock and the Class B Common Stock voting together as a single class, and not otherwise designated as a Class A or Class B director, shall be filled only by the remaining directors, even if less than a quorum, or by the sole such remaining director. In the event of any vacancy in the Board of Directors resulting from an increase in the number of directors, the Board of Directors shall designate such vacancy as a Class A directorship or Class B directorship in a manner consistent with the Board of Directors composition provided in Section C of this Article V, and

each such vacancy shall be filled as provided in this section with respect to a Class A Vacancy or Class B Vacancy, as applicable.

ARTICLE VI

LIMITATION OF DIRECTOR LIABILITY; INDEMNIFICATION AND ADVANCEMENT OF EXPENSES OF DIRECTORS AND OFFICERS

A. Limitation of Director Liability. To the fullest extent that the DGCL or any other law of the State of Delaware as it exists on the date hereof or as it may hereafter be amended permits the limitation or elimination of the liability of directors, no director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

B. Indemnification and Advancement of Expenses. The Corporation may indemnify and provide advancement to persons to the fullest extent permitted by Section 145 of the DGCL or any other law of the State of Delaware as it exists on the date hereof or as it may hereafter be amended.

ARTICLE VII

MATTERS RELATING TO STOCKHOLDERS

A. No Action by Written Consent. No action shall be taken by the stockholders of the Corporation except at an annual or special meeting of the stockholders called in accordance with the bylaws of the Corporation (as in effect from time to time, the "Bylaws"), and no action shall be taken by the stockholders by written consent.

B. Special Meetings of Stockholders. Special meetings of stockholders of the Corporation may be called by the Board of Directors, by the Chairman of the Board of Directors, and by such persons and as otherwise provided in the Bylaws.

C. Election of Directors by Written Ballot. Election of directors need not be by written ballot.

D. Business Combinations. The Corporation expressly elects not to be governed by Section 203 of the DGCL.

ARTICLE VIII

AMENDMENTS TO THE CERTIFICATE OF INCORPORATION AND BYLAWS

A. Amendments to the Certificate of Incorporation. Notwithstanding any other provisions of this Certificate of Incorporation, and notwithstanding that a lesser percentage may be permitted from time to time by applicable law, no provision of Article V, Article VI, Article VII, or this Article VIII may be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power of all of the then-outstanding shares of the Corporation's capital stock entitled to vote thereon, voting together as a single class.

Notwithstanding anything to the contrary elsewhere contained in this Certificate of Incorporation, and notwithstanding that a lesser percentage may be permitted from time to time by applicable law, the

affirmative vote of the holders of at least seventy five percent (75%) of the voting power of all of the then-outstanding shares of the Class A Common Stock of the Corporation then entitled to vote thereon, voting as a separate class, shall be required to alter, amend, or repeal, or to adopt any provision inconsistent with Sections B.4. and B.5. of Article IV. B. Adoption, Amendment, and Repeal of the Bylaws. The Board of Directors is expressly authorized to make, alter, amend, and repeal the Bylaws. Notwithstanding any other provisions of this Certificate of Incorporation, and notwithstanding that a lesser percentage may be permitted from time to time by applicable law, no adoption, amendment, alteration, or repeal of the Bylaws by action of stockholders shall be effective unless approved by the affirmative vote of at least a majority of the voting power of all of the then-outstanding shares of the Corporation's capital stock entitled to vote thereon, voting together as a single class.

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ANNEX III

AMENDED AND RESTATED BYLAWS
OF
NATIONAL WESTERN LIFE GROUP, INC.

ARTICLE I

Offices

Section 1.01. Registered Office. Unless and until otherwise determined by the Board of Directors of National Western Life Group, Inc. (the "Corporation"), the registered office of the Corporation in the State of Delaware shall be at the office of Corporation Service Company. The address of the registered office of the Company in the State of Delaware is Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, and the registered agent in charge thereof shall be Corporation Service Company.

Section 1.02. Other Offices. The Corporation may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II

Meetings of Stockholders

Section 2.01. Place of Meetings. Meetings of stockholders for any purpose may be held at such time and place, within or without the State of Delaware, as shall be designated from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that a meeting of the stockholders shall not be held at any place, but may instead be held solely by means of remote communication in the manner authorized by the General Corporation Law of the State of Delaware (the "DGCL").

Section 2.02. Annual Meetings. If required by applicable law, the annual meeting of stockholders of the Corporation for the election of directors of the Corporation ("Directors") and for the transaction of such other business as may properly come before such meeting shall be held on such date and at such time as shall be fixed from time to time by resolution of the Board of Directors. The Board of Directors may postpone, reschedule, or cancel any annual meeting of stockholders previously scheduled by the Board of Directors.

Section 2.03. Special Meetings. Except as otherwise required by applicable law or provided in the certificate of incorporation of the Corporation (as it may be amended and restated from time to time, the "Certificate of Incorporation") or these Bylaws, special meetings of stockholders for any purpose or purposes, unless otherwise prescribed by applicable law, by the Certificate of Incorporation, or by these Bylaws, may be called by any of (i) the Board of Directors, (ii) the Chairman of the Board of Directors, (iii) the President, (iv) the Chief Executive Officer, or (v) solely to the extent required by this Section 2.03, the Secretary of the Corporation (the "Secretary"). A meeting shall be called by the Secretary upon written request to the Secretary by the record holder or holders of at least 10% of the outstanding shares of common stock of the Corporation (the "Requisite Percentage") who have complied in full with the requirements set forth in these Bylaws (such request, a "Stockholder Meeting Request"). A special meeting of stockholders may be held at such date, time, and place, if any, within or without the State of Delaware as may be designated from time to time by the Board of Directors; provided, however, that the date of any such special meeting called upon the receipt of a Stockholder Meeting Request shall be not more than 90 days after the Special Meeting

Request is received by the Secretary. In fixing a date, time, and place, if any, for any special meeting of stockholders, the Board of Directors may consider such factors as it deems relevant, including without limitation, the nature of the matters to be considered, the facts and circumstances related to any request for a meeting, and any plan of the Board of Directors to call an annual meeting or special meeting. The Board of Directors may postpone, reschedule, or cancel any special meeting of stockholders previously scheduled by the Board of Directors.

A Stockholder Meeting Request shall be delivered to the Secretary and shall be signed by each stockholder of record, or a duly authorized agent of such stockholder, requesting the special meeting and by each of the beneficial owners, if any, on whose behalf the Stockholder Meeting Request is being made. The Stockholder Meeting Request shall be accompanied by a written notice setting forth the information required by paragraph (A)(3) of Section 2.13 of these Bylaws as to the business proposed to be conducted at the special meeting and as to the stockholder(s) proposing such business and/or as to any nominations proposed to be presented at the special meeting and as to the stockholder(s) proposing such nominations. In addition to the foregoing, a Stockholder Meeting Request must include (x) documentary evidence of the number of shares of common stock owned by the requesting stockholder(s) as of the date on which the Stockholder Meeting Request is delivered to the Secretary, provided that, if the stockholder submitting the Stockholder Meeting Request is not the beneficial owner of such shares, then to be valid, the Stockholder Meeting Request must also include documentary evidence (or, if not simultaneously provided with the Stockholder Meeting Request, such documentary evidence must be delivered to the Secretary within 10 days after the date on which the Stockholder Meeting Request is delivered to the Secretary) of the number of shares of common stock owned by the beneficial owner(s) as of the date on which the Stockholder Meeting Request is delivered to the Secretary; (y) an acknowledgment of the requesting stockholder(s) that any disposition by such stockholder(s) after the date of the Stockholder Meeting Request of any shares of the Corporation's common stock shall be deemed a revocation of the Stockholder Meeting Request with respect to such shares and that such shares will no longer be included in determining whether the Requisite Percentage has been satisfied; and (z) a commitment by such stockholder(s) to continue to satisfy the Requisite Percentage through the date of the requested special meeting of stockholders and to notify the Corporation upon any disposition of any shares of the Corporation's common stock. The requesting stockholder(s) shall certify in writing on the day prior to the requested special meeting of stockholders as to whether the requesting stockholder(s) continues to satisfy the Requisite Percentage. In addition to the foregoing, the requesting stockholder(s) shall promptly provide any other information reasonably requested by the Corporation.

In determining whether a special meeting of stockholders has been requested by the record holders of shares representing in the aggregate at least the Requisite Percentage, multiple Special Meeting Requests delivered to the Secretary will be considered together only if (i) each Special Meeting Request identifies substantially the same purpose or purposes of the special meeting and substantially the same matters proposed to be acted on at the special meeting, in each case as determined by the Board of Directors (which, if such purpose is the nominating of a person or persons for election to the Board of Directors, will mean that the exact same person or persons are nominated in each relevant Stockholder Meeting Request), and (ii) such Special Meeting Requests have been dated and delivered to the Secretary within 60 days of the earliest dated Special Meeting Request. A stockholder may revoke a Special Meeting Request at any time by written revocation delivered to the Secretary. If, following such revocation, there are unrevoked requests from stockholders holding in the aggregate less than the Requisite Percentage, the Board of Directors, in its discretion, may cancel the special meeting. If none of the requesting stockholder(s) who submitted the Special Meeting Request appears or sends a qualified representative to present the matters to be presented for consideration that were specified in the Stockholder Meeting Request, the Corporation need not present such matters for a vote at such meeting, notwithstanding that proxies in respect of such matter may have been received by the Corporation.

At any special meeting requested by stockholders, the business transacted shall be limited to the purpose(s) stated in the Stockholder Meeting Request; provided, however, that the Board of Directors shall have the authority in its discretion to submit additional matters to the stockholders and to cause other business to be transacted.

Notwithstanding the foregoing provisions of this Section 2.03, a special meeting of stockholders requested by stockholders shall not be held if (i) the business specified in the Special Meeting Request is not a proper subject for stockholder action under applicable law (as determined by the Board of Directors), (ii) the Board of Directors has called or calls for an annual or special meeting of stockholders to be held within 90 days after the Secretary receives the Stockholder Meeting Request and the Board of Directors determines that the business of such meeting includes (among any other matters properly brought before the annual meeting) the business specified in the Stockholder Meeting Request, (iii) the Stockholder Meeting Request is received by the Secretary during the period commencing 90 days prior to the anniversary date of the prior year's annual meeting of stockholders and ending on the date of the next annual meeting of stockholders, (iv) an identical or substantially similar item (a "Similar Item") was presented at any meeting of stockholders held within 90 days prior to receipt by the Secretary of the Stockholder Meeting Request (and, for purposes of this clause (iv), the nomination, election, or removal of Directors shall be deemed a "Similar Item" with respect to all items of business involving the nomination, election, or removal of Directors, the changing the size of the Board of Directors and the filling of vacancies and/or newly created directorships), or (v) the Stockholder Meeting Request was made in a manner that involved a violation of Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act") or other applicable law.

Section 2.04. Notice. Whenever stockholders are required or permitted to take action at a meeting, a written notice of the meeting of stockholders shall be given stating the place, if any, date and time of such meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining stockholders entitled to vote at the meeting or any adjournment thereof (if such record date is different from the record date for determining the stockholders entitled to notice of the meeting), and, in the case of a special meeting, the purpose or purposes for which such meeting is to be held. Except as otherwise required by applicable law or provided in the Certificate of Incorporation or these Bylaws, the notice of any meeting shall be given to each stockholder entitled to notice of the meeting as of the record date for determining stockholders entitled to notice of the meeting, not less than 10 nor more than 60 days before the date of such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation. If, prior to the time of transmittal of notice, the Secretary shall have received from any stockholder a written request that notices intended for such stockholder are to be transmitted to some address other than the address that appears on the records of the Corporation, notices intended for such stockholder shall be transmitted to the address designated in such request.

Whenever notice is required to be given under any statute or the Certificate of Incorporation or these Bylaws to any stockholder to whom (1) notice of two consecutive annual meetings, and all notice of meetings to such person during the period between such two consecutive annual meetings or (2) all, and at least two, payments (if sent by first class mail) of dividends or interest on securities during a twelve month period, have been mailed addressed to such person at his or her address as shown on the records of the Corporation and have been returned because undeliverable, the giving of notice to such person shall not be required. Any action or meeting which shall be taken or held without notice to such person shall have the same force and effect as if such notice had been duly given. If any such person shall deliver to the Corporation a written notice setting forth his or her then current address, the requirement that notice be given to such person shall be reinstated. In the event that the action taken by the Corporation is such as to require the filing of a certificate