

A Northwestern Mutual Life Disability Income Presentation

Prepared For:
John Smith

Presented By:
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The following pages include explanations and illustrations of important features of a Northwestern Mutual Life Disability Income Policy. This is not the insurance policy. The policy sets forth the complete rights and obligations of the policyowner and the Company, and it should be read carefully.

A Disability Income Plan, Non-Cancellable and Guaranteed Renewable to Age 65

ARDI# Premium

Prepared for John Smith, Age 31 Male

Total Monthly Benefit	\$2,555	Beginning Date	91st Day	IIB Index Limit	3%
Annualized Benefit**	\$30,660	DI Maximum Benefit Period	To Age 65	FIB	
		Disability Definition	Base Policy Definition		

Benefit Summary

	Monthly Disability Benefit	Initial Premiums	
		Monthly	Annual
ARDI# Premium Benefit	\$2,555	\$60.23	\$703.53
Indexed Income Benefit (COLA)		15.97	186.52
Future Increase Benefit		INCLUDED	INCLUDED
Totals	\$2,555	\$76.19	\$890.05

	Initial Premiums			
	Annual	Semi-Annual	Quarterly	Monthly ISA
Premium by Frequency	\$890.05	\$453.96	\$229.11	\$76.19
Annualized Premium	\$890.05	\$907.92	\$916.44	\$914.28
Less: Annual Premium	<u>\$890.05</u>	<u>\$890.05</u>	<u>\$890.05</u>	<u>\$890.05</u>
Amount in Excess of Annual Premium@@	\$0.00	\$17.87	\$26.39	\$24.23

Potential Maximum Benefit +++ \$1,034,775

Potential Maximum Benefit @ 3% +++ \$1,762,342

#Annually Renewable Disability Insurance

**Annualized Benefit equals Monthly Benefit times 12.

@@ Premium amounts for future years, the difference between the annual premium and total payments on other frequencies in future years and an annual percentage rate (APR) calculation, may be obtained from your Financial Representative. The APR calculation is also available through www.northwesternmutual.com.

+++ The Potential Maximum Benefit is illustrated assuming the onset of total disability occurs on the effective date of coverage and continues uninterrupted to the end of the maximum benefit period, and the insured is eligible for full benefits for the entire period of total disability. The actual benefits paid during disability may be more or less than illustrated above. See contract for more information.

Illustrated Monthly Benefits and Premiums subject to underwriting guidelines, issue limits, and possibly a medical exam. This illustration does not reflect that money is paid and received at different times. Must be accompanied by RR.NCDI outline of coverage form.

Includes Initial Volume Discount of \$52.75
Premiums reflect no tobacco use

RR-NCDI PA 2A
Presented by Ronald Frey Jr., Agent
Illustration No. 2704-111612-102026 Northwestern Mutual Life - Milwaukee

11-16-2012

A Disability Income Plan, Non-Cancellable and Guaranteed Renewable to Age 65
ARDI# Premium
Prepared for John Smith, Age 31 Male

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		Disability Definition	Base Policy Definition		

Premium Summary

Age	Beg. Of Year	(1) Total Monthly Benefit	(2) Annualized Benefit**	(3) Annual Premium	(4) Dividend*	(5) Cash Outlay*
31	1	\$2,555	\$30,660	\$890	\$0	\$890
32	2	2,555	30,660	931	0	931
33	3	2,555	30,660	977	214	762
34	4	2,555	30,660	1,033	282	750
35	5	2,555	30,660	1,092	358	734
36	6	2,555	30,660	1,156	442	714
37	7	2,555	30,660	1,220	532	687
38	8	2,555	30,660	1,284	629	654
39	9	2,555	30,660	1,350	663	687
40	10	2,555	30,660	1,419	697	721
45	15	2,555	30,660	1,818	902	915
50	20	2,555	30,660	2,466	1,192	1,274
55	25	2,555	30,660	3,402	1,622	1,779
60	30	2,555	30,660	3,568	1,656	1,911
65	35	0	0	0	1,639	-1,639

#Annually Renewable Disability Insurance

**Annualized Benefit equals Monthly Benefit times 12.

* Illustrated dividends reflect current (2013 scale) claim, expense and investment experience. They are not estimates or a guarantee of future results. Decisions with respect to the determination of divisible surplus and the allocation of dividends are left to the discretion and sound business judgment of the Company's Board of Trustees. Actual dividends, if any, may be larger or smaller than, rather than equal to the dividends illustrated. Some policies may not receive any dividends in a particular year or years even while other policies receive dividends.

Illustrated Monthly Benefits and Premiums subject to underwriting guidelines, issue limits, and possibly a medical exam. This illustration does not reflect that money is paid and received at different times. Must be accompanied by RR.NCDI outline of coverage form.

Includes Initial Volume Discount of \$52.75

Premiums reflect no tobacco use

RR-NCDI PA 2A

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11-16-2012

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY
720 East Wisconsin Avenue, Milwaukee, Wisconsin 53202
(414) 271-1444

**DISABILITY INCOME PROTECTION COVERAGE
OUTLINE OF COVERAGE FOR RR.NCDL.(0101)
Disability Income Insurance Policy
Guaranteed Renewable with Guaranteed Premiums to Age 65**

Read Your Policy Carefully

This outline of coverage briefly describes some of the important features of your policy. This is not the insurance contract. Only the actual policy provisions will control. The policy itself explains the rights and duties of both you and The Northwestern Mutual Life Insurance Company. **READ YOUR POLICY CAREFULLY!**

Disability Income Protection Coverage

This type of coverage is designed to provide benefits for disabilities that result from an accident or sickness. Benefits are subject to limitations that are explained in the policy. Benefits are not provided for basic hospital, basic medical-surgical, or major medical expenses.

CONTRACTUAL FEATURES

Guaranteed Renewable with Guaranteed Premiums; Conditionally Renewable to Age 75

This policy is guaranteed renewable upon timely payment of premiums to the first policy anniversary after your 65th birthday and during that period can neither be cancelled nor have its terms or premiums changed by the company.

On each policy anniversary between your 65th and 75th birthdays, you may renew the policy for one year if you are not disabled, are actively and gainfully employed at least 30 hours per week, and premiums to renew the policy are paid. The premium for each year of renewal will be based on your age and the company's rates in use at the time of renewal.

- A conditionally renewed policy provides benefits for total disability only.
- The maximum benefit period on a conditionally renewed policy is 24 months.

Beginning Date is 91 Days

You must be totally or partially disabled for 90 days before your benefits begin to accrue. Benefits are not payable for the time you are disabled before the Beginning Date. Because disabilities are not always measured in consecutive days,

- You have twice the length of the Beginning Date to accumulate non-consecutive days of total or partial disability toward the Beginning Date.
- Days of disability due to different causes can be accumulated to satisfy the Beginning Date.

Maximum Benefit Period is To Age 65

This is the maximum period of time you may receive benefits for a given disability. If you are disabled you may receive benefits monthly, all the way to the end of the Maximum Benefit Period.

Coverage for Your "Regular Occupation"

This is the occupation(s) you are engaged in at the time you become disabled. "Regular occupation" is not restricted to a specific company or industry.

Total Monthly Benefit: \$2,555 Per Month

This is the maximum amount of monthly benefit (Full Benefit) payable for each month of total disability between the Beginning Date and the end of the Maximum Benefit Period.

Definition of Total Disability

You are totally disabled when both unable to perform the principal duties of the regular occupation, and not gainfully employed in any occupation.

Proportionate Disability

You will be considered proportionately disabled and may qualify for a Proportionate Benefit if you are unable to perform one or more of the principal duties of your regular occupation, OR spend as much time at your regular occupation as before the disability started, and

- You have at least a 20% Loss of Earned Income caused by the disability, and
- You are gainfully employed.

Proportionate Benefit

The Proportionate Benefit compensates you for a loss of earned income caused by proportionate disability.

- The benefit paid is proportionate to the Loss of Earned Income.
- If you have at least an 80% Loss of Earned Income, you will receive 100% of the Full Benefit.

You don't have to demonstrate a Loss of Earned Income during the first six months that benefits are payable if you have at least a 20% loss of time or abilities. During that time, you can choose to receive

- 50% of the Full Benefit, OR
- A benefit based on your actual Loss of Earned Income.

The amount payable for the Proportionate Benefit will not duplicate benefits payable under the Pennsylvania Motor Vehicle Financial Responsibility Law or Workers' Compensation.

Indexing of Base Earned Income

This helps keep Proportionate Benefits from being eroded by inflation, which can be especially important during an extended disability. By indexing Base Earned income, the Proportionate Benefit will not decrease solely because of inflation.

- After the first 12 months of disability, the average monthly Earned Income prior to disability is increased by the annual percentage change in the CPI-U. There is no maximum limit.
- Annual Adjustments will be made as long as Proportionate Benefits continue to be payable for a disability.
- Earnings during partial disability are subtracted from earnings prior to disability to determine Loss of Earned Income and the Proportionate Benefit.
- The Loss of Earned Income must be caused by the disability for which the claim is made.

Waiver of Premium Benefit

Premiums are waived while you are totally or partially disabled if your disability lasts at least 90 days. Premiums paid for the period of disability before premiums were waived will be refunded.

- Annual premiums will be waived on each policy anniversary
- Premiums are waived beyond the Maximum Benefit Period if you are still disabled.

This benefit is subject to the Limitation While Outside the United States, and the Limitation for Mental Disorder and Substance Abuse or Dependency.

Lifetime Benefit for Presumptive Total Disability

Total disability is presumed if you incur the total and irrecoverable loss of sight, or speech, or hearing, or the use of two or more limbs. The Full Benefit is paid starting with the date of the loss and is payable for as long as the loss continues during your lifetime. Presumptive total disability benefits are payable even if you are able to work.

Presumptive Plus Benefit

Adds an additional 50% to the benefit paid under Presumptive Total Disability if the loss is incurred prior to the policy anniversary after your 50th birthday. In effect, if the presumptive total disability starts before that policy anniversary, you are eligible to receive 150% of your Full Benefit while you qualify for the Presumptive Total Benefit.

Transition Benefit

This Benefit is paid if you experience ongoing income loss with return to continuous full-time work after a total or partial disability.

- The disability must have lasted at least until the Beginning date, and you must have at least a 20% loss of earnings.
- The amount of the benefit is proportionate, based on a Loss of Earned Income.
- You may receive benefits for up to the first 12 months after your recovery from a disability.
- Premiums will be waived for any month this benefit is payable.

Rehabilitation Benefit

At your request, the Company will consider joining in a program for your rehabilitation. Benefits under such a program will be determined in a written agreement between you and the Company.

Dividends*

This policy will receive its share, if any, of the divisible surplus of the Company. The divisible surplus is determined each year, and is subject to change. Dividends will be:

- used to reduce premiums; or
- paid to the Owner when premiums are being waived.

*Decisions with respect to the determination of divisible surplus and the allocation of dividends are left to the discretion and sound business judgment of the Company's Board of Trustees. Some policies may not receive any dividends in a particular year or years even while other policies receive dividends.

ADDITIONAL BENEFITS

You have selected these additional benefits at the premiums indicated.

Future Increase Benefit (FIB)* (available at no extra premium)

This benefit increases the monthly benefit amount of the policy, based on changes in the CPI-U, on each policy anniversary after issue if you are not disabled. The Full Benefit increases up to a maximum of 6% annually. The premium will increase at that time to reflect any increased coverage. You may also choose to decline an increase. The increased coverage due to the FIB will remain in effect as long as the policy is in force.

Indexed Income Benefit (IIB)* (Also known as Cost of Living Adjustment.)

This benefit increases the monthly benefit amount while you are disabled, based on changes in the CPI-U.

- Indexing starts on the first anniversary of the start of disability.
- Total, partial or transition disability benefits increase with no minimum to a maximum Index Percentage Limit of 3%.

- The Indexed Income Benefit allows a "catch-up" feature. Benefits may increase more than the CPI-U in some years depending on changes in the CPI-U from prior years.

*NOTE: This benefit is capped, and so may not provide full protection from inflation.

EXCLUSIONS AND LIMITATIONS OF THIS POLICY

There will be no benefits for a disability or loss that:

- results from an accident that occurred within two years before the Date of Issue or results from a sickness that was diagnosed or treated within two years before the Date of Issue *if the accident or sickness was not disclosed or was misrepresented in the application;*
- is caused by or contributed to by an act or incident of war;
- is caused by or contributed to by the suspension, revocation or surrender of a professional or occupational license or certificate;
- is caused by or contributed to by the commission of or attempt to commit a felony; or
- is excluded from coverage by an Agreement for Limitation of Coverage.

Benefits will not be provided for more than:

- six monthly benefit periods in total for the life of the policy for all disabilities or losses which exist while you are outside the United States; or
- 24 monthly benefit periods in total for the life of the policy for all disabilities or losses primarily due to any mental disorder, or substance abuse or dependency.

Time Limit on Certain Defenses

This policy will not be contested after it has been in force for two years from the Date of Issue, except for a fraudulent misstatement in the application.

BENEFITS AND PREMIUMS

Full Benefit	<u>\$2,555</u>	per month
Beginning Date	<u>91st Day</u>	
Maximum Benefit Period	<u>To Age 65</u>	
Premium Frequency	<u>Annual</u>	

	<u>Premium</u>	<u>Benefit Amount</u>
DEFINITION OF DISABILITY	\$703.53	<u>\$2,555</u>
Base Policy Definition		

ADDITIONAL BENEFITS

Future Increase Benefit (FIB)	
Indexed Income Benefit (IIB)	<u>\$186.52</u>
Basic Policy	<u>\$186.52</u>
SIS Benefit	<u>\$0.00</u>
Index Percentage Limit	<u>3%</u>

TOTAL GROSS PREMIUM

Annualized Premium	<u>\$890.05</u>
Less Annual Premium	<u>\$890.05</u>
Amount in Excess of Annual Premium*	<u>\$0.00</u>

*Premium amounts for future years, the difference between the annual premium and total payments on other frequencies in future years and an annual percentage rate (APR) calculation, may be obtained from your Financial Representative. The APR calculation is also available through www.northwesternmutual.com.

Claim inquiries should be directed to your nearest network office or to the Home Office at 720 East Wisconsin Avenue, Milwaukee, Wisconsin 53202, (414) 271-1444.

(For Field office Use only - Consult DSR for actual requirements)

Disability Insurance Underwriting Guidelines

**A Disability Income Plan,
Non-Cancellable and Guaranteed Renewable to age 65
Total Monthly Benefit \$2,555
Age 31 Male, State of Residence Pennsylvania**

Prepared for John Smith

The requirements displayed apply to this amount of insurance only. The Underwriting Amount for this policy is \$2,555. If the proposed Insured was underwritten within the past three years, due to the accumulated amount of insurance, additional requirements may be necessary. Requirements completed for prior applications may still be acceptable. Consult the DI Underwriting handbook for more information.

Please note that Underwriting Requirements may change if multiple policies are applied for at one time. Please consult the Underwriting Guidelines Manual for clarification.

Medical Requirements

Paramedical	Paramedical Exam
CHI	Client History Interview
Blood Profile	Blood chemistry tests incl. HIV antibody test (HIV Consent form required)
Urine	Urine Specimen

	<u>Scheduled</u>	<u>Completed</u>	<u>Field Received</u>	<u>Date Ordered</u>
Paramedical	_____	_____	_____	
CHI	_____	_____	_____	
Blood Profile	_____	_____	_____	
Urine	_____	_____	_____	

Financial Requirements: Non-owner Employee

Field Received

Most recent W-2 or current pay stub

The Home Office reserves the right to order current medical studies, exams, physicians' reports, MVRs or any other information necessary for underwriting. (See the DISABILITY INSURANCE UNDERWRITING GUIDELINES 17-0999, or consult DI Underwriting for exact requirements needed.)

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**Disability Income Insurance
Personalized Benefit Review**

If you were unable to work due to an injury or an illness, would your current disability income coverage be enough?

A Personalized Benefit Review for: John Smith

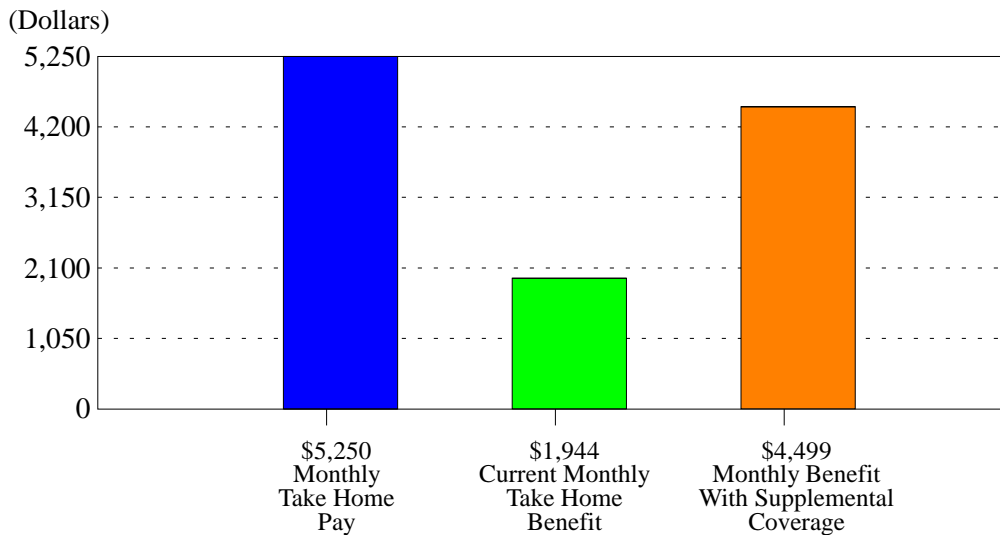
Your Current Situation

Annual Earned Income	\$90,000
Monthly Take Home Pay¹	\$5,250
Current Monthly In Force Disability Income Coverage	\$2,700
Current Monthly Take Home Benefit While Disabled²	\$1,944
Or as a Percentage of Monthly Take Home Pay	37%

Supplemental Disability Income Coverage

Supplement your current coverage by \$2,555 of maximum monthly benefit with an Individual Disability Income policy to protect your greatest asset - your earning potential. Since the Individual coverage would be purchased by you with after-tax dollars, the \$2,555 monthly benefit would be non-taxable in the event of a disability.

Current Monthly Take Home Benefit While Disabled ²	\$1,944
Supplemental Individual Disability Monthly Take Home Benefit While Disabled ^{2 3}	\$2,555
Total Monthly Take Home Benefit While Disabled	\$4,499
Or as a Percentage of Monthly Take Home Pay	86%



¹Monthly Take Home Pay amount assumes a 30% reduction for taxes and other deductions. Actual amount may be higher or lower than assumed depending on your specific situation.

²The taxable status of disability income coverage is determined by whether pre-tax or post-tax dollars are used to pay premiums. If pre-tax dollars are indicated, this amount reflects a 28% reduction for taxes and other deductions. Actual amount may be higher or lower than assumed depending on your specific situation.

³Supplemental Individual Disability Monthly Benefit is being paid with after-tax dollars, and under current law this results in a non-taxable benefit. Not intended as legal or tax advice. Consult your legal or tax professional for specific counsel.

11/16/12

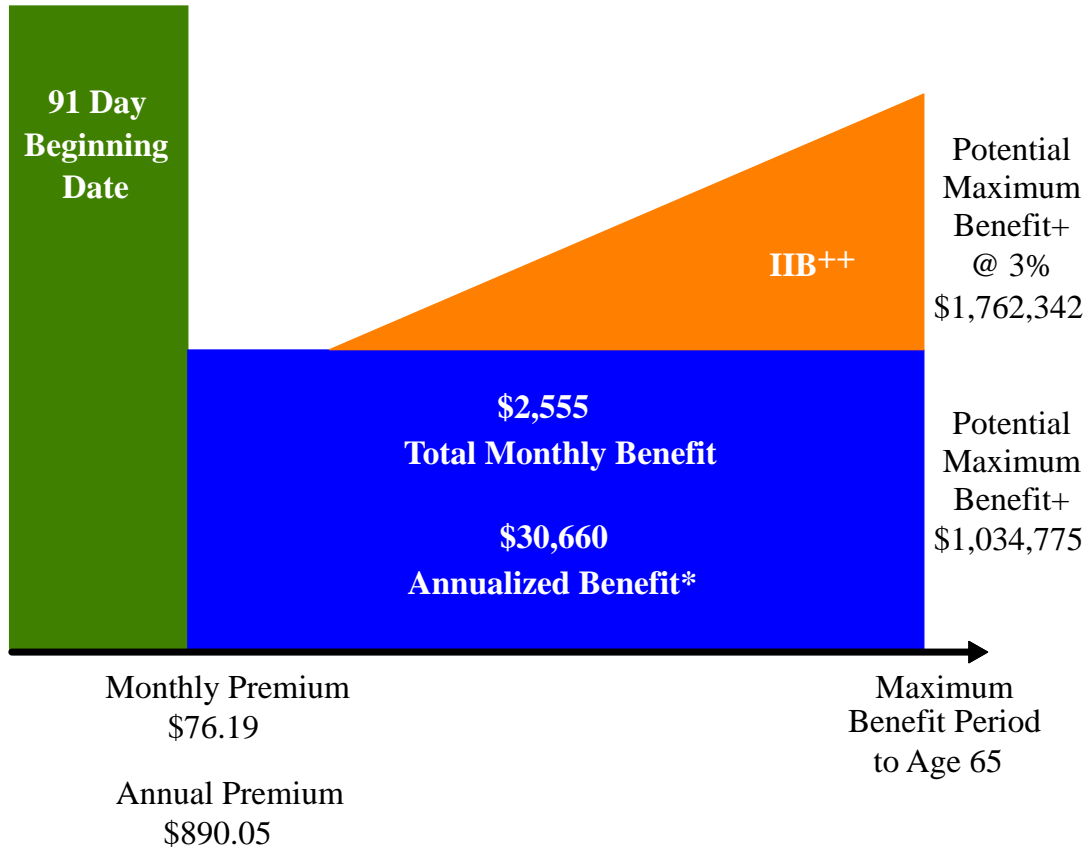


Your Disability Income Policy

Non-cancellable and Guaranteed Renewable to Age 65

Prepared for: John Smith

Age: 31



+The Potential Maximum Benefit is illustrated assuming the onset of total disability occurs on the effective date of coverage and continues uninterrupted to the end of the maximum benefit period, and the insured is eligible for full benefits for the entire period of total disability. The actual benefits paid during disability may be more or less than illustrated above. See contract for more information.

++IIB (COLA) increases based on changes in the Consumer Price Index, to a cap specified in the contract.

*The Annualized Benefit equals the Monthly Benefit times 12. The taxable status of the disability benefit is determined by whether before-tax or after-tax dollars are being used to pay premium. Not intended as legal or tax advice. Consult your legal or tax professional for specific counsel.

11/16/12

Disability Income Application Limits for John Smith

LIMITS ARE BASED ON THE FOLLOWING:

Client Information:

- Age is 31
- State is PA
- Occupation Class 2A
- Earned Income of \$90,000
- Unearned Income of \$0
- Covered by the Social Security System
- Non Tobacco

Policy Applied For Information:

- Non-Taxable Benefit
- Beginning Date 91
- Benefit Period To Age 65
- New Issue
- Definition of Disability Base Policy Definition

Inforce and Other Applied For DI and LTD Coverage

Company/Description	Monthly Benefit	Amount Being Replaced	— Net Amount —		Coverage Type	Offset by Soc Sec	Ben Per	Beg Date
			Non- Taxable	Taxable				
1. Group LTD	2,700	0	0	2,700	LTD	Y	65	91
			0	2,700				

Please submit a copy of this page to the Home Office with the Application.

POLICY APPLICATION SUPPLEMENT
FOR DISABILITY INCOME
THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY
720 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

INSURED:

John Smith

Policy Applied for	Disability Income
Disability Income Plan	Non-Cancellable and Guaranteed Renewable
Premium Structure	ARDI
Monthly Benefit	\$2,555
Maximum Benefit Period	To age 65
Beginning Date	91
Definition of Total Disability	Base Policy Definition
Future Increase Benefit	Yes
Index Income Benefit Percentage Limit	3%

For Administrative Use Only

Underwriting Amount \$2,555

31 M Non-Tobacco

DOB 7/7/1981

2A

State of Residence - PA

State of Execution - PA

Annual Premium \$890.05

Illustration No. 2704-111612-102026

Policy Number _____

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NB-23-1