

NATIONAL WESTERN LIFE INSURANCE CO
Form DEF 14A
April 30, 2013

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 [X]
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))
- [X] Definitive Proxy Statement
- [] Definitive Additional Materials
- [] Soliciting Material Pursuant to §240.14a-12

National Western Life Insurance Company

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
- [] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- 1) Title of each class of securities to which transaction applies:

- 2) Aggregate number of securities to which transaction applies:

- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- 4) Proposed maximum aggregate value of transaction:

- 5) Total fee paid:

- [] Fee paid previously with preliminary materials.
Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- 1) Amount Previously Paid:
 - 2) Form, Schedule or Registration Statement No:
 - 3) Filing Party:
 - 4) Date Filed:
-

National Western Life Insurance Company
850 East Anderson Lane
Austin, Texas 78752-1602
(512) 836-1010

May 3, 2013
To Our Shareholders:

We cordially invite you to attend the 2013 Annual Meeting of Shareholders of National Western Life Insurance Company to be held on Friday, June 28, 2013 at 9:00 a.m., local time, at the Moody Gardens Hotel at Seven Hope Boulevard, Galveston, Texas 77554.

Pursuant to the rules of the Securities and Exchange Commission, we are using the "Notice and Access" method of providing proxy materials to you via the Internet. We believe this process will provide you with a convenient way to access your proxy materials and vote your shares, while also allowing us to reduce associated printing and distribution costs and help us conserve our resources. On or about May 3, 2013, we will mail to our shareholders of record a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy statement and our 2012 Annual Report and vote via the Internet. The Notice also contains instructions on how to receive a paper copy of the proxy materials and our 2012 Annual Report.

Each of the Notice of Internet Availability of Proxy Materials that will be mailed and the Notice of Annual Meeting of Shareholders and proxy statement contained herein identifies the items planned to be addressed at the Annual Meeting. We encourage you to read the Notice of Internet Availability of Proxy Materials, the Notice of Annual Meeting of Shareholders, and the proxy statement so that you may be informed about the business to come before the meeting.

Your participation in our business is important, regardless of the number of shares you own. As such, we encourage you to cast your vote via the Internet or by telephone, or, if you previously requested paper copies of the proxy materials, by completing the accompanying proxy and returning it in the prepaid envelope provided.

We look forward to seeing you on June 28, 2013.

Sincerely,

/S/ Robert L. Moody
Robert L. Moody
Chairman of the Board
and Chief Executive Officer

National Western Life Insurance Company
850 East Anderson Lane
Austin, Texas 78752-1602

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To the Shareholders of National Western Life Insurance Company:

The 2013 Annual Meeting of Shareholders (“Annual Meeting”) of National Western Life Insurance Company (the “Company” or “National Western”) will be held on Friday, June 28, 2013 at the Moody Gardens Hotel at Seven Hope Boulevard, Galveston, Texas 77554 at 9:00 a.m. local time for the following purposes:

1. To elect three designees of holders of Class A Stock and six designees of holders of Class B Stock, for a total of nine members for election to the board of directors, who shall hold office until the next annual shareholders’ meeting or until their respective successors have been elected or appointed;
2. To ratify the appointment of the firm of KPMG LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2013;
3. To approve the Executive Officer Bonus Program; and
4. To transact other business that may properly come before the Annual Meeting, or any adjournment or adjournments thereof.

These items are fully described in the proxy statement, which is part of this notice. The Company has not received notice of other matters that may be properly presented at the Annual Meeting.

Pursuant to the rules of the Securities and Exchange Commission, National Western has elected to provide access to our proxy materials over the Internet. Accordingly, we will mail, beginning on or about May 3, 2013, a Notice of Internet Availability of Proxy Materials to our shareholders of record and beneficial owners as of the record date of April 22, 2013. All shareholders and beneficial owners will have the ability to access all of the proxy materials on a website referenced in the Notice of Internet Availability of Proxy Materials as of the date of mailing of the Notice of Internet Availability of Proxy Materials.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS: Copies of the proxy statement and the Annual Report on Form 10-K for the year ended December 31, 2012, are available at <http://www.cstproxy.com/nationalwesternlife/2013>.

The Board of Directors of the Company has fixed the close of business on April 22, 2013 as the record date for the determination of the shareholders entitled to notice of and to vote at the Annual Meeting or any adjournment or adjournments thereof. A complete list of shareholders will be open to examination by any shareholder for any purpose germane to the Annual Meeting between the hours of 9:00 a.m. and 5:00 p.m., local time, at the offices of the Company at 850 East Anderson Lane, Austin, Texas 78752-1602 for ten (10) days prior to the Annual Meeting. If you would like to view the shareholder list, please call the Company Secretary at (512) 836-1010 to schedule an appointment. The list will also be available at the Annual Meeting and may be inspected by any shareholder who is present.

Regardless of the number of shares of National Western Life Insurance Company common stock you hold, as a shareholder your vote is important and the Board of Directors of the Company strongly encourages you to exercise your right to vote. To ensure your vote is recorded promptly, please vote as soon as possible, even if you plan to attend the Annual Meeting.

By Order of the Board of Directors

May 3, 2013

/S/ James P. Payne
James P. Payne
Senior Vice President and Secretary

IMPORTANT

SHAREHOLDERS WHO DO NOT EXPECT TO ATTEND IN PERSON ARE URGED TO VOTE VIA THE INTERNET OR BY PHONE, OR REQUEST PAPER COPIES OF THE PROXY MATERIALS AND COMPLETE, SIGN, DATE, AND RETURN A PROXY CARD AS PROMPTLY AS POSSIBLE TO ENSURE ITS ARRIVAL IN TIME FOR THE ANNUAL MEETING.

National Western Life Insurance Company
850 East Anderson Lane
Austin, Texas 78752-1602
(512) 836-1010

PROXY STATEMENT FOR
2013 ANNUAL MEETING OF SHAREHOLDERS

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS: Copies of this proxy statement and the Annual Report on Form 10-K for the year ended December 31, 2012 are available at <http://www.cstproxy.com/nationalwesternlife/2013>.

This proxy statement and the accompanying proxy are being made available to shareholders on or about May 3, 2013 in connection with the solicitation by the Board of Directors (the "Board of Directors") of National Western Life Insurance Company of proxies to be used at the 2013 Annual Meeting of Shareholders (the "Annual Meeting") of National Western Life Insurance Company to be held on Friday, June 28, 2013 at the Moody Gardens Hotel at Seven Hope Boulevard, Galveston, Texas 77554 at 9:00 a.m. local time. Our principal executive offices are located at 850 East Anderson Lane, Austin, Texas 78752-1602. Unless the context requires otherwise, references in this proxy statement to "National Western," "the Company," "we," "us," or "our" refer to National Western Life Insurance Company.

QUORUM AND VOTING

Holders of record of our Class A common stock, par value \$1.00 per share (the "Class A Stock"), and our Class B common stock, par value \$1.00 per share (the "Class B Stock" and, together with the Class A Stock, the "Common Stock"), at the close of business on April 22, 2013, will be entitled to notice of and to vote at the Annual Meeting or any adjournment or adjournments thereof. As of April 22, 2013, there were 3,434,763 shares of Class A Stock outstanding, held by 3,822 holders of record and 200,000 shares of Class B Stock outstanding, held by two holders of record. The number of holders does not include any beneficial owners for whom shares of Common Stock may be held in "nominee" or "street" name.

Shareholders of record at the close of business on April 22, 2013 will be entitled to vote at the Annual Meeting. Each shareholder is entitled to one vote per share held by such holder on all matters coming before the Annual Meeting, except as otherwise described below.

Article 4 of the Amended and Restated Articles of Incorporation of the Company provides that the Class A stockholders have the exclusive right to elect one-third (1/3) of the members of the Board of Directors, plus one director for any remaining fraction, and that the Class B stockholders have the exclusive right to elect the remaining members of the Board of Directors. In view of Robert L. Moody's ownership, as of April 22, 2013, of more than 99% of the Class B Stock outstanding, as well as Mr. Moody's ownership of 34.3% of the Class A Stock outstanding (see Stock Ownership table below), Mr. Moody holds the voting power to elect a majority of the Board of Directors. The Company is considered to be a controlled company and Mr. Moody is the controlling shareholder.

The presence, in person or by proxy, of the holders of one-half (1/2) of the total of each of the Class A Stock and the Class B Stock will constitute a quorum at the Annual Meeting. If a quorum is not present or represented at the Annual Meeting, the shareholders entitled to vote thereat, present in person or represented by proxy, have the power to adjourn the Annual Meeting from time to time without further notice, other than announcement at the Annual Meeting, until a quorum is present. At such reconvened Annual Meeting at which a quorum is present, any business may be transacted as originally noticed. Abstentions and broker non-votes (shares held by a broker or nominee that

does not have the authority to vote on a matter, and has not received instructions from the beneficial owner) are counted as present in determining whether the quorum requirement is met.

Our Amended and Restated Bylaws require the affirmative vote of a majority of the shares having voting power present in person or represented by proxy at the Annual Meeting for all matters to be determined at the Annual Meeting, other than the election of directors, including Proposal Two to ratify the appointment of KPMG LLP as our independent registered public accounting firm and Proposal Three to approve the Executive Officer Bonus Program. On these proposals, abstentions and broker non-votes will have the effect of a vote against the proposals. Our governing documents provide that directors are elected by a plurality vote of each class of stock voting separately.

The Inspector of Elections for the Annual Meeting will be James P. Payne, our Senior Vice President - Secretary, and he will tabulate the votes. We will announce preliminary voting results at the Annual Meeting. The final official voting results from the Annual Meeting will be disclosed in a Current Report on Form 8-K to be filed within four business days after the Annual Meeting.

You may vote your proxy by Internet, telephone, or mail, as explained below. Votes submitted electronically over the Internet or by telephone must be received by 7:00 p.m., Eastern Daylight Savings Time, on June 27, 2013. Voting your proxy does not limit your right to vote in person should you decide to attend the Annual Meeting. The law of Colorado, under which National Western is incorporated, specifically permits electronically transmitted proxies, provided that each such proxy contains or is submitted with information from which the Inspector of Elections of the Annual Meeting can determine that such electronically transmitted proxy was authorized by the shareholder. If your shares are held in the name of a broker, bank, or other holder of record, you will be provided voting instructions from the holder of record. If you vote by Internet or telephone, please do not mail in a proxy card.

- Internet. Access the Internet voting site at <http://www.cstproxy.com/nationalwesternlife/2013>. Follow the on-screen instructions and be sure to have the control number listed on your proxy card available when you access the Internet voting site. Please note that shareholders that vote by Internet must bear all costs associated with electronic access, including Internet access fees.
- Telephone. Dial the toll free number found on your proxy card. Follow the voice prompts and be sure to have the control number listed on your proxy card available when you call.
- Mail. If you requested printed copies of the proxy materials, you may vote by mail by simply marking, signing, dating, and returning the proxy card in the postage-prepaid envelope provided for your convenience.

If a shareholder properly uses the Internet voting procedures described on the proxy card, or calls the toll-free telephone number, or completes, signs, dates, and returns the proxy card, by 7:00 p.m., Eastern Daylight Savings Time, on June 27, 2013, his, her, or its shares will be voted at the Annual Meeting in accordance with his, her, or its instructions. If a shareholder returns a proxy card unsigned, his, her, or its vote cannot be counted. If a shareholder signs and dates a proxy card, but does not fill out the voting instructions on the proxy card, the shares represented by the proxy will be voted in accordance with the Board of Directors' recommendations, as follows:

- FOR the election of each of the nominees to the Board of Directors to hold office until the next annual shareholders' meeting or until their respective successors have been elected or appointed;
- FOR the ratification of the appointment of the firm of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2013; and
- FOR the approval of the Executive Officer Bonus Program.

In addition, if any other matters properly come before the Annual Meeting, James P. Payne, our Senior Vice President -Secretary, the named proxy, has discretionary authority to vote on those matters in accordance with his best judgment. The Board of Directors is not currently aware of any other matters that may come before the Annual Meeting.

REVOCABILITY OF PROXY

The proxy is for use at the Annual Meeting if a shareholder will be unable to attend in person. The proxy (whether submitted by mail, telephone, or Internet) may be revoked by a shareholder at any time before it is exercised on the date of the Annual Meeting by:

- executing and delivering a written notice of revocation to the Secretary of National Western at our principal executive offices;
- submitting a later-dated proxy by Internet in the manner specified above, by telephone in the manner specified above, or in writing to the Secretary of National Western at our principal executive offices; or
- attending and voting in person at the Annual Meeting.

Attendance at the Annual Meeting will not revoke a proxy unless a shareholder provides written notice of revocation to the Secretary of National Western before the proxy is exercised or unless the shareholder votes his or her shares in person at the Annual Meeting. Street name holders that vote by proxy may revoke their proxies by informing the holder of record in accordance with that entity's procedures.

SOLICITATION

This solicitation is made on behalf of the Board of Directors. The cost of preparing, assembling, printing, and mailing the Notice of Internet Availability of Proxy Materials, Notice of Annual Meeting of Shareholders, this proxy statement, the proxy card, and any additional materials, as well as the cost of soliciting the proxies will be borne by us, including reimbursement paid to brokerage firms and other custodians, nominees, and fiduciaries for reasonable costs incurred in forwarding the proxy materials to, and solicitation of proxies from, the beneficial owners of shares held by such persons. The solicitation will be made initially by mail. Our Board of Directors may later decide to make further solicitations by mail, telephone, telex, electronic mail, facsimile, or personal calls by our directors, officers, and employees. We will not pay additional compensation to our directors, officers, and employees for their solicitation efforts, but we will reimburse them for any out-of-pocket expenses they incur in their solicitation efforts.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information provided below sets forth certain information as of April 22, 2013, regarding (i) the ownership of voting securities of the Company by each person who is known to the management of the Company to have been the beneficial owner of more than five percent (5%) of the outstanding shares of the Company's Class A Stock or Class B Stock; (ii) the ownership interest of each director of the Company; (iii) the ownership interest of the named executive officers of the Company; (iv) the ownership interest of officers and directors of the Company as a group; and (v) the total number of stock options outstanding for all such persons and entities. Insofar as is known to the Company, each such person, entity, or group has sole voting and investment power with respect to all such shares of Class A Stock and Class B Stock, except as may otherwise be noted.

For purposes of the tables below, the amounts and percentages of Class A Stock and Class B Stock beneficially owned are reported on the basis of regulations of the SEC governing the determination of beneficial ownership of securities. Under the rules of the SEC, a person is deemed to be a "beneficial owner" of a security if that person has or shares "voting power," which includes the power to vote or to direct the voting of such security, or "investment power," which includes the power to dispose of or to direct the disposition of such security. A person is also deemed to be a

beneficial owner of any securities of which that person has a right to acquire beneficial ownership within 60 days, including through the exercise of options or warrants. Beneficial ownership also includes securities that are the subject of a voting trust, proxy, power of attorney, or other similar agreement. Under these rules, more than one person may be deemed a beneficial owner of the same securities and a person may be deemed a beneficial owner of securities as to which he has no economic interest.

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Owners of More Than 5% of Our Common Stock

Based solely upon filings made with the SEC, the following persons are the only persons known by us to own beneficially more than 5% of the outstanding shares of Class A Stock or Class B Stock as of April 22, 2013. Percent of class is calculated based on 3,434,763 shares of Class A Stock and 200,000 shares of Class B Stock outstanding as of April 22, 2013.

Name and Address of Beneficial Owners	Title of Class	Amount and Nature of Beneficial Ownership	Percent of Class	
Robert L. Moody ⁽¹⁾ 2302 Post Office Street, Suite 702 Galveston, Texas	Class A Stock	1,185,596	34.3	%
	Class B Stock	198,074	99.0	%

(1) Robert L. Moody is Chairman of the Board of Directors and Chief Executive Officer of the Company. Mr. Moody is the controlling shareholder of the Company, and he holds the voting power to elect more than a majority of the members of the Board of Directors. Of the Class A Stock listed as owned, 26,500 shares are issuable upon the exercise of stock options that are either currently exercisable or that will become exercisable within 60 days of April 22, 2013.

Directors and Executive Officers

Except under applicable community property laws or as otherwise indicated in the footnotes to the table below, the persons named in the table have sole voting and investment power with respect to all shares of Common Stock beneficially owned. The address of all directors and executive officers in this table is c/o National Western Life Insurance Company, 850 East Anderson, Austin, Texas 78752-1602. Ownership amounts are as of April 22, 2013. Percent of class is calculated based on 3,434,763 shares of Class A Stock and 200,000 shares of Class B Stock outstanding as of April 22, 2013.

Directors and Officers	Title of Class	Amount and Nature of Beneficial Ownership†	Percent of Class	
Directors and Named Executive Officers:				
Robert L. Moody	Class A Stock	1,185,596	34.3	%
	Class B Stock	198,074	99.0	%
Ross R. Moody	Class A Stock	20,962	+	
	Class A Stock	625	*+	
	Class B Stock	481.5	*+	
Charles D. Milos	Class A Stock	10,428	+	

Directors and Officers	Title of Class	Amount and Nature of Beneficial Ownership†	Percent of Class
Directors: Stephen E. Glasgow	Class A Stock	1,220	+
E. Douglas McLeod	Class A Stock	4,000	+
Frances A. Moody-Dahlberg	Class A Stock	3,850	+