

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>NATIONAL LIFE GROUP 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>004</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>09/01/1979</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>004</u>	1c Effective date of plan <u>09/01/1979</u>	
1b Three-digit plan number (PN) ▶	<u>004</u>				
1c Effective date of plan <u>09/01/1979</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>NATIONAL LIFE INSURANCE COMPANY</u> <u>ONE NATIONAL LIFE DRIVE</u> <u>MONTPELIER, VT 05604</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>03-0144090</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>802-229-3607</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>524140</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>03-0144090</u>	2c Plan Sponsor's telephone number <u>802-229-3607</u>	2d Business code (see instructions) <u>524140</u>	
2b Employer Identification Number (EIN) <u>03-0144090</u>					
2c Plan Sponsor's telephone number <u>802-229-3607</u>					
2d Business code (see instructions) <u>524140</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2022	MICHELE GRANITZ
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2022	MICHELE GRANITZ
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

3a Plan administrator's name and address ☐ Same as Plan Sponsor BENEFITS INVEST & ADMIN COMMITTEE OF NATIONAL LIFE GROUP ONE NATIONAL LIFE DRIVE MONTPELIER, VT 05604	3b Administrator's EIN 32-0574996 3c Administrator's telephone number 802-229-7161
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 1924
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 1164 6a(2) 1164 6b 3 6c 790 6d 1957 6e 1 6f 1958 6g 1958 6h 20
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2S 2T 2R 3H 3D b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ <u>2</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021	
A Name of plan NATIONAL LIFE GROUP 401(K) PLAN	B Three-digit plan number (PN) ▶ 004
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL LIFE INSURANCE COMPANY	D Employer Identification Number (EIN) 03-0144090

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier
NATIONAL LIFE INSURANCE COMPANY DEPOSIT ADMIN ANNUITY CONTRACT

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
03-0144090	66680	PSP CONTRACT	1958	01/01/2021	12/31/2021

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

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	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	105002374
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	0

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☒ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year	7b	110216166
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c	Additions: (1) Contributions deposited during the year	7c(1)	2125265	
	(2) Dividends and credits.....	7c(2)		
	(3) Interest credited during the year.....	7c(3)	3278976	
	(4) Transferred from separate account.....	7c(4)		
	(5) Other (specify below)	7c(5)	235195	

▶ LOAN REPYMTS-PRIN + INTEREST ROUNDING

(6)Total additions	7c(6)	5639436
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d	Total of balance and additions (add lines 7b and 7c(6))	7d	115855602
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e Deductions:

	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	8462263	
	(2) Administration charge made by carrier.....	7e(2)	1286	
	(3) Transferred to separate account.....	7e(3)		
	(4) Other (specify below)	7e(4)	2389679	

▶ NET EXC,MISC NET, FORF NET, PPT FOR LOAN INIT,

(5) Total deductions	7e(5)	10853228
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f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	105002374
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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs.	10b	

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021	
A Name of plan NATIONAL LIFE GROUP 401(K) PLAN	B Three-digit plan number (PN) ▶ 004
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL LIFE INSURANCE COMPANY	D Employer Identification Number (EIN) 03-0144090

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier
PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	074412	1958	01/01/2021	12/31/2021

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	16601099

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier**6b****c** Premiums due but unpaid at the end of the year**6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.**6d**

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee(3) ☐ guaranteed investment (4) ☐ other ▶**b** Balance at the end of the previous year**7b****c** Additions: (1) Contributions deposited during the year**7c(1)**

(2) Dividends and credits.....

7c(2)

(3) Interest credited during the year.....

7c(3)

(4) Transferred from separate account.....

7c(4)

(5) Other (specify below)

7c(5)

▶

(6) Total additions

7c(6)**d** Total of balance and additions (add lines **7b** and **7c(6)**)**7d****e** Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year

7e(1)

(2) Administration charge made by carrier.....

7e(2)

(3) Transferred to separate account.....

7e(3)

(4) Other (specify below)

7e(4)

▶

(5) Total deductions

7e(5)**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**)**7f**

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs.	10b	

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan NATIONAL LIFE GROUP 401(K) PLAN	B Three-digit plan number (PN) ▶	004
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL LIFE INSURANCE COMPANY	D Employer Identification Number (EIN) 03-0144090	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PRUDENTIAL RETIREMENT INSURANCE AND
06-1050034

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	325644	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

DIMEO SCHNEIDER & ASSOCIATES

36-4001764

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 28	NONE	42374	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan <u>NATIONAL LIFE GROUP 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>004</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>NATIONAL LIFE INSURANCE COMPANY</u>	D Employer Identification Number (EIN) <u>03-0144090</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LCG/JENNISON FUND</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-408</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>15655566</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>WESTERN ASSET CR PLS BD</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-824</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>945533</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>T ROWE PRICE RET 2010 A</u>			
b Name of sponsor of entity listed in (a): <u>T. ROWE PRICE TRUST COMPANY</u>			
c EIN-PN <u>32-6199795-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>318137</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>T ROWE PRICE RET 2015 A</u>			
b Name of sponsor of entity listed in (a): <u>T. ROWE PRICE TRUST COMPANY</u>			
c EIN-PN <u>35-6941654-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>987631</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>T ROWE PRICE RET 2020 A</u>			
b Name of sponsor of entity listed in (a): <u>T. ROWE PRICE TRUST COMPANY</u>			
c EIN-PN <u>36-7594871-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>5465901</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>T ROWE PRICE RET 2025 A</u>			
b Name of sponsor of entity listed in (a): <u>T. ROWE PRICE TRUST COMPANY</u>			
c EIN-PN <u>37-6495447-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>10851588</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>T ROWE PRICE RET 2030 A</u>			
b Name of sponsor of entity listed in (a): <u>T. ROWE PRICE TRUST COMPANY</u>			
c EIN-PN <u>38-7010946-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>12040353</u>	

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RET 2035 A

b Name of sponsor of entity listed in (a): T. ROWE PRICE TRUST COMPANY

c EIN-PN 36-7595013-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14523451
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a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RET 2040 A

b Name of sponsor of entity listed in (a): T. ROWE PRICE TRUST COMPANY

c EIN-PN 35-6941729-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10138906
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a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RET 2045 A

b Name of sponsor of entity listed in (a): T. ROWE PRICE TRUST COMPANY

c EIN-PN 32-6199848-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 6264078
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a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RET 2050 A

b Name of sponsor of entity listed in (a): T. ROWE PRICE TRUST COMPANY

c EIN-PN 30-6303214-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7441308
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a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RET 2055 A

b Name of sponsor of entity listed in (a): T. ROWE PRICE TRUST COMPANY

c EIN-PN 35-6941728-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7353860
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a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RET 2060 A

b Name of sponsor of entity listed in (a): T. ROWE PRICE TRUST COMPANY

c EIN-PN 47-1088316-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3266857
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan NATIONAL LIFE GROUP 401(K) PLAN	B Three-digit plan number (PN) ►	004
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL LIFE INSURANCE COMPANY	D Employer Identification Number (EIN) 03-0144090	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	1916033	1753804
(9) Value of interest in common/collective trusts.....	1c(9)	63724105	78652070
(10) Value of interest in pooled separate accounts	1c(10)	14989601	16601099
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	193787560	96795147
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	105002374
(15) Other.....	1c(15)	750513	987799

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	1d(1)	
(2)	Employer real property.....	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	275167812 299792293
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness.....	1i	
j	Other liabilities.....	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f).....	1l	275167812 299792293

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	3368306
	(B) Participants	2a(1)(B)	9674838
	(C) Others (including rollovers).....	2a(1)(C)	1098410
(2)	Noncash contributions.....	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	14141554
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans.....	2b(1)(E)	92116
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	92116
(2)	Dividends: (A) Preferred stock.....	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	1142829
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	1142829
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		9702342
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		2115022
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		17584408
c Other income.....	2c		12263
d Total income. Add all income amounts in column (b) and enter total.....	2d		44790534
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	19796414	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		19796414
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)	369639	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		369639
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		20166053
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		24624481
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MCSOLEY MCCOY & CO.

(2) EIN: 03-0327374

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		15000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.			
5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)	
5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.			

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan NATIONAL LIFE GROUP 401(K) PLAN	B Three-digit plan number (PN) ► 004
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL LIFE INSURANCE COMPANY	D Employer Identification Number (EIN) 03-0144090

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 22-1211670		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2021
v. 201209

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

**NATIONAL LIFE GROUP 401(K) PLAN
Financial Statements and Schedule**

(With Independent Auditors' Report)

December 31, 2021 and 2020

**NATIONAL LIFE GROUP 401(K) PLAN
December 31, 2021 and 2020**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 - 4
Statements of Net Assets Available for Plan Benefits	5
Statements of Changes in Net Assets Available for Plan Benefits	6
Notes to Financial Statements	7 - 12
Supplemental Schedule:	
Schedule H, line 4i - Schedule of Assets (Held at End of Year)	13

Independent Auditors' Report

To the Benefits Investment and Administration Committee
National Life Group 401(k) Plan
Montpelier, Vermont

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the accompanying financial statements of National Life Group 401(k) Plan (the “Plan”), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for plan benefits as of December 31, 2021, and the related statement of changes in net assets available for plan benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan’s financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditors’ Responsibilities for the Audit of the Financial Statements section—

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of National Life Group 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about National Life Group 401(k) Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the Plan; and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of National Life Group 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about National Life Group 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

The supplemental schedule of Schedule H, Line 4i – Schedule of Assets (Held at End of Year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed

to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Other Matter — Report on the 2020 Financial Statements

We were engaged to audit the statement of net assets available for plan benefits of the Plan as of December 31, 2020 and the related statement of changes in net assets available for plan benefits for the year then ended. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information certified by the qualified institution. Our audit report, dated September 20, 2021, indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient, appropriate audit evidence to provide a basis for an opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the information certified by the qualified institution were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

McSoley McCoy & Co.

South Burlington, Vermont
September 16, 2022
VT Reg. No. 92-349

NATIONAL LIFE GROUP 401(K) PLAN
Statements of Net Assets Available for Plan Benefits
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets:		
Investments at fair value	\$ 298,038,489	\$ 273,251,779
Notes receivable	1,753,804	1,916,033
Net assets available for plan benefits	<u>\$ 299,792,293</u>	<u>\$ 275,167,812</u>

See accompanying notes to the financial statements.

NATIONAL LIFE GROUP 401(K) PLAN
Statements of Changes in Net Assets Available for Plan Benefits
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Additions to net assets attributed to:		
Investment income:		
Net appreciation in the fair value of investments	\$ 29,414,034	\$ 30,913,991
Interest and dividend income	<u>1,234,946</u>	<u>1,089,890</u>
Total investment income	<u>30,648,980</u>	<u>32,003,881</u>
Contributions:		
Employee contributions	9,674,838	9,585,685
Employee rollovers	1,098,410	1,036,255
Employer contributions	<u>3,368,306</u>	<u>3,375,474</u>
Total contributions	<u>14,141,554</u>	<u>13,997,415</u>
Total additions	<u>44,790,534</u>	<u>46,001,296</u>
Deductions from net assets attributed to:		
Benefit payments	19,796,414	14,857,594
Record keeping fees	355,943	287,588
Investment advisor fees	<u>13,696</u>	<u>15,664</u>
Total deductions	<u>20,166,053</u>	<u>15,160,846</u>
Increase in net assets available for plan benefits	24,624,481	30,840,450
Net assets available for plan benefits:		
Beginning of year	<u>275,167,812</u>	<u>244,327,362</u>
End of year	<u>\$ 299,792,293</u>	<u>\$ 275,167,812</u>

See accompanying notes to the financial statements.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

(1) Description of the Plan

The following brief description of the National Life Group 401(k) Plan (the “Plan”) is provided for informational purposes only.

The Plan is a qualified 401(k) defined contribution retirement plan available to eligible employees of any National Life Group company (“National Life Group”). The Plan is administered by the Benefits Investment and Administration Committee of National Life Group (the “Plan Administrator”). The same committee is the plan fiduciary responsible for determining investment options available to participants in this participant-directed individual account plan in accordance with the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

- (a) Eligibility - Employees in a “with benefits” employment category of any of the companies in the National Life Group may elect to participate in the Plan immediately by electing salary deferral contributions.
- (b) Contributions - Participants may elect to contribute from 1% - 50% of base salary to the Plan on a salary deferral basis up to the Internal Revenue Code (“IRC”) 401(k) contribution limit. Employees of a National Life Group company that are eligible to participate in the plan and hired prior to January 1, 2021 will receive matching contributions under the following formula: employees earning not more than \$45,000 annually will receive a 75% match of up to 6% of salary and employees earning more than \$45,000 annually will receive a 50% match of up to 6% of salary, subject to maximum contribution guidelines. Eligible employees hired on or after January 1, 2021, will receive a 100% match up to 6% of salary, subject to maximum contribution guidelines.

Participants are also permitted to make rollover contributions into the Plan of their interests in other retirement arrangements as permitted by the Internal Revenue Code.

- (c) Accounts and Benefits - The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested accounts. The participant is entitled to receive an amount up to their total vested account balance from an account at the time a benefit from that account is payable.

Each participant may have several different accounts under the Plan. Different vesting rules apply to different accounts.

The time at which a distribution may be made from an account may differ depending on the type of account. Except as noted below, however, a distribution may always be made from an account upon the earliest of the participant’s termination from service, death, disability, or the termination of the Plan.

Each participant will have a separate account consisting of the participant’s 401(k) deferral contributions and earnings on those amounts. Participants are immediately fully vested in these accounts. Distributions from this account may begin upon termination from service, death, disability, or the attainment of age 59½. In addition, a distribution from this account is available to meet a participant’s hardship situation. In the event that a participant’s 401(k) deferral contributions exceed permitted legal limitations, and/or in the event the Plan fails to meet certain nondiscrimination requirements and the participant is classified as a “highly compensated employee,” all or a portion of the participant’s 401(k) deferral contributions, and earnings on those contributions, will be distributed to the participant, as necessary to satisfy legal requirements. Most withdrawals taken before age 59½ from the 401(k) are taxed as ordinary income plus a 10 percent penalty. Exceptions include total and permanent disability, loss of employment for participants at least age 55 and a qualified domestic relations order after a divorce.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

Each participant will have a separate account consisting of employer matching contributions and the earnings on those amounts. Participants become fully vested in these accounts after two years of service, or, if earlier, upon attaining age 55 or upon the death or disability of the participant. Distributions of the vested value of this account may begin upon termination from service, death, or disability. In addition, the amount of employer contributions that have been held in this account more than two years may be distributed at the election of the participant. In the event the Plan fails to meet certain nondiscrimination requirements and the participant is classified as a "highly compensated employee," all or a portion of the participant's matching contributions will be forfeited, as necessary to satisfy legal requirements.

Any nonvested portion of a participant's employer matching account will be forfeited upon the termination from service of the participant. Forfeitures are used to reduce future employer contributions. Amounts forfeited in 2021 and 2020 totaled \$365,217 and \$197,562, respectively. During 2021 and 2020, forfeitures used to reduce employer contributions were \$384,419 and \$340,842, respectively. Forfeitures remaining in the Plan at December 31, 2021 and 2020 were \$154,174 and \$170,127, respectively.

Each participant may have a separate account consisting of any rollover contributions made to the Plan and the earnings on those amounts. Participants who contributed to the Plan in prior years may have a separate account consisting of after-tax contributions made to the Plan, and earnings on those amounts. Amounts in these accounts are immediately fully vested. A distribution from either of these accounts is available at any time at the election of the participant.

Certain participants with participation in prior plan years may have a separate account consisting of qualified non-elective employer contributions and earnings on those amounts. Amounts in these accounts are immediately fully vested. Distributions from this account may begin upon termination from service, death, disability, or the attainment of age 59½.

Certain participants who participated in a prior defined contribution pension plan sponsored by Life Insurance Company of the Southwest may have a separate account consisting of a transferred account from that plan attributable to employer contributions and may have a separate account consisting of a transferred account from that plan attributable to after-tax employee contributions, and, in both cases, earnings on those amounts. Amounts in these accounts are immediately fully vested. Distributions from the transfer account attributable to employer contributions may begin upon termination from service, death, disability, or the attainment of age 65. Distributions from the transfer account attributable to after-tax employee contributions may begin at any time at the election of the participant.

The normal form for a distribution from either transfer account will be as a joint and survivor annuity (or for an unmarried participant, a life annuity) unless the normal form of payment is waived by the participant (and spouse, if the participant is married).

The normal form of distribution from any other account is as a lump sum, unless the participant elects to receive a distribution of only a portion of the account.

- (d) Notes Receivable - Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to \$50,000 or 50% of their vested account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at prime plus 1 percent. Principal and interest is paid ratably through monthly payroll deductions.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

(2) Summary of Significant Accounting Policies

- (a) Accrual basis - These financial statements are presented using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").
- (b) Use of estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- (c) Investments - The Plan's investments are stated at fair value. Contributions to the Plan are participant directed and are invested in a deposit administration contract held by the Plan or in any one or more registered investment companies.

The contributions invested in the deposit administration contract are backed by the assets of National Life Insurance Company ("National Life") and are carried at fair value by the Plan at year-end, which, principally because of the periodic rate reset process, approximates contract value, including accrued interest. For additional information on the fair values, see Note 7 "Fair Value Measurements." The deposit administration contract has no deposit or withdrawal restrictions/penalties, and National Life can reset the interest rate guaranteed under the contract annually, announced prospectively, with a minimum guaranteed rate of 1%. Shares of the registered investment companies are valued at the net asset value of the shares held by the Plan at year-end.

Contributions designated for any of the investment options are transferred to the record keeper each payday. All dividends are automatically reinvested in shares of the fund. Transfers between any of the investment options of the registered investment companies are invested daily. A partial redemption is accounted for on the basis of the average cost of the shares in the participant's account on the date of redemption. Dividend income is recorded on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis.

The Plan's net investment income reflects interest credited according to the terms of the nonparticipating deposit administration contract or from the other available investment options offered under the Plan. Under the deposit administration contract, interest accumulates on contributions invested in the contract from the effective date of the transaction.

- (d) Expenses of the Plan - All expenses incurred in the administration of the Plan are currently paid by fees charged against participants' investments and by National Life.
- (e) Risks and Uncertainties - The Plan provides for investments in any combination of registered investment companies and the deposit administration contract offered through National Life. These investment securities and insurance contract are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for plan benefits.
- (f) Payment of Benefits - Benefits are recorded when paid.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

- (g) Notes Receivable – Notes receivable from participants are reported at their unpaid principal balances plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

(3) Certified Financial Information (unaudited)

The investment balance and related investment information included in the financial statements, accompanying notes, and supplemental schedule are derived from statements which have been certified by the Trustee as complete and accurate in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Accordingly, as permitted under 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the auditors not to perform any auditing procedures with respect to the information certified by Prudential Bank & Trust, F.S.B., the Trustee of the Plan, except for comparing such information to the related information included in the accompanying financial statements and supplemental schedule. The Plan Administrator has obtained a certification from the Trustee that the information provided to the Plan Administrator by the Trustee is complete and accurate.

(4) Tax Status of Plan

The Plan has adopted the Prototype Non-Standardized Profit Sharing Plan with CODA sponsored by Prudential Retirement, which obtained its latest determination letter on April 29, 2014, in which the Internal Revenue Service stated that the prototype was in compliance with the applicable requirements of the Internal Revenue Code. The Plan varies in certain aspects from the prototype. However, the Plan Administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Financial Accounting Standards Board ("FASB") ASC 740, *Income Taxes*, requires entities to disclose in their financial statements the nature of any uncertainty in their tax positions. For tax exempt entities, tax-exempt status itself is deemed to be an uncertainty, as events could potentially occur to jeopardize their tax-exempt status. Management believes the Plan has no uncertain tax positions. The Plan anticipates that it will not have a change in uncertain tax positions during the next twelve months that could have a material impact on the Plan's financial statements. If necessary, the Plan would accrue interest and penalties on uncertain tax positions as a component of the provision for income taxes. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2018.

(5) Plan Termination

Although it has not expressed any intention to do so, National Life has the right under the Plan to discontinue its contributions at any time or to terminate the Plan subject to the provisions set forth in ERISA. In the event the Plan terminates, the net assets of the Plan will be allocated based on participants' account balances. Each participant's account balance shall be 100% vested and nonforfeitable.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

(6) Related Party Transactions

The deposit administration contract is a contract entered into by the Trustee on behalf of the Plan with National Life. National Life is the Plan Sponsor of the Plan and, therefore, these transactions qualify as party-in-interest transactions. There were no fees paid to National Life during 2021 and 2020.

(7) Fair Value Measurements

U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e. the “exit price”) in an orderly transaction between market participants at the measurement date.

U.S. GAAP requires consideration of three broad valuation techniques (i) the market approach, (ii) the income approach, and (iii) the cost approach. ASC 820 requires that entities determine the most appropriate valuation technique to use, given what is being measured and the availability of sufficient inputs. ASC 820 prioritizes the inputs to fair valuation techniques and allows for the use of unobservable inputs to the extent that observable inputs are not available. The Plan assets and liabilities are categorized into a three-level hierarchy, based on the priority of the inputs to the respective valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Plan assets and liabilities as of December 31, 2021 and 2020 are categorized as follows:

- Level 1 - Unadjusted quoted prices accessible in active markets for identical assets or liabilities at the measurement date. Currently, there are no Level 1 assets.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly through corroboration with observable market data (market-corroborated inputs). Plan assets classified within this level are the deposit administration contract.
- Level 3 - Prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Inputs reflect management’s best estimate about the assumptions market participants would use at the measurement date in pricing the asset. Consideration is given to the risk inherent in both the method of valuation and the valuation inputs. Currently, there are no Level 3 assets.

Valuation Techniques

Mutual funds - This category includes mutual funds that are actively traded and have a quoted net asset value (“NAV”). These securities are not categorized in the fair value hierarchy.

Deposit administration contract - This category consists of deposits in a National Life Group variable annuity contract. The contract is carried at amortized cost, which approximates fair value. These securities are categorized in Level 2 of the fair value hierarchy.

Fair Value Hierarchy Table
December 31, 2021

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Deposit administration contract	<u>\$ —</u>	<u>\$ 105,002,374</u>	<u>\$ —</u>	<u>\$ 105,002,374</u>
Total Investments (1)	<u>\$ —</u>	<u>\$ 105,002,374</u>	<u>\$ —</u>	<u>\$ 105,002,374</u>

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

Fair Value Hierarchy Table
December 31, 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Deposit administration contract	\$ —	\$ 110,216,166	\$ —	\$ 110,216,166
Total Investments (1)	<u>\$ —</u>	<u>\$ 110,216,166</u>	<u>\$ —</u>	<u>\$ 110,216,166</u>

1. In accordance with ASU 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*, certain investments that are measured at fair value using NAV (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value of these investments in mutual funds was \$193,036,115 and \$163,035,613 as of the years ended December 31, 2021 and 2020, respectively.

(8) Withdrawing Participants

All participants who have withdrawn from the Plan and have requested their benefits have been paid as of December 31, 2021.

(9) Subsequent Events

The Plan evaluated subsequent events through September 16, 2022, the date the Plan's financial statements were made available to be used.

NATIONAL GROUP 401(K) PLAN
Schedule H, line 4i - Schedule of Assets (Held at End of Year)
December 31, 2021

Plan Sponsor: National Life Insurance Company
Sponsor's EIN: 03-0144090
Plan number: 004

(a)	(b)	(c)	(d)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Current value
*	Prudential Retirement Insurance and Annuity Company	LCG/Jennison Fund	\$ 15,655,566
*	Prudential Retirement Insurance and Annuity Company	Western Asset Cr Pls BD	945,533
*	National Life Interest Account	National Life Interest Account	105,002,374
	Mutual Funds	T. Rowe Price Retirement 2010 A	318,137
	Mutual Funds	T. Rowe Price Retirement 2015 A	987,631
	Mutual Funds	T. Rowe Price Retirement 2020 A	5,465,901
	Mutual Funds	T. Rowe Price Retirement 2025 A	10,851,588
	Mutual Funds	T. Rowe Price Retirement 2030 A	12,040,353
	Mutual Funds	T. Rowe Price Retirement 2035 A	14,523,451
	Mutual Funds	T. Rowe Price Retirement 2040 A	10,138,906
	Mutual Funds	T. Rowe Price Retirement 2045 A	6,264,078
	Mutual Funds	T. Rowe Price Retirement 2050 A	7,441,308
	Mutual Funds	T. Rowe Price Retirement 2055 A	7,353,860
	Mutual Funds	T. Rowe Price Retirement 2060 A	3,266,857
	Mutual Funds	AM Fnd Europacific Grwth R6	5,380,900
	Mutual Funds	Vanguard Institl Index	26,735,068
	Mutual Funds	Vang Total Intl Stock I	5,938,262
	Mutual Funds	Vanguard Ext Mkt Ind Inst	31,065,060
	Mutual Funds	Vanguard Total Bond Index	2,351,621
	Mutual Funds	MFS Value Fund Class R6	4,766,537
	Mutual Funds	Touchstone LC FDC Instl	20,557,699
	Self-Directed Brokerage	Self-Directed Brokerage	987,799
*	Participant Loans	4.25% - 6.50%	1,753,804
*	Parties-in-interest		<u>\$ 299,792,293</u>

**NATIONAL LIFE GROUP 401(K) PLAN
Financial Statements and Schedule**

(With Independent Auditors' Report)

December 31, 2021 and 2020

**NATIONAL LIFE GROUP 401(K) PLAN
December 31, 2021 and 2020**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 - 4
Statements of Net Assets Available for Plan Benefits	5
Statements of Changes in Net Assets Available for Plan Benefits	6
Notes to Financial Statements	7 - 12
Supplemental Schedule:	
Schedule H, line 4i - Schedule of Assets (Held at End of Year)	13

Independent Auditors' Report

To the Benefits Investment and Administration Committee
National Life Group 401(k) Plan
Montpelier, Vermont

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the accompanying financial statements of National Life Group 401(k) Plan (the “Plan”), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for plan benefits as of December 31, 2021, and the related statement of changes in net assets available for plan benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan’s financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditors’ Responsibilities for the Audit of the Financial Statements section—

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of National Life Group 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about National Life Group 401(k) Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the Plan; and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of National Life Group 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about National Life Group 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

The supplemental schedule of Schedule H, Line 4i – Schedule of Assets (Held at End of Year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed

to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Other Matter — Report on the 2020 Financial Statements

We were engaged to audit the statement of net assets available for plan benefits of the Plan as of December 31, 2020 and the related statement of changes in net assets available for plan benefits for the year then ended. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information certified by the qualified institution. Our audit report, dated September 20, 2021, indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient, appropriate audit evidence to provide a basis for an opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the information certified by the qualified institution were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

McSoley McCoy & Co.

South Burlington, Vermont
September 16, 2022
VT Reg. No. 92-349

NATIONAL LIFE GROUP 401(K) PLAN
Statements of Net Assets Available for Plan Benefits
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets:		
Investments at fair value	\$ 298,038,489	\$ 273,251,779
Notes receivable	1,753,804	1,916,033
Net assets available for plan benefits	<u>\$ 299,792,293</u>	<u>\$ 275,167,812</u>

See accompanying notes to the financial statements.

NATIONAL LIFE GROUP 401(K) PLAN
Statements of Changes in Net Assets Available for Plan Benefits
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Additions to net assets attributed to:		
Investment income:		
Net appreciation in the fair value of investments	\$ 29,414,034	\$ 30,913,991
Interest and dividend income	<u>1,234,946</u>	<u>1,089,890</u>
Total investment income	<u>30,648,980</u>	<u>32,003,881</u>
Contributions:		
Employee contributions	9,674,838	9,585,685
Employee rollovers	1,098,410	1,036,255
Employer contributions	<u>3,368,306</u>	<u>3,375,474</u>
Total contributions	<u>14,141,554</u>	<u>13,997,415</u>
Total additions	<u>44,790,534</u>	<u>46,001,296</u>
Deductions from net assets attributed to:		
Benefit payments	19,796,414	14,857,594
Record keeping fees	355,943	287,588
Investment advisor fees	<u>13,696</u>	<u>15,664</u>
Total deductions	<u>20,166,053</u>	<u>15,160,846</u>
Increase in net assets available for plan benefits	24,624,481	30,840,450
Net assets available for plan benefits:		
Beginning of year	<u>275,167,812</u>	<u>244,327,362</u>
End of year	<u>\$ 299,792,293</u>	<u>\$ 275,167,812</u>

See accompanying notes to the financial statements.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

(1) Description of the Plan

The following brief description of the National Life Group 401(k) Plan (the “Plan”) is provided for informational purposes only.

The Plan is a qualified 401(k) defined contribution retirement plan available to eligible employees of any National Life Group company (“National Life Group”). The Plan is administered by the Benefits Investment and Administration Committee of National Life Group (the “Plan Administrator”). The same committee is the plan fiduciary responsible for determining investment options available to participants in this participant-directed individual account plan in accordance with the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

- (a) Eligibility - Employees in a “with benefits” employment category of any of the companies in the National Life Group may elect to participate in the Plan immediately by electing salary deferral contributions.
- (b) Contributions - Participants may elect to contribute from 1% - 50% of base salary to the Plan on a salary deferral basis up to the Internal Revenue Code (“IRC”) 401(k) contribution limit. Employees of a National Life Group company that are eligible to participate in the plan and hired prior to January 1, 2021 will receive matching contributions under the following formula: employees earning not more than \$45,000 annually will receive a 75% match of up to 6% of salary and employees earning more than \$45,000 annually will receive a 50% match of up to 6% of salary, subject to maximum contribution guidelines. Eligible employees hired on or after January 1, 2021, will receive a 100% match up to 6% of salary, subject to maximum contribution guidelines.

Participants are also permitted to make rollover contributions into the Plan of their interests in other retirement arrangements as permitted by the Internal Revenue Code.

- (c) Accounts and Benefits - The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested accounts. The participant is entitled to receive an amount up to their total vested account balance from an account at the time a benefit from that account is payable.

Each participant may have several different accounts under the Plan. Different vesting rules apply to different accounts.

The time at which a distribution may be made from an account may differ depending on the type of account. Except as noted below, however, a distribution may always be made from an account upon the earliest of the participant’s termination from service, death, disability, or the termination of the Plan.

Each participant will have a separate account consisting of the participant’s 401(k) deferral contributions and earnings on those amounts. Participants are immediately fully vested in these accounts. Distributions from this account may begin upon termination from service, death, disability, or the attainment of age 59½. In addition, a distribution from this account is available to meet a participant’s hardship situation. In the event that a participant’s 401(k) deferral contributions exceed permitted legal limitations, and/or in the event the Plan fails to meet certain nondiscrimination requirements and the participant is classified as a “highly compensated employee,” all or a portion of the participant’s 401(k) deferral contributions, and earnings on those contributions, will be distributed to the participant, as necessary to satisfy legal requirements. Most withdrawals taken before age 59½ from the 401(k) are taxed as ordinary income plus a 10 percent penalty. Exceptions include total and permanent disability, loss of employment for participants at least age 55 and a qualified domestic relations order after a divorce.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

Each participant will have a separate account consisting of employer matching contributions and the earnings on those amounts. Participants become fully vested in these accounts after two years of service, or, if earlier, upon attaining age 55 or upon the death or disability of the participant. Distributions of the vested value of this account may begin upon termination from service, death, or disability. In addition, the amount of employer contributions that have been held in this account more than two years may be distributed at the election of the participant. In the event the Plan fails to meet certain nondiscrimination requirements and the participant is classified as a "highly compensated employee," all or a portion of the participant's matching contributions will be forfeited, as necessary to satisfy legal requirements.

Any nonvested portion of a participant's employer matching account will be forfeited upon the termination from service of the participant. Forfeitures are used to reduce future employer contributions. Amounts forfeited in 2021 and 2020 totaled \$365,217 and \$197,562, respectively. During 2021 and 2020, forfeitures used to reduce employer contributions were \$384,419 and \$340,842, respectively. Forfeitures remaining in the Plan at December 31, 2021 and 2020 were \$154,174 and \$170,127, respectively.

Each participant may have a separate account consisting of any rollover contributions made to the Plan and the earnings on those amounts. Participants who contributed to the Plan in prior years may have a separate account consisting of after-tax contributions made to the Plan, and earnings on those amounts. Amounts in these accounts are immediately fully vested. A distribution from either of these accounts is available at any time at the election of the participant.

Certain participants with participation in prior plan years may have a separate account consisting of qualified non-elective employer contributions and earnings on those amounts. Amounts in these accounts are immediately fully vested. Distributions from this account may begin upon termination from service, death, disability, or the attainment of age 59½.

Certain participants who participated in a prior defined contribution pension plan sponsored by Life Insurance Company of the Southwest may have a separate account consisting of a transferred account from that plan attributable to employer contributions and may have a separate account consisting of a transferred account from that plan attributable to after-tax employee contributions, and, in both cases, earnings on those amounts. Amounts in these accounts are immediately fully vested. Distributions from the transfer account attributable to employer contributions may begin upon termination from service, death, disability, or the attainment of age 65. Distributions from the transfer account attributable to after-tax employee contributions may begin at any time at the election of the participant.

The normal form for a distribution from either transfer account will be as a joint and survivor annuity (or for an unmarried participant, a life annuity) unless the normal form of payment is waived by the participant (and spouse, if the participant is married).

The normal form of distribution from any other account is as a lump sum, unless the participant elects to receive a distribution of only a portion of the account.

- (d) Notes Receivable - Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to \$50,000 or 50% of their vested account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at prime plus 1 percent. Principal and interest is paid ratably through monthly payroll deductions.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

(2) Summary of Significant Accounting Policies

- (a) Accrual basis - These financial statements are presented using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").
- (b) Use of estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- (c) Investments - The Plan's investments are stated at fair value. Contributions to the Plan are participant directed and are invested in a deposit administration contract held by the Plan or in any one or more registered investment companies.

The contributions invested in the deposit administration contract are backed by the assets of National Life Insurance Company ("National Life") and are carried at fair value by the Plan at year-end, which, principally because of the periodic rate reset process, approximates contract value, including accrued interest. For additional information on the fair values, see Note 7 "Fair Value Measurements." The deposit administration contract has no deposit or withdrawal restrictions/penalties, and National Life can reset the interest rate guaranteed under the contract annually, announced prospectively, with a minimum guaranteed rate of 1%. Shares of the registered investment companies are valued at the net asset value of the shares held by the Plan at year-end.

Contributions designated for any of the investment options are transferred to the record keeper each payday. All dividends are automatically reinvested in shares of the fund. Transfers between any of the investment options of the registered investment companies are invested daily. A partial redemption is accounted for on the basis of the average cost of the shares in the participant's account on the date of redemption. Dividend income is recorded on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis.

The Plan's net investment income reflects interest credited according to the terms of the nonparticipating deposit administration contract or from the other available investment options offered under the Plan. Under the deposit administration contract, interest accumulates on contributions invested in the contract from the effective date of the transaction.

- (d) Expenses of the Plan - All expenses incurred in the administration of the Plan are currently paid by fees charged against participants' investments and by National Life.
- (e) Risks and Uncertainties - The Plan provides for investments in any combination of registered investment companies and the deposit administration contract offered through National Life. These investment securities and insurance contract are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for plan benefits.
- (f) Payment of Benefits - Benefits are recorded when paid.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

- (g) Notes Receivable – Notes receivable from participants are reported at their unpaid principal balances plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

(3) Certified Financial Information (unaudited)

The investment balance and related investment information included in the financial statements, accompanying notes, and supplemental schedule are derived from statements which have been certified by the Trustee as complete and accurate in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Accordingly, as permitted under 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the auditors not to perform any auditing procedures with respect to the information certified by Prudential Bank & Trust, F.S.B., the Trustee of the Plan, except for comparing such information to the related information included in the accompanying financial statements and supplemental schedule. The Plan Administrator has obtained a certification from the Trustee that the information provided to the Plan Administrator by the Trustee is complete and accurate.

(4) Tax Status of Plan

The Plan has adopted the Prototype Non-Standardized Profit Sharing Plan with CODA sponsored by Prudential Retirement, which obtained its latest determination letter on April 29, 2014, in which the Internal Revenue Service stated that the prototype was in compliance with the applicable requirements of the Internal Revenue Code. The Plan varies in certain aspects from the prototype. However, the Plan Administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Financial Accounting Standards Board ("FASB") ASC 740, *Income Taxes*, requires entities to disclose in their financial statements the nature of any uncertainty in their tax positions. For tax exempt entities, tax-exempt status itself is deemed to be an uncertainty, as events could potentially occur to jeopardize their tax-exempt status. Management believes the Plan has no uncertain tax positions. The Plan anticipates that it will not have a change in uncertain tax positions during the next twelve months that could have a material impact on the Plan's financial statements. If necessary, the Plan would accrue interest and penalties on uncertain tax positions as a component of the provision for income taxes. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2018.

(5) Plan Termination

Although it has not expressed any intention to do so, National Life has the right under the Plan to discontinue its contributions at any time or to terminate the Plan subject to the provisions set forth in ERISA. In the event the Plan terminates, the net assets of the Plan will be allocated based on participants' account balances. Each participant's account balance shall be 100% vested and nonforfeitable.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

(6) Related Party Transactions

The deposit administration contract is a contract entered into by the Trustee on behalf of the Plan with National Life. National Life is the Plan Sponsor of the Plan and, therefore, these transactions qualify as party-in-interest transactions. There were no fees paid to National Life during 2021 and 2020.

(7) Fair Value Measurements

U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e. the “exit price”) in an orderly transaction between market participants at the measurement date.

U.S. GAAP requires consideration of three broad valuation techniques (i) the market approach, (ii) the income approach, and (iii) the cost approach. ASC 820 requires that entities determine the most appropriate valuation technique to use, given what is being measured and the availability of sufficient inputs. ASC 820 prioritizes the inputs to fair valuation techniques and allows for the use of unobservable inputs to the extent that observable inputs are not available. The Plan assets and liabilities are categorized into a three-level hierarchy, based on the priority of the inputs to the respective valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Plan assets and liabilities as of December 31, 2021 and 2020 are categorized as follows:

- Level 1 - Unadjusted quoted prices accessible in active markets for identical assets or liabilities at the measurement date. Currently, there are no Level 1 assets.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly through corroboration with observable market data (market-corroborated inputs). Plan assets classified within this level are the deposit administration contract.
- Level 3 - Prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Inputs reflect management’s best estimate about the assumptions market participants would use at the measurement date in pricing the asset. Consideration is given to the risk inherent in both the method of valuation and the valuation inputs. Currently, there are no Level 3 assets.

Valuation Techniques

Mutual funds - This category includes mutual funds that are actively traded and have a quoted net asset value (“NAV”). These securities are not categorized in the fair value hierarchy.

Deposit administration contract - This category consists of deposits in a National Life Group variable annuity contract. The contract is carried at amortized cost, which approximates fair value. These securities are categorized in Level 2 of the fair value hierarchy.

Fair Value Hierarchy Table
December 31, 2021

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Deposit administration contract	\$ —	\$ 105,002,374	\$ —	\$ 105,002,374
Total Investments (1)	\$ —	\$ 105,002,374	\$ —	\$ 105,002,374

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

Fair Value Hierarchy Table
December 31, 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Deposit administration contract	\$ —	\$ 110,216,166	\$ —	\$ 110,216,166
Total Investments (1)	<u>\$ —</u>	<u>\$ 110,216,166</u>	<u>\$ —</u>	<u>\$ 110,216,166</u>

1. In accordance with ASU 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*, certain investments that are measured at fair value using NAV (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value of these investments in mutual funds was \$193,036,115 and \$163,035,613 as of the years ended December 31, 2021 and 2020, respectively.

(8) Withdrawing Participants

All participants who have withdrawn from the Plan and have requested their benefits have been paid as of December 31, 2021.

(9) Subsequent Events

The Plan evaluated subsequent events through September 16, 2022, the date the Plan's financial statements were made available to be used.

NATIONAL GROUP 401(K) PLAN
Schedule H, line 4i - Schedule of Assets (Held at End of Year)
December 31, 2021

Plan Sponsor: National Life Insurance Company
Sponsor's EIN: 03-0144090
Plan number: 004

(a)	(b)	(c)	(d)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Current value
*	Prudential Retirement Insurance and Annuity Company	LCG/Jennison Fund	\$ 15,655,566
*	Prudential Retirement Insurance and Annuity Company	Western Asset Cr Pls BD	945,533
*	National Life Interest Account	National Life Interest Account	105,002,374
	Mutual Funds	T. Rowe Price Retirement 2010 A	318,137
	Mutual Funds	T. Rowe Price Retirement 2015 A	987,631
	Mutual Funds	T. Rowe Price Retirement 2020 A	5,465,901
	Mutual Funds	T. Rowe Price Retirement 2025 A	10,851,588
	Mutual Funds	T. Rowe Price Retirement 2030 A	12,040,353
	Mutual Funds	T. Rowe Price Retirement 2035 A	14,523,451
	Mutual Funds	T. Rowe Price Retirement 2040 A	10,138,906
	Mutual Funds	T. Rowe Price Retirement 2045 A	6,264,078
	Mutual Funds	T. Rowe Price Retirement 2050 A	7,441,308
	Mutual Funds	T. Rowe Price Retirement 2055 A	7,353,860
	Mutual Funds	T. Rowe Price Retirement 2060 A	3,266,857
	Mutual Funds	AM Fnd Europacific Grwth R6	5,380,900
	Mutual Funds	Vanguard Institl Index	26,735,068
	Mutual Funds	Vang Total Intl Stock I	5,938,262
	Mutual Funds	Vanguard Ext Mkt Ind Inst	31,065,060
	Mutual Funds	Vanguard Total Bond Index	2,351,621
	Mutual Funds	MFS Value Fund Class R6	4,766,537
	Mutual Funds	Touchstone LC FDC Instl	20,557,699
	Self-Directed Brokerage	Self-Directed Brokerage	987,799
*	Participant Loans	4.25% - 6.50%	1,753,804
*	Parties-in-interest		<u>\$ 299,792,293</u>

**NATIONAL LIFE GROUP 401(K) PLAN
Financial Statements and Schedule**

(With Independent Auditors' Report)

December 31, 2021 and 2020

**NATIONAL LIFE GROUP 401(K) PLAN
December 31, 2021 and 2020**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 - 4
Statements of Net Assets Available for Plan Benefits	5
Statements of Changes in Net Assets Available for Plan Benefits	6
Notes to Financial Statements	7 - 12
Supplemental Schedule:	
Schedule H, line 4i - Schedule of Assets (Held at End of Year)	13

Independent Auditors' Report

To the Benefits Investment and Administration Committee
National Life Group 401(k) Plan
Montpelier, Vermont

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the accompanying financial statements of National Life Group 401(k) Plan (the “Plan”), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for plan benefits as of December 31, 2021, and the related statement of changes in net assets available for plan benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan’s financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditors’ Responsibilities for the Audit of the Financial Statements section—

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of National Life Group 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about National Life Group 401(k) Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the Plan; and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of National Life Group 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about National Life Group 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

The supplemental schedule of Schedule H, Line 4i – Schedule of Assets (Held at End of Year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed

to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Other Matter — Report on the 2020 Financial Statements

We were engaged to audit the statement of net assets available for plan benefits of the Plan as of December 31, 2020 and the related statement of changes in net assets available for plan benefits for the year then ended. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information certified by the qualified institution. Our audit report, dated September 20, 2021, indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient, appropriate audit evidence to provide a basis for an opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the information certified by the qualified institution were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

McSoley McCoy & Co.

South Burlington, Vermont
September 16, 2022
VT Reg. No. 92-349

NATIONAL LIFE GROUP 401(K) PLAN
Statements of Net Assets Available for Plan Benefits
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets:		
Investments at fair value	\$ 298,038,489	\$ 273,251,779
Notes receivable	1,753,804	1,916,033
Net assets available for plan benefits	<u>\$ 299,792,293</u>	<u>\$ 275,167,812</u>

See accompanying notes to the financial statements.

NATIONAL LIFE GROUP 401(K) PLAN
Statements of Changes in Net Assets Available for Plan Benefits
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Additions to net assets attributed to:		
Investment income:		
Net appreciation in the fair value of investments	\$ 29,414,034	\$ 30,913,991
Interest and dividend income	<u>1,234,946</u>	<u>1,089,890</u>
Total investment income	<u>30,648,980</u>	<u>32,003,881</u>
Contributions:		
Employee contributions	9,674,838	9,585,685
Employee rollovers	1,098,410	1,036,255
Employer contributions	<u>3,368,306</u>	<u>3,375,474</u>
Total contributions	<u>14,141,554</u>	<u>13,997,415</u>
Total additions	<u>44,790,534</u>	<u>46,001,296</u>
Deductions from net assets attributed to:		
Benefit payments	19,796,414	14,857,594
Record keeping fees	355,943	287,588
Investment advisor fees	<u>13,696</u>	<u>15,664</u>
Total deductions	<u>20,166,053</u>	<u>15,160,846</u>
Increase in net assets available for plan benefits	24,624,481	30,840,450
Net assets available for plan benefits:		
Beginning of year	<u>275,167,812</u>	<u>244,327,362</u>
End of year	<u>\$ 299,792,293</u>	<u>\$ 275,167,812</u>

See accompanying notes to the financial statements.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

(1) Description of the Plan

The following brief description of the National Life Group 401(k) Plan (the “Plan”) is provided for informational purposes only.

The Plan is a qualified 401(k) defined contribution retirement plan available to eligible employees of any National Life Group company (“National Life Group”). The Plan is administered by the Benefits Investment and Administration Committee of National Life Group (the “Plan Administrator”). The same committee is the plan fiduciary responsible for determining investment options available to participants in this participant-directed individual account plan in accordance with the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

- (a) Eligibility - Employees in a “with benefits” employment category of any of the companies in the National Life Group may elect to participate in the Plan immediately by electing salary deferral contributions.
- (b) Contributions - Participants may elect to contribute from 1% - 50% of base salary to the Plan on a salary deferral basis up to the Internal Revenue Code (“IRC”) 401(k) contribution limit. Employees of a National Life Group company that are eligible to participate in the plan and hired prior to January 1, 2021 will receive matching contributions under the following formula: employees earning not more than \$45,000 annually will receive a 75% match of up to 6% of salary and employees earning more than \$45,000 annually will receive a 50% match of up to 6% of salary, subject to maximum contribution guidelines. Eligible employees hired on or after January 1, 2021, will receive a 100% match up to 6% of salary, subject to maximum contribution guidelines.

Participants are also permitted to make rollover contributions into the Plan of their interests in other retirement arrangements as permitted by the Internal Revenue Code.

- (c) Accounts and Benefits - The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested accounts. The participant is entitled to receive an amount up to their total vested account balance from an account at the time a benefit from that account is payable.

Each participant may have several different accounts under the Plan. Different vesting rules apply to different accounts.

The time at which a distribution may be made from an account may differ depending on the type of account. Except as noted below, however, a distribution may always be made from an account upon the earliest of the participant’s termination from service, death, disability, or the termination of the Plan.

Each participant will have a separate account consisting of the participant’s 401(k) deferral contributions and earnings on those amounts. Participants are immediately fully vested in these accounts. Distributions from this account may begin upon termination from service, death, disability, or the attainment of age 59½. In addition, a distribution from this account is available to meet a participant’s hardship situation. In the event that a participant’s 401(k) deferral contributions exceed permitted legal limitations, and/or in the event the Plan fails to meet certain nondiscrimination requirements and the participant is classified as a “highly compensated employee,” all or a portion of the participant’s 401(k) deferral contributions, and earnings on those contributions, will be distributed to the participant, as necessary to satisfy legal requirements. Most withdrawals taken before age 59½ from the 401(k) are taxed as ordinary income plus a 10 percent penalty. Exceptions include total and permanent disability, loss of employment for participants at least age 55 and a qualified domestic relations order after a divorce.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

Each participant will have a separate account consisting of employer matching contributions and the earnings on those amounts. Participants become fully vested in these accounts after two years of service, or, if earlier, upon attaining age 55 or upon the death or disability of the participant. Distributions of the vested value of this account may begin upon termination from service, death, or disability. In addition, the amount of employer contributions that have been held in this account more than two years may be distributed at the election of the participant. In the event the Plan fails to meet certain nondiscrimination requirements and the participant is classified as a "highly compensated employee," all or a portion of the participant's matching contributions will be forfeited, as necessary to satisfy legal requirements.

Any nonvested portion of a participant's employer matching account will be forfeited upon the termination from service of the participant. Forfeitures are used to reduce future employer contributions. Amounts forfeited in 2021 and 2020 totaled \$365,217 and \$197,562, respectively. During 2021 and 2020, forfeitures used to reduce employer contributions were \$384,419 and \$340,842, respectively. Forfeitures remaining in the Plan at December 31, 2021 and 2020 were \$154,174 and \$170,127, respectively.

Each participant may have a separate account consisting of any rollover contributions made to the Plan and the earnings on those amounts. Participants who contributed to the Plan in prior years may have a separate account consisting of after-tax contributions made to the Plan, and earnings on those amounts. Amounts in these accounts are immediately fully vested. A distribution from either of these accounts is available at any time at the election of the participant.

Certain participants with participation in prior plan years may have a separate account consisting of qualified non-elective employer contributions and earnings on those amounts. Amounts in these accounts are immediately fully vested. Distributions from this account may begin upon termination from service, death, disability, or the attainment of age 59½.

Certain participants who participated in a prior defined contribution pension plan sponsored by Life Insurance Company of the Southwest may have a separate account consisting of a transferred account from that plan attributable to employer contributions and may have a separate account consisting of a transferred account from that plan attributable to after-tax employee contributions, and, in both cases, earnings on those amounts. Amounts in these accounts are immediately fully vested. Distributions from the transfer account attributable to employer contributions may begin upon termination from service, death, disability, or the attainment of age 65. Distributions from the transfer account attributable to after-tax employee contributions may begin at any time at the election of the participant.

The normal form for a distribution from either transfer account will be as a joint and survivor annuity (or for an unmarried participant, a life annuity) unless the normal form of payment is waived by the participant (and spouse, if the participant is married).

The normal form of distribution from any other account is as a lump sum, unless the participant elects to receive a distribution of only a portion of the account.

- (d) Notes Receivable - Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to \$50,000 or 50% of their vested account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at prime plus 1 percent. Principal and interest is paid ratably through monthly payroll deductions.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

(2) Summary of Significant Accounting Policies

- (a) Accrual basis - These financial statements are presented using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").
- (b) Use of estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- (c) Investments - The Plan's investments are stated at fair value. Contributions to the Plan are participant directed and are invested in a deposit administration contract held by the Plan or in any one or more registered investment companies.

The contributions invested in the deposit administration contract are backed by the assets of National Life Insurance Company ("National Life") and are carried at fair value by the Plan at year-end, which, principally because of the periodic rate reset process, approximates contract value, including accrued interest. For additional information on the fair values, see Note 7 "Fair Value Measurements." The deposit administration contract has no deposit or withdrawal restrictions/penalties, and National Life can reset the interest rate guaranteed under the contract annually, announced prospectively, with a minimum guaranteed rate of 1%. Shares of the registered investment companies are valued at the net asset value of the shares held by the Plan at year-end.

Contributions designated for any of the investment options are transferred to the record keeper each payday. All dividends are automatically reinvested in shares of the fund. Transfers between any of the investment options of the registered investment companies are invested daily. A partial redemption is accounted for on the basis of the average cost of the shares in the participant's account on the date of redemption. Dividend income is recorded on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis.

The Plan's net investment income reflects interest credited according to the terms of the nonparticipating deposit administration contract or from the other available investment options offered under the Plan. Under the deposit administration contract, interest accumulates on contributions invested in the contract from the effective date of the transaction.

- (d) Expenses of the Plan - All expenses incurred in the administration of the Plan are currently paid by fees charged against participants' investments and by National Life.
- (e) Risks and Uncertainties - The Plan provides for investments in any combination of registered investment companies and the deposit administration contract offered through National Life. These investment securities and insurance contract are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for plan benefits.
- (f) Payment of Benefits - Benefits are recorded when paid.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

- (g) Notes Receivable – Notes receivable from participants are reported at their unpaid principal balances plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

(3) Certified Financial Information (unaudited)

The investment balance and related investment information included in the financial statements, accompanying notes, and supplemental schedule are derived from statements which have been certified by the Trustee as complete and accurate in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Accordingly, as permitted under 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the auditors not to perform any auditing procedures with respect to the information certified by Prudential Bank & Trust, F.S.B., the Trustee of the Plan, except for comparing such information to the related information included in the accompanying financial statements and supplemental schedule. The Plan Administrator has obtained a certification from the Trustee that the information provided to the Plan Administrator by the Trustee is complete and accurate.

(4) Tax Status of Plan

The Plan has adopted the Prototype Non-Standardized Profit Sharing Plan with CODA sponsored by Prudential Retirement, which obtained its latest determination letter on April 29, 2014, in which the Internal Revenue Service stated that the prototype was in compliance with the applicable requirements of the Internal Revenue Code. The Plan varies in certain aspects from the prototype. However, the Plan Administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Financial Accounting Standards Board ("FASB") ASC 740, *Income Taxes*, requires entities to disclose in their financial statements the nature of any uncertainty in their tax positions. For tax exempt entities, tax-exempt status itself is deemed to be an uncertainty, as events could potentially occur to jeopardize their tax-exempt status. Management believes the Plan has no uncertain tax positions. The Plan anticipates that it will not have a change in uncertain tax positions during the next twelve months that could have a material impact on the Plan's financial statements. If necessary, the Plan would accrue interest and penalties on uncertain tax positions as a component of the provision for income taxes. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2018.

(5) Plan Termination

Although it has not expressed any intention to do so, National Life has the right under the Plan to discontinue its contributions at any time or to terminate the Plan subject to the provisions set forth in ERISA. In the event the Plan terminates, the net assets of the Plan will be allocated based on participants' account balances. Each participant's account balance shall be 100% vested and nonforfeitable.

NATIONAL LIFE GROUP 401(K) PLAN
Notes to Financial Statements
December 31, 2021 and 2020

(6) Related Party Transactions

The deposit administration contract is a contract entered into by the Trustee on behalf of the Plan with National Life. National Life is the Plan Sponsor of the Plan and, therefore, these transactions qualify as party-in-interest transactions. There were no fees paid to National Life during 2021 and 2020.

(7) Fair Value Measurements

U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e. the “exit price”) in an orderly transaction between market participants at the measurement date.

U.S. GAAP requires consideration of three broad valuation techniques (i) the market approach, (ii) the income approach, and (iii) the cost approach. ASC 820 requires that entities determine the most appropriate valuation technique to use, given what is being measured and the availability of sufficient inputs. ASC 820 prioritizes the inputs to fair valuation techniques and allows for the use of unobservable inputs to the extent that observable inputs are not available. The Plan assets and liabilities are categorized into a three-level hierarchy, based on the priority of the inputs to the respective valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Plan assets and liabilities as of December 31, 2021 and 2020 are categorized as follows:

- Level 1 - Unadjusted quoted prices accessible in active markets for identical assets or liabilities at the measurement date. Currently, there are no Level 1 assets.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly through corroboration with observable market data (market-corroborated inputs). Plan assets classified within this level are the deposit administration contract.
- Level 3 - Prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Inputs reflect management’s best estimate about the assumptions market participants would use at the measurement date in pricing the asset. Consideration is given to the risk inherent in both the method of valuation and the valuation inputs. Currently, there are no Level 3 assets.

Valuation Techniques

Mutual funds - This category includes mutual funds that are actively traded and have a quoted net asset value (“NAV”). These securities are not categorized in the fair value hierarchy.

Deposit administration contract - This category consists of deposits in a National Life Group variable annuity contract. The contract is carried at amortized cost, which approximates fair value. These securities are categorized in Level 2 of the fair value hierarchy.

Fair Value Hierarchy Table
December 31, 2021

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Deposit administration contract	\$ —	\$ 105,002,374	\$ —	\$ 105,002,374
Total Investments (1)	\$ —	\$ 105,002,374	\$ —	\$ 105,002,374

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Fair Value Hierarchy Table
December 31, 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Deposit administration contract	\$ —	\$ 110,216,166	\$ —	\$ 110,216,166
Total Investments (1)	<u>\$ —</u>	<u>\$ 110,216,166</u>	<u>\$ —</u>	<u>\$ 110,216,166</u>

1. In accordance with ASU 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*, certain investments that are measured at fair value using NAV (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value of these investments in mutual funds was \$193,036,115 and \$163,035,613 as of the years ended December 31, 2021 and 2020, respectively.

(8) Withdrawing Participants

All participants who have withdrawn from the Plan and have requested their benefits have been paid as of December 31, 2021.

(9) Subsequent Events

The Plan evaluated subsequent events through September 16, 2022, the date the Plan's financial statements were made available to be used.

NATIONAL GROUP 401(K) PLAN
Schedule H, line 4i - Schedule of Assets (Held at End of Year)
December 31, 2021

Plan Sponsor: National Life Insurance Company
Sponsor's EIN: 03-0144090
Plan number: 004

(a)	(b)	(c)	(d)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Current value
*	Prudential Retirement Insurance and Annuity Company	LCG/Jennison Fund	\$ 15,655,566
*	Prudential Retirement Insurance and Annuity Company	Western Asset Cr Pls BD	945,533
*	National Life Interest Account	National Life Interest Account	105,002,374
	Mutual Funds	T. Rowe Price Retirement 2010 A	318,137
	Mutual Funds	T. Rowe Price Retirement 2015 A	987,631
	Mutual Funds	T. Rowe Price Retirement 2020 A	5,465,901
	Mutual Funds	T. Rowe Price Retirement 2025 A	10,851,588
	Mutual Funds	T. Rowe Price Retirement 2030 A	12,040,353
	Mutual Funds	T. Rowe Price Retirement 2035 A	14,523,451
	Mutual Funds	T. Rowe Price Retirement 2040 A	10,138,906
	Mutual Funds	T. Rowe Price Retirement 2045 A	6,264,078
	Mutual Funds	T. Rowe Price Retirement 2050 A	7,441,308
	Mutual Funds	T. Rowe Price Retirement 2055 A	7,353,860
	Mutual Funds	T. Rowe Price Retirement 2060 A	3,266,857
	Mutual Funds	AM Fnd Europacific Grwth R6	5,380,900
	Mutual Funds	Vanguard Institl Index	26,735,068
	Mutual Funds	Vang Total Intl Stock I	5,938,262
	Mutual Funds	Vanguard Ext Mkt Ind Inst	31,065,060
	Mutual Funds	Vanguard Total Bond Index	2,351,621
	Mutual Funds	MFS Value Fund Class R6	4,766,537
	Mutual Funds	Touchstone LC FDC Instl	20,557,699
	Self-Directed Brokerage	Self-Directed Brokerage	987,799
*	Participant Loans	4.25% - 6.50%	1,753,804
*	Parties-in-interest		<u>\$ 299,792,293</u>