

Moody Ross R
Form 4
September 29, 2010

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Moody Ross R

2. Issuer Name and Ticker or Trading Symbol
NATIONAL WESTERN LIFE INSURANCE CO [NWLII]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
850 E ANDERSON LANE
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
09/28/2010

Director 10% Owner
 Officer (give title below) Other (specify below)
President

AUSTIN, TX 78752
(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Class A Common Stock | 09/28/2010 | | M | 100 | A \$ 92.13 | 100 | D |
| Class A Common Stock | | | | | | 3,517 | D |
| Class A Common Stock | | | | | | 625 | I Trust |
| Class B Common | | | | | | 482 | I Trust |

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Stock

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Non-Qualified Stock Options | \$ 92.13 | 09/28/2010 | | M | 100 | 04/20/2007 04/20/2011 | Class A Common Stock | 10,000 |
| Stock Appreciation Rights | \$ 114.64 | | | | | 02/19/2010 ⁽¹⁾ 02/19/2019 | Class A Common Stock | 1,000 |
| Stock Appreciation Rights | \$ 114.64 | | | | | 02/19/2012 ⁽¹⁾ 02/19/2019 | Class A Common Stock | 5,500 |
| Non-Qualified Stock Options | \$ 208.05 | | | | | 06/20/2009 ⁽²⁾ 06/20/2018 | Class A Common Stock | 1,000 |
| Non-Qualified Stock Options | \$ 255.13 | | | | | 04/18/2011 ⁽²⁾ 04/18/2018 | Class A Common Stock | 5,500 |
| Non-Qualified Stock Options | \$ 150 | | | | | 06/25/2005 ⁽²⁾ 06/25/2014 | Class A Common Stock | 1,000 |
| Non-Qualified Stock Options | \$ 150 | | | | | 04/23/2007 ⁽²⁾ 04/23/2014 | Class A Common Stock | 10,000 |
| Non-Qualified Stock Options | \$ 95 | | | | | 06/22/2002 ⁽²⁾ 06/22/2011 | Class A Common | 1,000 |

Non-Qualified Stock Options \$ 92.13

04/20/2007⁽³⁾ 04/20/2011 Stock Class A Common Stock 3,0

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------|-------|
| | Director | 10% Owner | Officer | Other |
| Moody Ross R 850 E ANDERSON LANE AUSTIN, TX 78752 | X | | President | |

Signatures

Ross R. Moody 09/29/2010

 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The SARs are exercisable as they vest. The SARs vest in five equal annual installments beginning on the Date Exercisable.
- (2) The options are exercisable as they vest. The options vest in five equal annual installments beginning on the Date Exercisable.
- (3) Of these 3025 options, 925 vested on 4/20/07, and 2100 vested on 4/20/08.
- (4) Exercise of Non-Qualified Stock Options for 100 shares of Class A Common Stock.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.