

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported) August 22, 2008

NATIONAL WESTERN LIFE INSURANCE COMPANY
(Exact Name of Registrant as Specified in Its Charter)

COLORADO
(State or Other Jurisdiction of Incorporation)

84-0467208
(I.R.S. Employer Identification Number)

2-17039
(Commission File Number)

850 EAST ANDERSON LANE, AUSTIN, TEXAS
(Address of Principal Executive Offices)

78752-1602
(Zip code)

(512) 836-1010
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On August 22, 2008, National Western Life Insurance Company (“Company”) authorized management to prepare, devise and implement a limited stock buy-back program relating to the National Western Life Insurance Company 2008 Incentive Plan (“Plan”) which was adopted by the Company’s stockholders at the June 20, 2008 annual shareholders meeting.

The limited stock buy-back program, adopted by the Company effective August 22, 2008, provides option holders the additional alternative of selling shares acquired through the exercise of options directly back to the Company. Option holders may elect to sell such acquired shares back to the Company at any time within ninety (90) days after the exercise of options at the prevailing market price as of the date of notice of election. The buy-back program for the 2008 Plan replicates a previous buy-back program adopted by the Company relating to the Company’s 1995 Stock Option and Incentive Plan.

The buy-back program did not alter the terms and conditions of the Plan.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 21, 2008, the Compensation and Stock Option Committee of the Company approved the 2008 Marketing Officer Bonus Programs ("Bonus Programs"). These Bonus Programs are designed to provide additional compensation based on the Company achieving certain performance and profit criteria so that executives are held accountable through their compensation for the performance of the business. Participants in the Bonus Programs are the following individuals:

National Western Life Insurance Company 2008 Domestic Marketing Officer Bonus Program

Senior Vice President, Chief Domestic Marketing Officer, S. Christopher Johnson

Vice President, Paul T. Garofoli

Vice President, C. Scott Blundo

Vice President, Gary L. Fischer

Assistant Vice President, Lura L. Rogers

National Western Life Insurance Company 2008 International Marketing Officer Bonus Program

Senior Vice President, Chief International Marketing Officer, Scott E. Arendale

Vice President, Miguel A. Laborde

Assistant Vice President, Jonatan Alkalay

The Bonus Programs are in effect for the year ending December 31, 2008. Amounts earned under the Domestic Marketing Officer Bonus Program and International Marketing Officer Bonus Program may be paid as frequently as quarterly.

Item 8.01. Other Events.

On August 22, 2008, the Board of Directors of National Western Life Insurance Company declared a cash dividend payable November 28, 2008 to stockholders on record as of October 31, 2008. The dividends declared were \$0.36 per common share to Class A stockholders and \$0.18 per common share to Class B stockholders.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
10(br)	National Western Life Insurance Company 2008 Domestic Marketing Officer Bonus Program
10(bs)	National Western Life Insurance Company 2008 International Marketing Officer Bonus Program

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NATIONAL WESTERN LIFE INSURANCE
COMPANY

Date: August 26, 2008

By: /S/ Brian M. Pribyl

Brian M. Pribyl
Senior Vice President
Chief Financial & Administrative Officer
and Treasurer

Exhibit 10(br)

National Western Life Insurance Company **2008 DOMESTIC MARKETING OFFICER BONUS PROGRAM**

The Bonus Program (“Program”) is designed to reward Domestic Marketing officers for their performance in achieving pre-determined sales targets while assisting the Company in managing to its profit criteria. The Plan incorporates three measurable performance factors: (1) sales, which are defined as net placed annualized target premium for Life business and as total placed premium for Annuity business, (2) persistency, and (3) expense management. The bonus percentages included in this document pertain to Domestic Marketing officers at the vice president level and higher. The bonus percentages for assistant vice presidents are determined using one-half of the percentages shown for vice presidents and above.

Each of the three performance factors will have an assigned target level for purposes of the Program. Assuming a “par” performance (i.e. achieving each target level), the weighting of the bonus (applied to base salary) is 70% for sales performance, 15% for persistency performance, and 15% for expense management performance. Actual results compared to the targets can either increase or decrease these percentages as explained in each of the following sections.

Sales Component (70%):

The sales component of the Program is further subdivided between Life production and Annuity production. For 2008, the Domestic sales goals are:

- Life -- \$13,500,000 net placed annualized target premium (14% of MaxWealth and 25% of Lifetime Returns Select total premium assumed to be target for purposes of the Program)
- Annuities -- \$540,000,000 net placed total premium

The New Business Market Summary Report (NWAR60) will be the source of sales results for purposes of this Program. Based upon these sales goals, the bonus percentage corresponding with the Life and Annuity sales production levels achieved in 2008 will be applied to 100% of each Domestic Marketing officer’s base salary in accordance with the following grid:

Life Placed Target Premium	Bonus %	Annuity Placed Total Premium	Bonus %
\$11,000,000	15.0%	\$340,000,000	5.0%
\$11,500,000	20.0%	\$380,000,000	10.0%
\$12,000,000	25.0%	\$420,000,000	15.0%
\$12,500,000	30.0%	\$460,000,000	20.0%
\$13,000,000	35.0%	\$500,000,000	25.0%
\$13,500,000	40.0%	\$540,000,000	30.0%
\$14,000,000	45.0%	\$580,000,000	35.0%
\$14,500,000	50.0%	\$620,000,000	40.0%
\$15,000,000	55.0%	\$660,000,000	45.0%
Increment for every \$500,000 thereafter	5.0%	Greater than \$660,000,000	45.0%

Bonus percentages associated with life sales are not capped but increase by 5.0% with every additional \$500,000 of placed target premium. Conversely, the bonus percentage for annuity sales is capped at 45% irrespective of sales production above the annuity sales goal.

Assuming an officer salary of \$100,000 and 2008 production of \$14,100,000 of Life placed target premium and \$470,000,000 of Annuity placed total premium, the officer’s 2008 sales bonus component under the Program would be \$65,000 (\$100,000 x 45% for Life business plus \$100,000 x 20% for Annuity business).

In the event that adverse persistency experience develops during calendar year 2009 with respect to 2008 life product sales, the Company reserves the right revisit the 2008 Program bonus awarded for life sales and true up the award for such adverse experience.

Persistency Component (15%):

Similar to the sales component, the persistency component of the Program is further subdivided between Life business and Annuity business.

The 24th month ratio of actual persistency to expected (i.e. pricing) persistency as reported in the Duration Score Listing query will serve as the measure for the Life persistency component of the Program. For purposes of the persistency measurement, the parameters include all writing agents (active and terminated) and all life business (universal life and traditional).

Based upon these persistency performance factors, the bonus percentage corresponding with the Domestic Life persistency levels achieved in 2008 will be applied to each Domestic Marketing officer's base salary in accordance with the following grid:

Domestic Life Persistency	Bonus %
Less than 88%	0%
88% – 91%	1.5%
91% – 94%	3.0%
94% – 97%	4.5%
97% – 100%	6.0%
100% - 101%	7.5%
101% - 102%	9.0%
102% - 103%	10.5%
103% - 104%	12.0%
104% - 105%	13.5%
105% - 106%	15.0%
Greater than 106%	15.0%

It is anticipated that the Duration Score Listing query will also support the annuity line of business sometime during 2008. Therefore, the 24th month ratio of actual persistency to expected (i.e. pricing) persistency as reported in the Duration Score Listing query for Annuity business will also serve as the measure for the Annuity persistency component of the Program. The bonus percentage corresponding with the Annuity persistency levels achieved in 2008 will be applied to each Domestic Marketing officer's base salary in accordance with the following grid:

Annuity Persistency	Bonus %
Less than 96%	0%
96% – 97%	1.5%
97% – 98%	3.0%
98% – 99%	4.5%
99% – 100%	6.0%
100% - 101%	7.5%
101% - 102%	9.0%
102% - 103%	10.5%
103% - 104%	12.0%
104% - 105%	13.5%
105% - 106%	15.0%
Greater than 106%	15.0%

Assuming an officer salary of \$100,000 and 2008 persistency ratios of 92.2% for Life business and 102.42% for Annuity business, the officer's 2008 persistency bonus component under the Program would be \$13,500 (\$100,000 x 3.0% for Life business plus \$100,000 x 10.5% for Annuity business).

Expense Component (15%):

The expense component of the program is based upon the ratio of actual expenses to target premium sales. For purposes of this ratio, annuity target premium is defined as 7.5% of total placed premium. Actual expenses include all cost center expenses with the exception of bonuses paid, agent health claims, agent reserve balance changes, and sales conference expenses.

Based upon the actual ratio achieved, the corresponding bonus percentage based upon the following chart will be applied to 100% of each Domestic Marketing officer's base salary:

Ratio of Expense/ Target Premium	Bonus %
Less than 3.90%	30.0%
3.90 % to 4.05%	27.0%
4.05% to 4.20%	24.0%
4.20% to 4.35%	21.0%
4.35% to 4.50%	18.0%
4.50% to 4.65%	15.0%
4.65% to 4.80%	12.0%
4.80% to 4.95%	9.0%
4.95% to 5.10%	6.0%
5.10% to 5.25%	3.0%
More than 5.25%	0.0%

Assuming actual expenses of \$2.3 million, life target premium sales of \$14.1 million, and annuity total placed premium of \$470 million, the calculated ratio would be 4.66% (\$2.3 million divided by the sum of \$14.1 million life target sales and \$49.35 million annuity (\$470 million times 7.5%)). The officer's 2008 expense management bonus component under the Program, assuming a \$100,000 base salary, would be \$12,000 (\$100,000 x 12%).

From the above examples, the officer with a \$100,000 base salary would receive a 2008 bonus under the program of 90.5% or \$90,500 (\$65,000 sales plus \$13,500 persistency plus \$12,000 expense management) reflecting persistency, expense management and sales below "par". See "Administration" for further guidelines when the bonus percentage exceeds 100%.

Administration:

Bonus amounts under the program will be calculated and advanced quarterly based upon actual results. However, bonus advances will be limited to 100% of participant base salary even if actual results to-date exceed 100%. In the event that actual year-to-date results are below minimum Program performance factor levels, the Company may, at its discretion, suspend the bonus advance payments until such time as the year-to-date results reach the minimum Program performance levels. Bonus amounts paid year-to-date will not be recouped from the participants in the event of suspension of quarterly payments except at the end of the Program year if unearned.

If at the end of the year the aggregate bonus percentage exceeds 100%, the incremental % above 100% will be applied to the base salaries of all Domestic Marketing Officers (weighted for the portion of the calendar year each participant was employed by the Company) to determine a dollar amount to be put into a "pool". The pool amount will be allocated based upon the recommendation of the Domestic Chief Marketing Officer and as approved by the Company President. The recommendation of the pool allocation by the Chief Marketing Officer must be submitted to the Company President by the end of the January 2009. The pool amount will be paid out quarterly in the following calendar year (i.e. 2009). Participants must be currently employed by the Company in order to receive pool payments. In other words, unpaid pool bonuses will be forfeited by participants upon termination from the Company. Amounts forfeited by terminated participants will remain the property of the Company and will not be redistributed among the remaining participants.

If employment with the Company is terminated during calendar 2008 for any reason other than "termination for cause" by NWL, the 2008 bonus amount paid at termination will be based upon the current year-to-date bonus % (not to exceed 100%) and the prorated percentage of the calendar year that services were rendered to the Company. In the event of death, the bonus amount will be paid to the individual's spouse, and if the individual's spouse is also not living at that time, then to the individual's children.

The Program, its terms, and its administration are at the complete discretion of the Company President and/or Compensation and Stock Option Committee ("Compensation Committee") of the Board of Directors and may be changed or revoked at any time without the consent of the participants. This includes, among other things, amendment of the terms, targets, and other features of the Program as the Company President and/or Compensation Committee sees fit. Accordingly, this Program does not constitute a legal and binding obligation of the Company to perform.

All amounts paid to participants under this program will be excluded when determining benefits under the Company's pension, 401(k), and other benefit programs.

August 2008

Exhibit 10(bs)

National Western Life Insurance Company **2008 INTERNATIONAL MARKETING OFFICER BONUS PROGRAM**

The Bonus Program (“Program”) is designed to reward International Marketing officers for their performance in achieving pre-determined sales targets while assisting the Company in managing to its profit criteria. The Plan incorporates three measurable performance factors: (1) sales, which are defined as net placed annualized target premium for International Life business and as total placed premium for Annuity business, (2) persistency, and (3) expense management. The bonus percentages included in this document pertain to International Marketing officers at the vice president level and higher. The bonus percentages for assistant vice presidents are determined using one-half of the percentages shown for vice presidents and above.

Each of the three performance factors will have an assigned target level for purposes of the Program. Assuming a “par” performance (i.e. achieving each target level), the weighting of the bonus (applied to base salary) is 70% for sales performance, 15% for persistency performance, and 15% for expense management performance. Actual results compared to the targets can either increase or decrease these percentages as explained in each of the following sections.

Sales Component (70%):

The sales component of the Program is based upon an International Life sales target of \$38,800,000 net placed annualized target premium. The New Business Market Summary Report (NWAR60) will be the source of sales results for purposes of this Program. Based upon this sales goal, the bonus percentage corresponding with the International Life sales production levels achieved in 2008 will be applied to 100% of each International Marketing officer’s base salary in accordance with the following grid:

Life Placed Target Premium	Bonus %
\$35,300,000	20.0%
\$36,000,000	30.0%
\$36,700,000	40.0%
\$37,400,000	50.0%
\$38,100,000	60.0%
\$38,800,000	70.0%
\$39,500,000	80.0%
\$40,200,000	90.0%
\$40,900,000	100.0%
Increment for every \$700,000 thereafter	5.0%

Bonus percentages associated with life international sales are not capped but increase by 5.0% with every additional \$700,000 of placed target premium. Assuming an officer salary of \$100,000 and 2008 production of \$39,000,000 of International Life placed target premium, the officer's 2008 sales bonus component under the Program would be \$70,000 (\$100,000 x 70%).

In the event that adverse persistency experience develops during calendar year 2009 with respect to 2008 life product sales, the Company reserves the right revisit the 2008 Program bonus awarded for life sales and true up the award for such adverse experience.

Persistency Component (15%):

The 24th month ratio of actual persistency to expected (i.e. pricing) persistency as reported in the Duration Score Listing query will serve as the measure for the persistency component of the Program. For purposes of the persistency measurement, the parameters include all international writing agents (active and terminated) and all life business (universal life and traditional).

Based upon these persistency performance factors, the bonus percentage corresponding with the International Life persistency levels achieved in 2008 will be applied to each International Marketing officer's base salary in accordance with the following grid:

Life Business Persistency	Bonus %
Less than 88%	0%
88% – 91%	3%
91% – 94%	6%
94% – 97%	9%
97% – 100%	12%
100% - 101%	15%
101% - 102%	18%
102% - 103%	21%
103% - 104%	24%
104% - 105%	27%
105% - 106%	30%
Greater than 106%	30%

Assuming an officer salary of \$100,000 and 2008 persistency of 92.1% for International Life business, the officer's 2008 persistency bonus component under the Program would be \$6,000 (\$100,000 x 6%).

Expense Component (15%):

The expense component of the Program is based upon the ratio of actual expenses to life target premium sales. Actual expenses include all cost center expenses as reported in the monthly cost center reports comparing actual expenses to budgeted expenses with the exception of bonuses paid and sales conference expenses.

Based upon the actual ratio achieved, the corresponding bonus percentage based upon the following chart will be applied to 100% of each International Marketing officer's base salary:

Ratio of Expense/ Target Premium	Bonus %
Less than 3.90%	30.0%
3.90 % to 4.0%	27.0%
4.00% to 4.10%	24.0%
4.10% to 4.20%	21.0%
4.20% to 4.30%	18.0%
4.30% to 4.40%	15.0%
4.40% to 4.50%	12.0%
4.50% to 4.60%	9.0%
4.60% to 4.70%	6.0%
4.70% to 4.80%	3.0%
More than 4.80%	0.0%

Assuming actual expenses of \$1.7 million, life target premium sales of \$39.0 million, the calculated ratio would be 4.36%. The officer's 2008 expense management bonus component under the Program, assuming a \$100,000 base salary, would be \$15,000 (\$100,000 x 15%).

From the above examples, the officer with a \$100,000 base salary would receive a 2008 bonus under the program of 91.0% or \$91,000 (\$70,000 sales plus \$6,000 persistency plus \$15,000 expense management) reflecting sales and expense management at "par" and persistency below "par". See "Administration" for further guidelines when the bonus percentage exceeds 100%.

Administration:

Bonus amounts under the program will be calculated and advanced quarterly based upon actual results. However, bonus advances will be limited to 100% of participant base salary even if actual results to-date exceeds 100%. In the event that actual year-to-date results are below minimum Program performance factor levels, the Company may, at its discretion, suspend the bonus advance payments until such time as the year-to-date results reach the minimum Program performance levels. Bonus amounts paid year-to-date will not be recouped from the participants in the event of suspension of quarterly payments except at the end of the Program year if unearned.

If at the end of the year the aggregate bonus percentage exceeds 100%, the incremental % above 100% will be applied to the base salaries of all International Marketing Officers (weighted for the portion of the calendar year each participant was employed by the Company) to determine a dollar amount to be put into a "pool". The pool amount will be allocated based upon the recommendation of the International Chief Marketing Officer and as approved by the Company President. The recommendation of the pool allocation by the Chief Marketing Officer must be submitted to the Company President by the end of the January 2009.

The pool amount will be paid out quarterly in the following calendar year (i.e. 2009). Participants must be currently employed by the Company in order to receive pool payments. In other words, unpaid pool bonuses will be forfeited by participants upon termination from the Company. Amounts forfeited by terminated participants will remain the property of the Company and will not be redistributed among the remaining participants.

If employment with the Company is terminated during calendar 2008 for any reason other than "termination for cause" by NWL, the 2008 bonus amount paid at termination will be based upon the current year-to-date bonus % (not to exceed 100%) and the prorated percentage of the calendar year that services were rendered to the Company. In the event of death, the bonus amount will be paid to the individual's spouse, and if the individual's spouse is also not living at that time, then to the individual's children.

The Program, its terms, and its administration are at the complete discretion of the Company President and/or Compensation and Stock Option Committee ("Compensation Committee") of the Board of Directors and may be changed or revoked at any time without the consent of the participants. This includes, among other things, amendment of the terms, targets, and other features of the Program as the Company President and/or Compensation Committee sees fit. Accordingly, this Program does not constitute a legal and binding obligation of the Company to perform.

All amounts paid to participants under this program will be excluded when determining benefits under the Company's pension, 401(k), and other benefit programs.

August 2008