

# When it comes to your retirement, guaranteed income can mean a lot.

To help provide guaranteed income in retirement, the Nationwide Peak<sup>®</sup> 10 Fixed Indexed Annuity has a rider called the Bonus Income+ Rider. It has an additional cost and must be elected at the time the contract is issued. When added to Nationwide Peak 10, it delivers:

- **A 10% bonus credit** included in your Income Benefit Base, calculated on total premium; no vesting schedule
- **A 7% simple interest roll-up rate** on the Income Benefit Base for the first 10 years or until your first lifetime withdrawal, whichever comes first
- **Guaranteed lifetime income**<sup>1</sup> that won't decrease, even if your contract value goes to zero
- **A joint option**, available at an additional cost, for continuation of income for the surviving spouse
- **No waiting period** to begin your lifetime withdrawals
- **A nonlifetime withdrawal**,<sup>2</sup> which provides the ability to take one nonlifetime withdrawal that will not stop the 7% simple interest roll-up rate on the Income Benefit Base and will not lock in the lifetime withdrawal percentage



<sup>1</sup> All guarantees and protections are backed by the claims-paying ability of Nationwide Life and Annuity Insurance Company.

<sup>2</sup> Please note that you can exercise this feature only once. It's not available in the first rider year; it is available only prior to the first lifetime withdrawal.

• Not a deposit • Not FDIC or NCUSIF insured • Not guaranteed by the institution  
• Not insured by any federal government agency • May lose value

# Nationwide Peak 10 and the Bonus Income+ Rider

**Issue ages:** The maximum issue age for the owner is 85 for both single or joint life contracts.

**Costs:** There is an annual fee charged quarterly on the account value. If this rider is elected, the Guaranteed Income Solution will not apply to the contract.

	ISSUE AGES	COST
Bonus Income+ Rider	45 - 85 years	1.00%
Bonus Income+ Rider with Joint Option	45 - 85 years	1.30%

**When your spouse needs retirement income:**

The Bonus Income+ Rider offers a Joint Option, which is available for an additional cost. Choosing to add the Joint Option guarantees that your surviving spouse will continue to receive the same level of income — uninterrupted and for the rest of their life. The lifetime withdrawal percentage is based on the younger spouse's age at the time of your first lifetime income withdrawal. Keep in mind that the lifetime income amount may be lower when the Joint Option is elected.

Your lifetime withdrawals may begin as early as age 45, but the longer you wait, your lifetime withdrawal percentage and Income Benefit Base may be higher.

**Lifetime Withdrawal Percentage:**

AGE	SINGLE LIFE	JOINT LIFE
45 - 59	3.30%	3.10%
60 - 64	4.30%	4.10%
65 - 69	5.15%	4.95%
70 - 74	5.40%	5.20%
75 - 80	5.95%	5.75%
81+	6.30%	6.10%

## How the rider works

To help you potentially stay ahead of inflation, you will receive a 10% bonus credit to your Income Benefit Base on the first day of your contract. The bonus is considered in all calculations going forward.

The Bonus Income+ Rider also offers a guaranteed 7% simple interest roll-up rate each year for the first 10 years or until your first lifetime withdrawal, whichever comes first.

At each contract anniversary, the Income Benefit Base becomes the greater of the contract value or the roll-up value. Please see the Certificate of Disclosure or your contract package for more details.

**Income Benefit Base:**

The Income Benefit Base is a value used to determine how much your lifetime withdrawals will be; it is the higher of your contract value or the guaranteed 7% simple interest roll-up (which includes the 10% bonus). It is not a cash value.

# Accumulation Phase

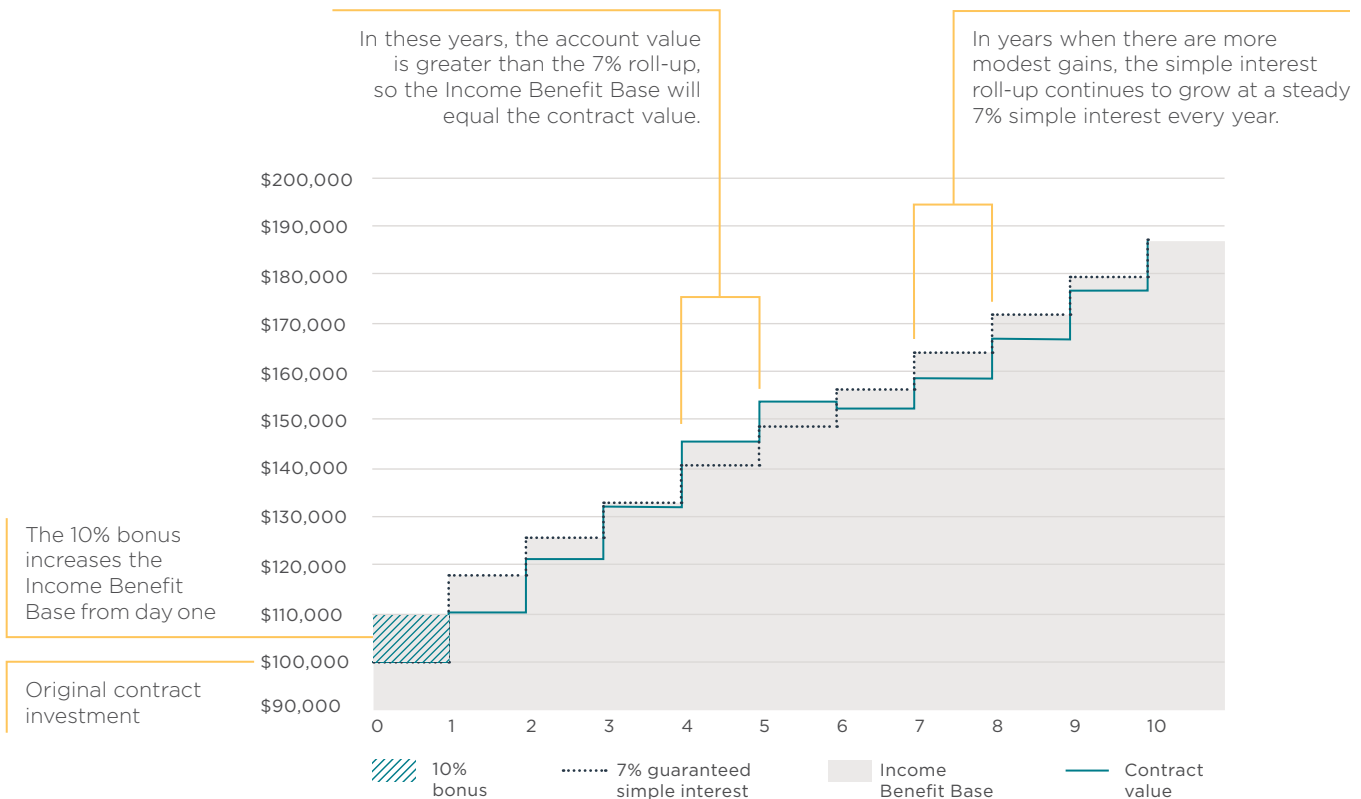
Let's look at two situations using different crediting options. Please note that due to the additional cost, the contract value could decrease in years with low or no growth.

Here's a hypothetical example to see how the 10% bonus and a 7% simple interest roll-up rate could work.

**EXAMPLE  
1**

- Linda invests in Nationwide Peak 10 and purchases the Bonus Income+ Rider
- She immediately gets a 10% bonus credit included in her Income Benefit Base
- This Income Benefit Base will grow by 7% simple interest for each of the first 10 years or until she takes her first lifetime income withdrawal
- The cost of the rider may reduce the contract value in years with low or no earnings.

## Contract and Income Benefit Base Growth Using a One-Year Cap Crediting Option



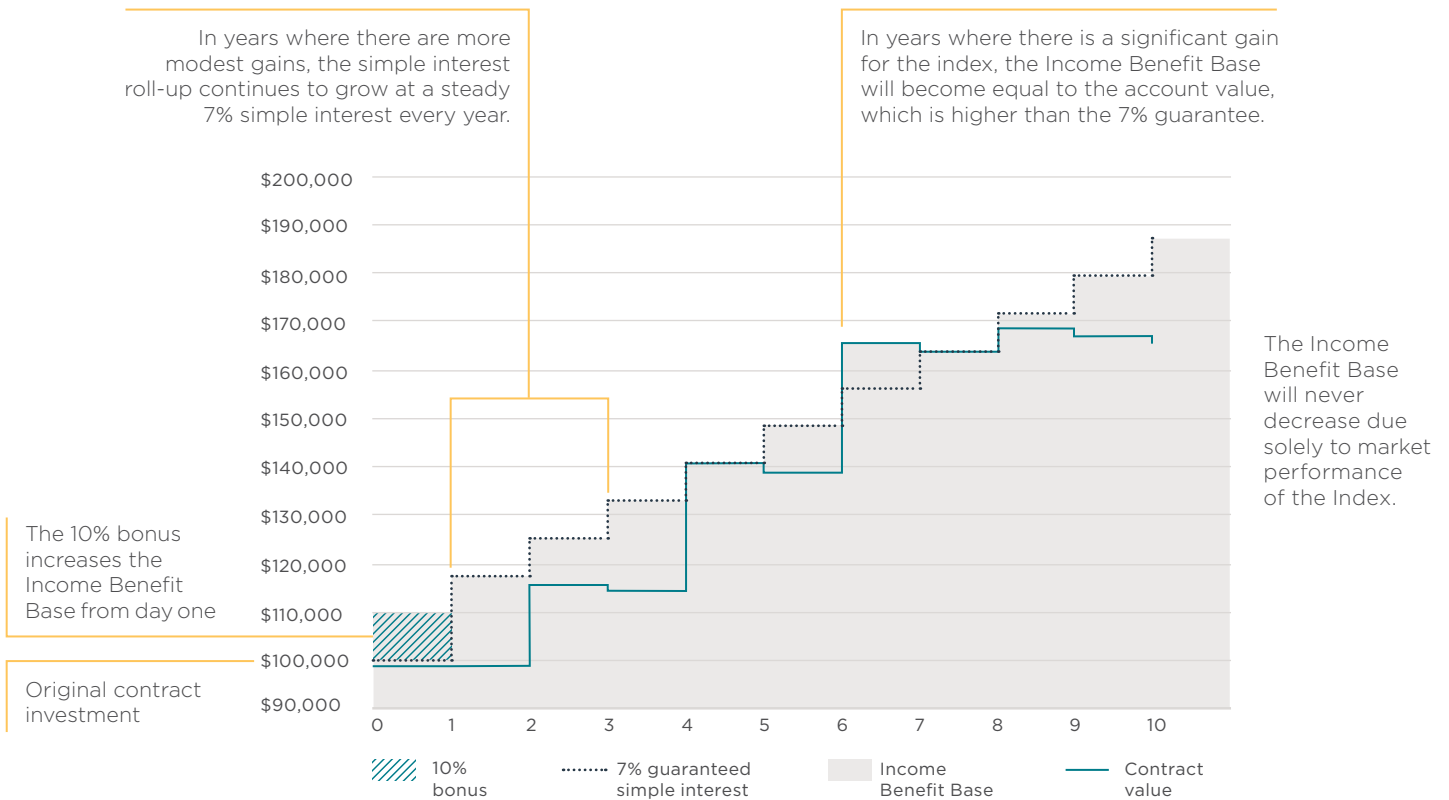
This illustration is hypothetical and not intended to serve as a projection or prediction. If you take a non-lifetime withdrawal or excess withdrawals, it will reduce your Income Benefit Base. All withdrawals reduce the contract value.

# Accumulation Phase (continued)

## EXAMPLE 2

- Linda chooses to invest her money with a two-year crediting option of an index using a participation rate + spread
- Using this crediting option may provide the opportunity for more growth
- The two-year crediting earnings will be applied to the contract every two years; therefore the cost of the rider will reduce the contract value in the years with no earnings (1, 3, 5, etc.)

### Contract and Income Benefit Base Growth using a Participation Rate + Spread Crediting Option



This illustration is hypothetical and not intended to serve as a projection or prediction. If you take a non-lifetime withdrawal or excess withdrawals, it will reduce your Income Benefit Base. All withdrawals reduce the contract value.

# Income Phase

Americans today can spend decades living in retirement. But the Bonus Income+ Rider provides a steady stream of income that's guaranteed for the rest of your life<sup>3</sup>—even if your contract value falls to \$0. In the income phase, we use the Income Benefit Base that grew in the accumulation phase to determine your annual lifetime withdrawal amount and turn it into income. You can receive your income on a monthly, quarterly, semiannual or annual basis, whichever works best for you.

**How your income is determined:** To figure out how much you'll receive (your lifetime withdrawal amount), we multiply your Income Benefit Base by your lifetime withdrawal percentage. Your lifetime withdrawal percentage is based on your age (or the younger spouse's age if the Joint Option is elected) when your first lifetime withdrawal is taken.

INCOME BENEFIT BASE	X	LIFETIME WITHDRAWAL %	=	LIFETIME WITHDRAWAL AMOUNT
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For example, if you are 65 when you invest \$100,000 and start lifetime withdrawals immediately, your Income Benefit Base would be \$110,000 because of the 10% bonus credit. Your lifetime withdrawal percentage is 5.15%, which would give you an annual lifetime withdrawal amount of \$5,665.

INCOME BENEFIT BASE	X	LIFETIME WITHDRAWAL %	=	LIFETIME WITHDRAWAL AMOUNT
\$110,000		5.15%		\$5,665

If you decide to wait 10 years until you take any withdrawals, your Income Benefit Base and lifetime withdrawal percentage could be higher, resulting in more income. Let's assume that after 10 years, your Income Benefit Base is \$187,000 and the withdrawal percentage is 5.95%. In this scenario, your annual lifetime withdrawal amount would be \$11,126.

INCOME BENEFIT BASE	X	LIFETIME WITHDRAWAL %	=	LIFETIME WITHDRAWAL AMOUNT
\$187,000		5.95%		\$11,126

**After lifetime withdrawals have started:** Once you've started taking lifetime withdrawals, Nationwide will continue to compare your contract value to your Income Benefit Base annually on the anniversary of your contract. If your contract value is higher than your current Income Benefit Base, your Income Benefit Base will become the higher amount. This allows you to take advantage of market growth and potentially increase your income annually.

<sup>3</sup> All guarantees and protections are backed by the claims-paying ability of Nationwide Life and Annuity Insurance Company. If you take early or excess withdrawals it will reduce your Income Benefit Base.

## Important information

A fixed indexed annuity is a contract you buy from an insurance company to help you potentially accumulate assets for retirement. It offers returns based on the changes in an index, such as the S&P 500® Composite Price Index.

You can receive earnings when the underlying index goes up, but your principal and earnings are also protected from downturns. This means you won't lose principal or earnings based solely on negative index returns. A fixed indexed annuity is not a stock market investment and does not directly participate in any stock or equity investment.

A fixed indexed annuity may be appropriate for those who want the opportunity to capture upside potential while having a level of protection from market downturns. Withdrawals taken before age 59½ may incur a 10% early withdrawal federal tax penalty in addition to ordinary income taxes; withdrawals may trigger surrender charges and reduce your death benefit and contract value.

Please keep in mind that annuities have limitations as they are designed for long-term retirement goals. They are not meant to be used as emergency funds, as income for day-to-day expenses or to fund short-term savings goals.



### Your next steps

Talk to your insurance professional and learn more about how Nationwide Peak 10 and the Bonus Income+ Rider can help you plan for tomorrow.

This material is not a recommendation to buy, sell, hold or roll over any asset, adopt a financial strategy or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition, or particular needs of any specific person. Clients should discuss their specific situation with their financial professional.



All guarantees and protections are subject to the claims-paying ability of Nationwide Life and Annuity Insurance Company.

Federal tax laws are complex and subject to change. The information in this brochure is based on current interpretations of the law. Nationwide doesn't offer tax advice. Please talk with your attorney or tax advisor for answers to specific questions.

If you annuitize a nonqualified annuity, a portion of your payment will be considered a return of premium and will not be subject to ordinary income tax. The amount that is taxable will be determined at the time you elect to annuitize the policy.

All annuity contract and rider guarantees, including optional benefits and any fixed subaccount crediting rates or annuity payout rates, are subject to the claims-paying ability of the issuing insurance company. They are not backed by the broker/dealer from which this annuity is purchased, by the insurance agency from which this annuity is purchased or any affiliates of those entities, and none makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

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