



**Nationwide®**  
is on your side

Nationwide YourLife®  
Indexed Universal Life

Client guide

# Find balance in life

Nationwide YourLife® Indexed Universal Life offers the potential for growth and guaranteed protection from loss.

## Before we get started

Be sure to choose a product that meets long-term life insurance needs, especially if personal situations change — for example, marriage, birth of a child or job promotion. Weigh the costs of the policy, and understand that life insurance has fees and charges that vary with sex, health, age and tobacco use. Riders that customize a policy to fit individual needs usually carry an additional charge.

Indexed universal life insurance policies are not stock market investments, do not directly participate in any stock or equity investments, and do not receive dividends or capital gains. Past index performance is no indication of future crediting rates. Also, be aware that interest-crediting fluctuations can lead to the need for additional premium in your policy.

Planning for the future may seem stressful these days — especially with so much market uncertainty. But it doesn't have to be that way.

In addition to protecting your family, Nationwide YourLife® Indexed UL (universal life) provides a healthy balance of the potential for growth you want and the guaranteed protection from loss you need, enabling you to move forward with confidence.

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# What is Nationwide YourLife Indexed UL?

Nationwide YourLife Indexed UL is a fixed life insurance product that offers you the same core benefits as traditional universal life insurance products, including:

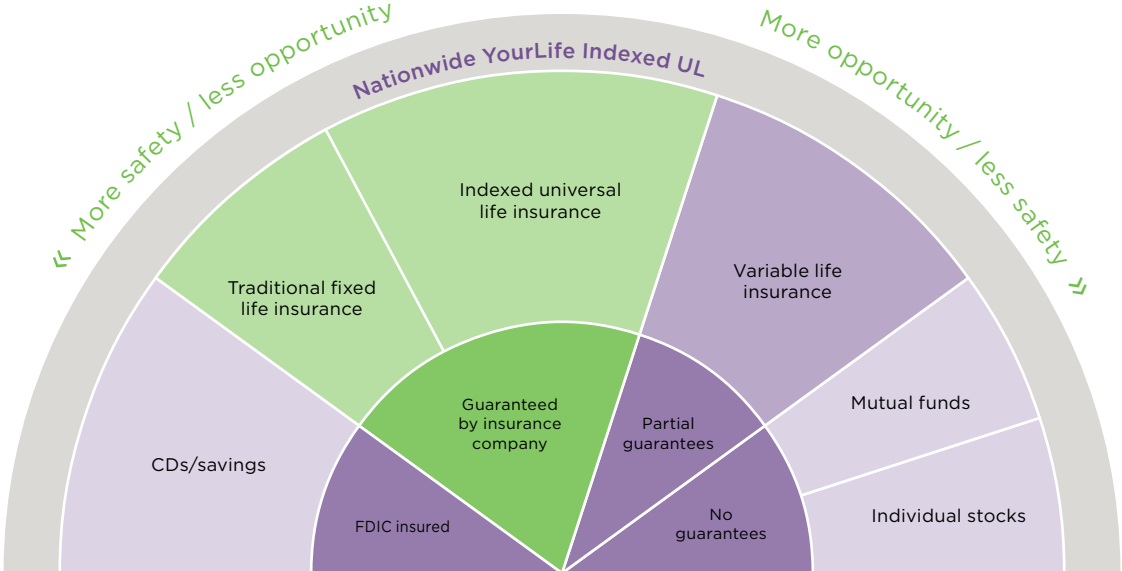
- Permanent death benefit protection
- Income tax-free death benefits

Traditional universal life insurance products credit your policy with a fixed interest rate. But Nationwide YourLife Indexed UL uses the performance of market indexes to help calculate the interest credited to your policy without actually investing in the market. This type of strategy gives you the potential for additional cash value accumulation compared with traditional universal life products. Cash value can be used later to meet a variety of income planning needs, such as possibly supplementing your retirement.

**With Nationwide YourLife Indexed UL, your money is never actually invested in the market, and you're protected with a guaranteed minimum interest rate.**

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Balance your need for both safety and opportunity.



# Who could benefit from it?

In addition to offering permanent death benefit protection, the features of Nationwide YourLife Indexed UL make it a good fit for people with a variety of income and planning objectives, including:

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## Legacy or estate planning

The death benefit helps you efficiently pass assets on to loved ones or a favorite charity.

## Supplemental retirement planning

This product gives you the opportunity for tax-advantaged accumulation, which you can access via policy loans to help supplement your retirement income.<sup>1</sup>

## Supplemental savings

Get protection with potential for growth to help prepare you for life's income planning needs, such as educational expenses.

## Long-term care (LTC) and living benefits

Our indemnity-style Long-Term Care Rider II lets you access the policy death benefit to pay your LTC benefits each month without the hassle of submitting receipts.<sup>2</sup>

The Accelerated Death Benefit Rider can help cover expenses or implement wishes of an insured who has been diagnosed as terminally ill with a life expectancy of 12 months or less.<sup>3</sup>

## Executive benefits and business planning

Helps businesses run smoothly with solutions for recruiting, rewarding and retaining key employees and for business continuation.

<sup>1</sup> The information regarding access to cash value assumes the contract qualifies as life insurance under Internal Revenue Code (IRC) Section 7702. Most distributions are taxed on a first-in/first-out basis as long as the contract remains in force and meets the non-MEC (modified endowment contract) definitions of IRC Section 7702A. But if it is a MEC, then any distributions you take from your policy will generally be taxable and subject to a 10% early withdrawal federal tax penalty if you're 59½ or younger.

<sup>2</sup> This rider is not available on Nationwide® YourLife Executive Indexed UL, which is used for corporate-owned and corporate-sponsored cases. The Long-Term Care Rider II is available at an additional charge. Although bills and receipts do not need to be submitted each month to receive monthly LTC benefits, they may be needed to help establish the claim. Keep in mind that, as an acceleration of the death benefit, the Long-Term Care Rider II payout will reduce both the death benefit and cash surrender values. Make sure that life insurance needs will be met even if the rider pays out in full. Costs for long-term care vary by person, and there is no guarantee the rider will cover all long-term care costs. Nationwide pays long-term care benefits to the policyowner. If the insured is not the policyowner, there is no guarantee that benefits will be used to pay for long-term care. The Long-Term Care Rider II is not available in all states. In states where it is not yet approved, our original Long-Term Care Rider is available.

<sup>3</sup> The Accelerated Death Benefit Rider is a feature included with the policy. There is no monthly deduction for the rider. However, there is a cost associated with this rider if and when it is invoked.





THURSDAY	FRIDAY
2	7
3pm Trainer	Lunch meeting Sales Team
5	6
Marketing/ Sales Team	my BIRTHDAY
9am	
8	9
Projections Dell AT	
	NOON
	11



## How does it work?

Life insurance protects your family with money, called a death benefit, if the unexpected should happen. Some life insurance policies, such as universal life, also help you accumulate cash value by crediting your policy with a fixed interest rate set by the insurance company. But a policy with indexed strategies (such as Nationwide YourLife Indexed UL) may provide you with better interest crediting than a fixed rate policy can by helping you take advantage of periods of market growth. This type of strategy credits interest to your policy based on the measured performance of an index or indexes, and is also subject to the following:

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### Participation rate

The percentage of the index's or indexes' performance you can receive on your policy.

### Cap rate

The maximum interest rate your policy can earn.

### Guaranteed minimum/floor rate

A guaranteed minimum interest rate, or floor, that protects you from loss regardless of what happens in the market.<sup>4</sup>

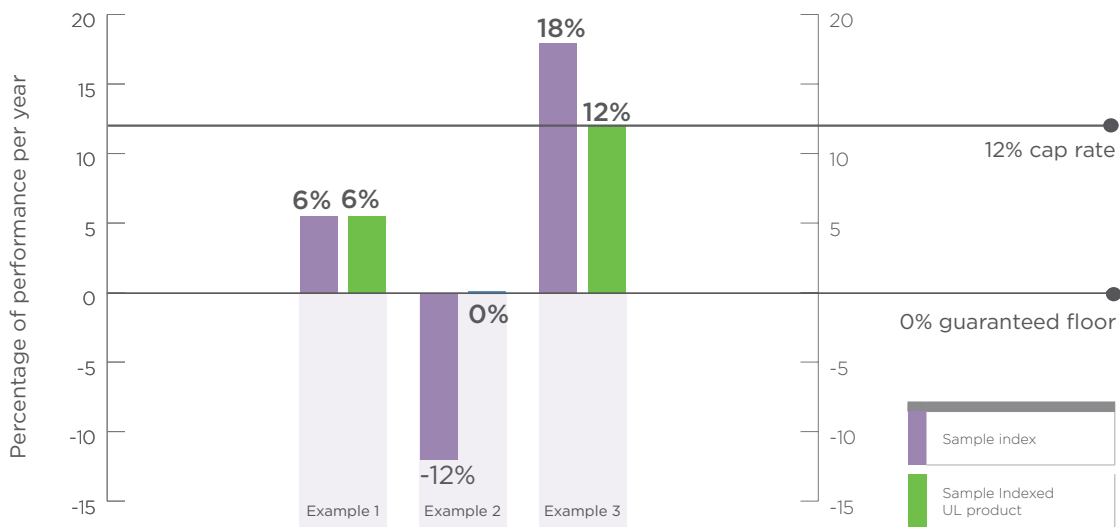
<sup>4</sup> Please note that policy charges are still deducted monthly and include a flat administrative fee, an expense charge based on face value issued, cost of insurance charges and charges for any riders.

Keep in mind that guarantees are subject to the claims-paying ability of the issuing insurance company.



## A hypothetical example of how indexed universal life works

The sample indexed universal life policy shown below has a 100% participation rate, a 12% cap rate and a 0% floor rate.



Based on this hypothetical example, your policy would be credited interest in the following way:

**Example 1: 6%** (because of the 100% participation rate)

**Example 2: 0%** (because of the guaranteed 0% floor rate)

**Example 3: 12%** (because of the hypothetical 12% cap rate)

## What happens when you make a premium payment

When you make the initial premium payment on your policy, a premium expense charge is deducted. The remaining amount (called the net premium) is then deposited into the fixed interest strategy, where it earns a declared interest rate determined by the insurance company.

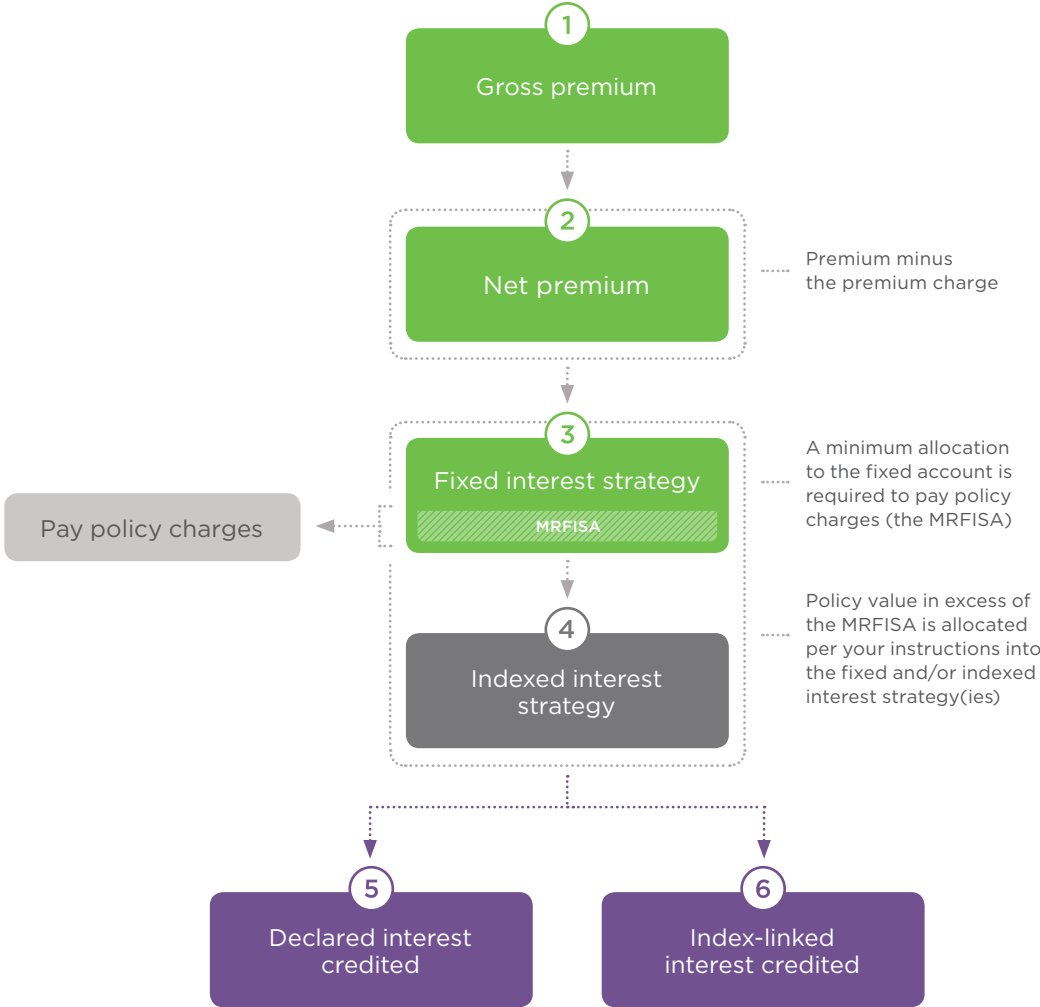
The estimated amount of policy charges for the coming year, called the minimum required fixed interest strategy allocation (MRFISA), is held in the fixed interest strategy. This amount at issue will be specified in your contract and updated annually, and will be reflected in your annual statement.

On the sweep date (currently the 15th of the month), only the amount of net premium in excess of the MRFISA will be moved to the indexed interest strategies per your instructions. If you pay only enough premium to meet the MRFISA, or less, you cannot take advantage of the indexed interest strategies.

Please note, your policy offers flexibility in the frequency and amount of premium you can pay. But before any net premium is allocated to the indexed interest strategies, the MRFISA must be met in its entirety.

## How you participate in the indexed interest strategies

When your money is swept into an indexed interest strategy, an index segment is created that lasts one year. Each index segment is subject to its own individual cap, floor and participation rates. At the end of the segment, called segment maturity, the appropriate interest rate is credited to the cash value in the indexed interest strategy and then redistributed between the fixed interest strategy and indexed interest strategies based on your allocations, subject to the MRFISA. Any money removed from an indexed interest strategy segment during an interest crediting period for any reason will not be credited with any index-linked interest.



# What sets the index strategies apart?

Nationwide YourLife® Indexed UL offers you the flexibility to choose the indexed interest crediting strategy, or combination of strategies, you feel the most comfortable with.

## 1. Monthly average interest crediting strategy — If you believe that market volatility is likely to continue in the near future

### It may lessen the impact of market volatility ...

The monthly average interest crediting strategy tracks the performance of three indexes — the S&P 500®, NASDAQ-100® and Dow Jones Industrial Average® — each month for one year and averages the 12 numbers to determine the percentage of change within each index. It uses more points of measure than annual crediting methods, which can help provide a more representative return — which is especially helpful during volatile markets because the interest credited does not depend on only two points in time, as does the annual point-to-point.



### ... and eliminate the guesswork

With this strategy, you don't have to worry about selecting the better-performing index; it's done for you! It blends the averages of the three indexes and ranks the performances so the final rate you receive is made up of 50% of the best-performing index, 30% of the second best and 20% of the third best.<sup>5</sup> There's no guesswork because you automatically benefit the most from the better-performing indexes.

<sup>5</sup> Nationwide may discontinue any index that becomes unavailable (i.e., is no longer published) or the calculation of which is substantially changed. Nationwide may substitute with a comparable index or may adjust the method of calculating index segment Interest.

The illustrations used here contain hypothetical figures and do not represent actual results. Past performance is no guarantee of future performance or of values of indexed life insurance. Cap, floor and participation rates are illustrative in nature, are not guaranteed and are subject to change.

Different time scenarios will produce varying results, which could be less or more favorable depending on the performance of each entity. Indexed universal life policies are not stock market investments and do not directly participate in any stock or equity investments.

## 2. Annual point-to-point interest crediting strategy — If you believe the market will likely experience steady growth

### It offers a simplified strategy format

The annual point-to-point strategy simply compares the initial and ending values of the S&P 500® Index over a one-year period to determine the percentage of change in the index. Because it's not an average, the point-to-point method can potentially result in higher interest credited when markets are stable and experiencing steady growth. It relies on only two points of time — the start and end dates of the segment.



## 3. A combination of the strategies — If you would like additional diversification

### With Nationwide YourLife Indexed UL, you don't have to choose only one

You have the ability to allocate your funds however you want between the strategies — even within the same segment period. For example, you could allocate 50% of your funds to the annual point-to-point strategy and the other 50% to monthly averaging.

# What are the product details?

QUESTIONS	ANSWERS
<p>How long will my coverage last?</p>	<p>Provides coverage to age 120.</p>
<p>How does the policy's death benefit guarantee work?</p>	<p>Nationwide YourLife Indexed UL policy comes with a 20-year death benefit guarantee on the base policy (reduced for issue ages 56 and above)</p> <p><b>Issue ages 0 to 70:</b> Minimum of 20 years or 75 minus the issue age</p> <p><b>Issue ages 70+:</b> 5 years</p> <p>For more protection, you can purchase the <b>Extended Death Benefit Guarantee Rider</b>, which allows you to choose:</p> <ul style="list-style-type: none"> <li>• The time period protection will last from policy year 21 to attained age 120, earlier for issue ages 56 and above</li> <li>• And the amount of protection, from 50% to 100% of the base policy death benefit amount</li> </ul> <p>Note: Keep in mind that minimum premiums are required to receive the extended death benefit guarantee.</p>
<p>What charges or fees are associated with Nationwide YourLife Indexed UL?</p>	<p>When you sit down with your insurance professional, he or she will show you a personalized illustration of what you'll pay based on your needs and the coverage structure you elect. This amount is called the premium. Included in this amount are policy charges that cover items such as:</p> <ul style="list-style-type: none"> <li>• Cost of insurance protection</li> <li>• Administrative charges and sales expenses</li> <li>• Taxes</li> <li>• Cost of riders or additional benefits</li> <li>• Other fees</li> </ul>
<p>Is there a fee if I surrender my policy?</p>	<p>If you surrender your policy during the first 15 policy years (10 years for issue ages 70+), a surrender charge is deducted from your policy's cash value. The longer you keep your policy, the smaller the charge. If the policy was purchased through an employer, reduced surrender charges may apply.</p>
<p>How can I access the cash value in my policy?</p>	<p>Your premium (minus policy charges, plus interest) can provide you with cash value, which is available for loans and partial withdrawals.<sup>6</sup> Unpaid loans will reduce the death benefit payable, and if the policy lapses with a loan outstanding, it will be treated as a distribution and may be subject to income tax. Partial withdrawals usually reduce the death benefit payable and may be subject to income tax.</p>

<sup>6</sup> All references to loans assume that the contract remains in force and qualifies as life insurance under Section 7702 of the Internal Revenue Code and is not a modified endowment contract (MEC) under Section 7702A. Loans from a MEC will generally be taxable, and if taken prior to age 59½, may be subject to a 10% early withdrawal federal tax penalty.



QUESTIONS	ANSWERS
<p><b>What reference indexes are used?</b></p>	<p><b>Monthly average strategy</b>                      S&amp;P 500® Index                      NASDAQ-100®                      Dow Jones Industrial Average<sup>SM</sup></p> <p><b>Annual point-to-point strategy</b>                      S&amp;P 500® Index</p>
<p><b>Can I request transfers from the fixed interest strategy?</b></p>	<p>Yes, you may request one transfer from the fixed interest strategy during any 12-month period, subject to the MRFISA. Please note that transfers won't occur until the next segment is created. Premium and segment maturity allocation changes between the fixed and indexed interest strategies can be made at any time.</p>
<p><b>Are there any features available to help customize the policy?</b></p> <p>Riders may have an additional cost, may be known by different names in different states and may not be available in all states.</p>	<p><b>Accelerated Death Benefit Rider</b> — allows you to receive some of the death benefit early if diagnosed with a terminal illness</p> <p><b>Accidental Death Benefit Rider</b> — provides additional coverage in the case of a death due to accident</p> <p><b>Additional Term Insurance Rider</b> — provides additional coverage in the form of term insurance, which increases the amount of total coverage at an overall lower cost</p> <p><b>Children's Insurance Rider</b> — provides term coverage for all your children, even the ones to come later on in life</p> <p><b>Conditional Return of Premium Rider</b> — helps you enhance the early cash surrender values of the policy</p> <p><b>Extended Death Benefit Guarantee Rider</b> — see death benefit guarantee section on previous page for details</p> <p><b>Long-Term Care Rider II</b> — accelerates your death benefit to help pay for long-term care expenses</p> <p><b>Overloan Lapse Protection Rider</b> — helps to protect heavily loaned policies from lapsing</p> <p><b>Owner-directed settlement options</b> — allow you to select available settlement options for the policy's beneficiaries</p> <p><b>Premium Waiver Rider</b> — credits a monthly premium to your policy in case you become disabled</p> <p><b>Spouse Rider</b> — provides term coverage for your spouse</p> <p><b>Waiver of Monthly Deductions Rider</b> — pays all monthly deductions if you become disabled (but does not pay the full premium amount)</p>

# Why Nationwide®?

Strong, stable and committed to keeping our promises

Nationwide was founded by a group of forward thinkers who joined forces to protect what matters most. That sense of working together for the common good has never left us. Today we're a Fortune 100 company with a diversified corporate portfolio that allows us to navigate all manner of economic ups and downs.



**A.M. Best**  
received 10/17/2002  
affirmed 10/2/2017

A+

**Moody's**  
received 3/10/2009  
affirmed 11/7/2017

A1

**Standard & Poor's**  
received 12/22/2008  
affirmed 5/24/2017

A+

These ratings and rankings reflect rating agency assessment of the financial strength and claims-paying ability of Nationwide Life Insurance Company and Nationwide Life and Annuity Insurance Company. They are not intended to reflect the investment experience or financial strength of any variable account, which is subject to market risk. Because the dates are updated only when there's a change in the rating, the dates above reflect the most recent ratings we have received. They are subject to change at any time.

## diversified CORPORATE PORTFOLIO



**financial services**



**personal** property  
and casualty



**commercial** property  
and casualty

**THE BOTTOM LINE:** Our consistently strong performance means we'll be with you for as long as you need us.







## Ready to take action?

If you've made the decision that Nationwide YourLife Indexed UL is right for you, the underwriting process begins. This simply means we begin the paperwork on the policy.

Your insurance professional will have some forms for you to sign and may need to ask you a few medical questions. Depending on the amount of insurance applied for, a medical professional may contact you to schedule a quick checkup, including height, weight and other basic medical information. The checkup is often done in your home.

After the application is approved, you will receive the policy. You might want to file this with your other important documents and notify your beneficiaries. Then, with a life insurance policy in place, you can be confident you've protected what matters most in life.



**Nationwide**<sup>®</sup>  
is on your side

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For a product prospectus, please visit [nationwide.com/prospectus](http://nationwide.com/prospectus) or call to request one at 1-800-848-6331.

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Policy/Certificate: NWLA-453-AO, ICC11-NWLA-453

Riders: NWLA-454-AO, ICC11-NWLA-454, NWLA-455-AO, ICC11-NWLA-455, NWLA-458-AO, ICC11-NWLA-458, NWLA-459-AO, ICC11-NWLA-459, NWLA-460-AO, ICC11-NWLA-460, LAA-0114AO, ICC11-LAA-0114, NWLA-412-AO, NWLA-416-AO, NWLA-417-AO, NWLA-171, NWLA-376-AO, NWLA-420-AO, NWLA-421-AO, NWLA-423-AO, NWLA-344-AO, NWLA-369-AO, LAA-0108AO

FLM-0834AO.7 (11/18)