

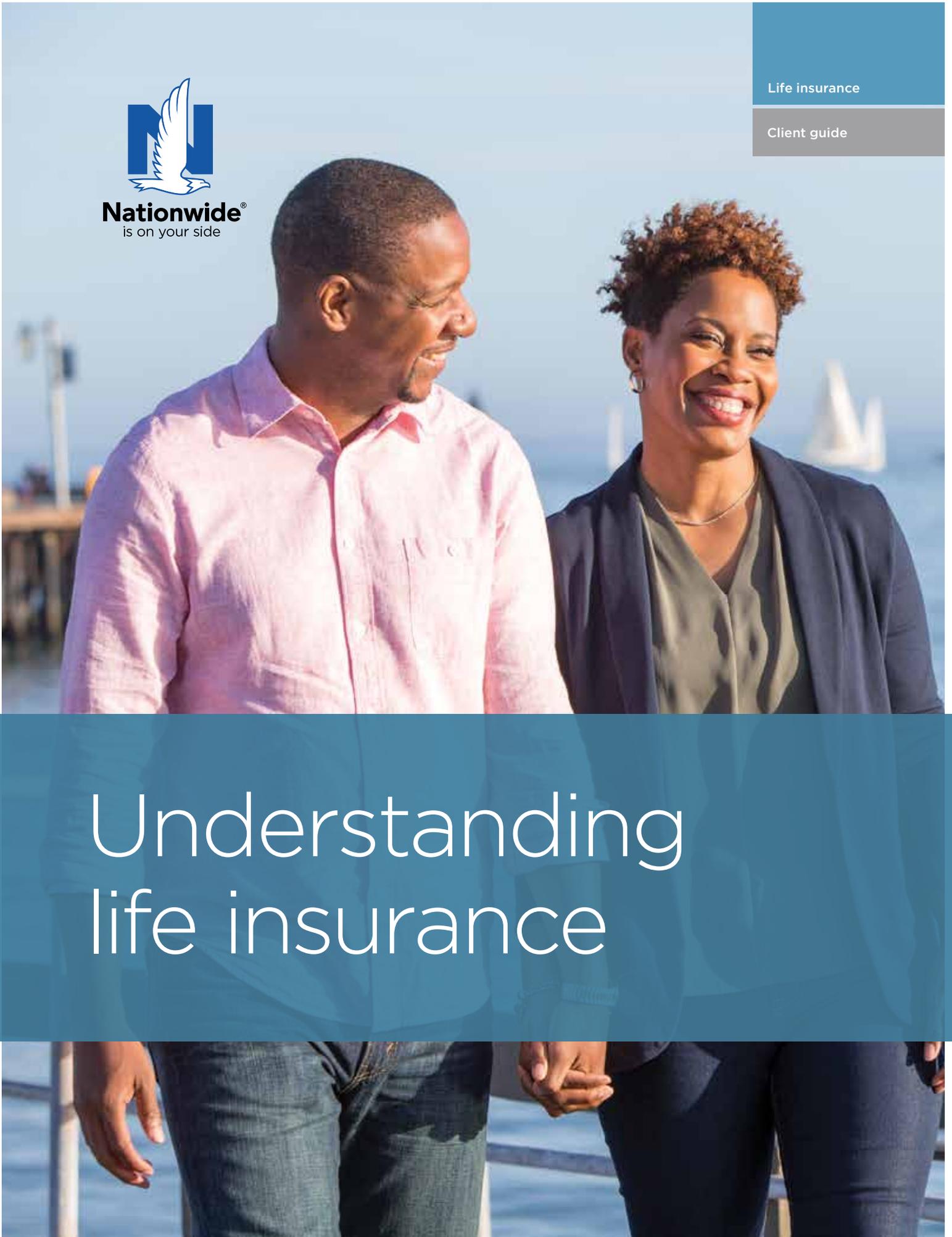


Nationwide[®]
is on your side

Life insurance

Client guide

Understanding life insurance



Making life less complicated.

Most people know that life insurance can provide their families with a death benefit if the unexpected should happen. But they may not know that it can also be used to meet a number of future planning needs — for both their families and themselves.

We understand that choosing the right type and amount of coverage may seem a little daunting. So we designed this brochure to make it easier for you to get the right protection for your specific planning needs.

WHAT'S INSIDE?

- » Who should have life insurance and why?
- » How much life insurance do you need?
- » What kind of life insurance is best for you?
- » Why choose Nationwide®?

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.

Who should have life insurance and why?

Generally, anyone who has people who are financially dependent on them is a good candidate for life insurance, including:

- » People with children
- » Married couples or soon-to-be-married couples
- » Single people who support siblings, aging parents or who have debt they wouldn't like passed on to relatives
- » Someone who changed jobs or was promoted and may now have a higher income and greater financial obligations
- » Business owners thinking about business succession or keeping key employees

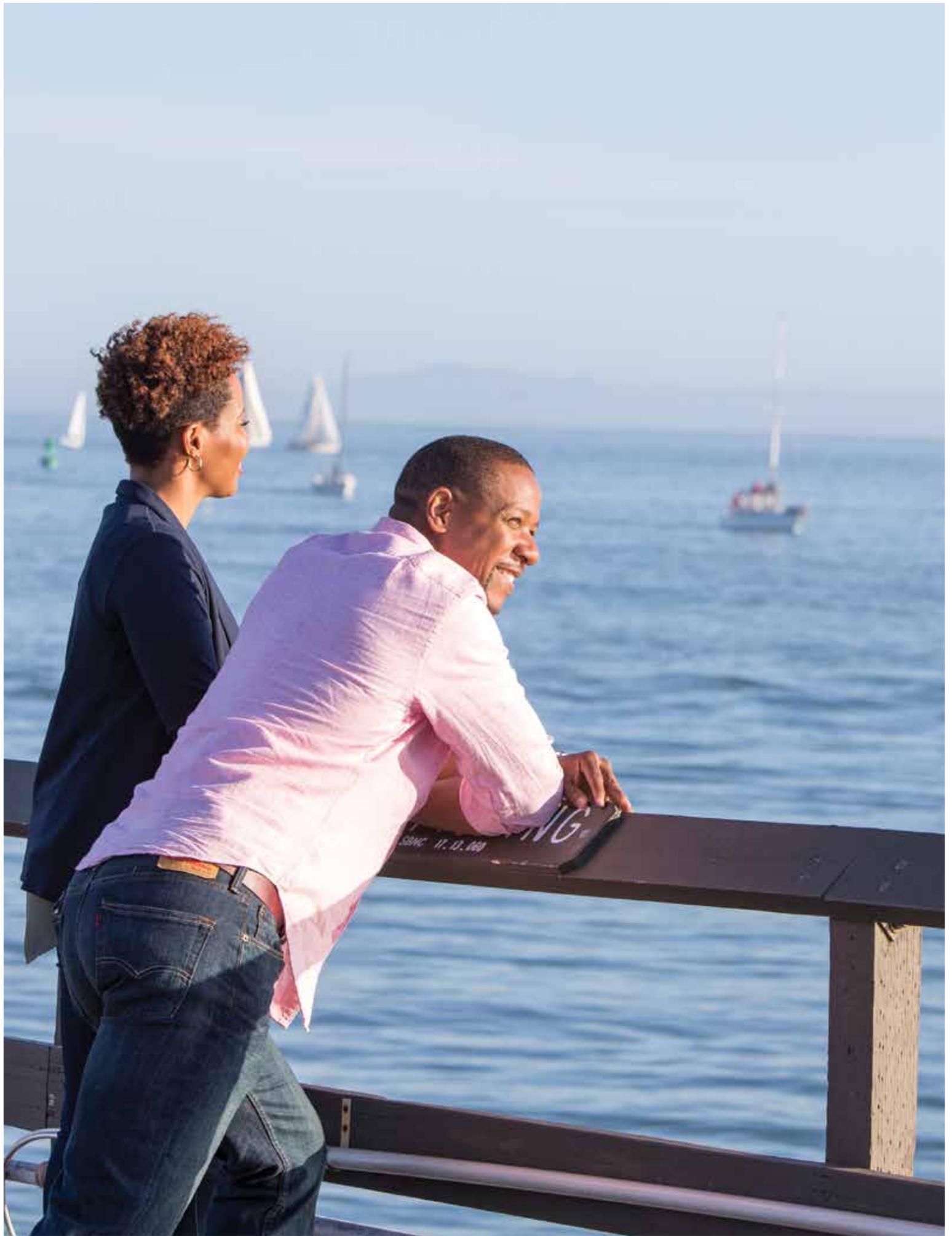
If something were to happen to you, life insurance may help your family:

- » Maintain their standard of living
- » Pay off your funeral or other final expenses
- » Pay off the mortgage so they don't have to sell their home
- » Pay off your other debts
- » Establish a college savings account for your children

How much life insurance do you need?

Everyone is different, but a general rule of thumb is to purchase enough life insurance to cover five to seven times your current salary (up to 10 times if you're the breadwinner in the family).

This calculation is pretty general, though. So, if you'd like to find an amount more tailored to your specific needs, talk to your insurance professional. He or she can help you compare your life insurance protection needs with the assets you already have.



What kind of life insurance is best for you?

All life insurance products have certain things in common: They pay your loved ones a sum of money upon your death, and that money, called a death benefit, is typically income tax free. But, where term life insurance offers you affordable, temporary coverage, permanent life insurance provides protection for as long as you live.

Your insurance or investment professional can help you decide what type of insurance is best for your needs, but here is a quick reference guide to help you get started.

	Term life insurance	Whole life insurance	Universal life insurance	Variable universal life insurance
Temporary coverage	●			
Permanent coverage		●	●	●
Stock market participation ¹				●
Death benefit	●	●	●	●
Designed for low cost	●			
Access to your money ²		●	●	●
Guaranteed cash value ³		●	●	
Tax advantages	●	●	●	●
Flexible payments ⁴			●	●

¹ Stock market participation — The underlying investment options you select for the variable universal life (VUL) policy participate in the market; there is no direct participation by the policyowner. Please keep in mind that the underlying investment options offered by VUL policies are subject to market risk, including possible loss of principal. These funds are available only in variable insurance products issued by life insurance companies. They're not available to the general public.

² Access to your money — This assumes that the contract qualifies as life insurance under Section 7702 of the Internal Revenue Code (IRC) and is not a modified endowment contract (MEC) under Section 7702A. Most distributions are taxed on a first-in/first-out basis as long as the contract meets non-MEC definitions under Section 7702A. Loans and partial withdrawals from a MEC generally are taxable, and if taken prior to age 59½, may be subject to a 10% early withdrawal federal tax penalty.

³ Guaranteed cash value — All guarantees are subject to the claims-paying ability of the issuing insurance company.

⁴ Flexible payments — This assumes there is sufficient cash value to cover monthly policy charges. Keep in mind that variable universal life insurance is subject to market volatility, so it's possible that you may need to pay an additional premium on your policy.

Variable products are sold by prospectus. Carefully consider the investment objectives, risks, charges and expenses. The product and underlying fund prospectuses contain this and other important information. Investors should read them carefully before investing. To request a copy, go to nationwide.com/prospectus or call 1-800-848-6331.

Use your policy to help cover long-term care expenses and more.

Many products today also offer optional features and services, usually for an additional cost, that you can add to your policy for a more customized solution to your planning needs.

One example is a long-term care rider, which can help protect against the devastating impact that expenses such as home health care, assisted-living arrangements or nursing home care could have on your personal finances.



Why choose Nationwide[®]?

With so many life insurance providers out there, what makes Nationwide a good choice? As a Fortune 100 company⁵ with over 90 years of experience, you can trust that we'll be here when you need us.

Here's what the industry's leading rating agencies have to say about our financial strength:

A.M. Best	A+	Rated second strongest of 16 categories as of 10/17/02; affirmed on 10/2/17
Moody's	A1	Rated fifth strongest of 21 categories as of 3/10/09; affirmed on 11/7/17
Standard & Poor's	A+	Rated fifth strongest of 22 categories as of 12/22/08; affirmed on 5/10/18

These ratings and rankings reflect rating agency assessment of the financial strength and claims-paying ability of Nationwide Life Insurance Company and are subject to change at any time. 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 ratings, the dates above reflect the most recent ratings we have received.

⁵ Based on revenue, Fortune magazine (May 2018).

Interested in learning more?

Work with your insurance or investment professional to see how affordable and easy it can be to qualify for life insurance, or visit us at nationwide.com.



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

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