

Fund Withdrawal and Payout Options



Nationwide[®]
is on your side

As a participant in a 457(b) Deferred Compensation Plan, you have several withdrawal and payout options concerning the assets you've accumulated. This brochure offers a high-level discussion of those options.

However, we encourage you to contact Nationwide® as soon as possible.

A Retirement Specialist can prepare **an individualized analysis** to help you understand the Plan's options and provide the forms you may need to put your decision into action.



Withdrawing funds

While employed by the Plan Sponsor

Because of the 457(b) Plan's tax-advantaged status, there are limits on when you may access deferred compensation assets.

You may withdraw funds when you:

- Experience a severance from service
- Experience a qualifying unforeseeable emergency that will cause you severe financial hardship as defined by the IRS
- Choose to make a one-time withdrawal, provided your account balance is \$5,000 or less, you have not deferred money into the Program for at least two years and no prior withdrawals of this type have been made

You may receive payments monthly, quarterly, semiannually or annually.

Automatic deposit to a checking or savings account that you designate is available; however, while the electronic transfer processes are being set up and confirmed, payments may be mailed to your home.



When leaving employment or retiring

If you are planning to leave the employment of your Plan Sponsor, please contact Nationwide as soon as possible and ask a Retirement Specialist to review the Plan's payout options described on pages 6-10. We'll gladly assist as you create a benefit payment strategy that best meets your needs.

Payout (distribution) options

You have five options concerning the distribution of the assets you have accumulated in your 457 plan account:

- ✓ Leave your money where it is
- ✓ Lump sum withdrawal
- ✓ Systematic withdrawal
- ✓ Purchased annuities
- ✓ Roll your money over to another Plan or IRA

1 Leave your money where it is

If you have no need for the funds in your account right now, you can delay payment and manage your account as you have been. Of course, assets remaining in your account will continue to be subject to market risk, including possible loss of principal.

However, throughout your career you've trusted Nationwide to help as you consider market and other risks. We'll continue to help as you adjust your investment strategy to help achieve your goals throughout retirement.



2 Lump sum withdrawal

A lump sum withdrawal distributes the entire value of your account in a single sum, minus any taxes that are applicable. Because the entire account value will be taxed at ordinary income rates, which could push you into a higher tax bracket, you may want to consider the other alternatives discussed in this brochure.

You also may choose a partial lump sum withdrawal. Other options also exist, and a Nationwide Retirement Specialist will gladly assist you in understanding your choices.



3 Systematic withdrawal

You may keep your assets invested as you withdraw specified amounts as distributions. If you choose this option, you will be subject to income tax only on the amounts you receive each year.

You can continue to:

- Manage your account portfolio
- Potentially earn tax-deferred growth on assets invested in variable options
- Receive current rates of return on assets remaining in the fixed return option
- Enjoy all the privileges of Plan participation, including access to Nationwide Retirement Specialists

Your account value will fluctuate based on the performance of the variable investments. In addition, your assets will be subject to market risk.



Two systematic withdrawal options are available

Designated Amount option

With this option, you:

- Choose a payout schedule
- Decide how much you need per payout
- Continue to manage your account's investments

How long your money lasts depends on how well your account investments perform.

Designated Period option

With this option, you:

- Define how long you want to receive payouts
- Choose a payout schedule
- Continue to manage your account's investments
- Accept that the distribution amount will vary from payment to payment

The total amount you receive will depend on how well your investments perform and how long you want to receive your money.

4 Purchased annuities

There are two options:

Fixed designated period annuity

An annuity is purchased that provides payments for a fixed period of time, between three and 20 years, depending on your age. The annuity purchase rates in effect when your payments begin determine your actual annuity payment. All annuity payments are guaranteed.

Life income with payments certain annuity

An annuity is purchased providing lifetime payments guaranteed for a certain period (0, 5, 10, 15, 20, 25 or 30 years). If you die before the end of the guaranteed period, payments will continue to the designated beneficiary until the end of the period selected.

Purchased annuities may be subject to certain risks, restrictions and limitations. Annuities are issued by Nationwide Life Insurance Company, Columbus, OH. Guarantees are subject to the claims paying ability of the issuing insurance company. Please consult your investment professional to determine if a purchased annuity is right for you.

5 Roll over your money to another Plan or IRA

You may roll over eligible distributions from your Nationwide-administered 457(b) deferred compensation plan to another tax-qualified plan, such as a 401(k) or 403(b) plan or an IRA. In addition, a surviving spouse will be able to roll over distributions from a deceased spouse's plan to his/her own plan.

Required Minimum Distributions

Regardless of which payout option you choose, you must receive at least a minimum distribution from your retirement assets no later than April 1 following the year you reach age 70½ or separate from service, whichever is later. Thereafter, you must take a minimum distribution each year or be subject to a hefty penalty. As long as you remain a participant in the Plan, Nationwide will calculate and send your annual minimum required distribution, according to your instructions, so you can be confident that you're complying with IRS requirements.

Investing involves market risk, including possible loss of principal. No investment strategy can guarantee a profit or avoid loss. Actual results will vary depending on your investment and market experience. Nationwide representatives cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.



To discuss your options,
call Nationwide
at **1-877-677-3678**.

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Retirement Specialists are Registered Representatives of Nationwide Investment Services Corporation, member FINRA. Nationwide representatives cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

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