



**Nationwide®**  
is on your side

Variable life insurance

Investment choices

# Morningstar Four- and Five-Star Rated Investments

Nationwide® VUL Accumulator and  
Nationwide® VUL Protector  
As of September 30, 2018

# Nationwide<sup>®</sup> VUL Accumulator and Nationwide<sup>®</sup> VUL Protector

Variable life insurance policies combine the benefit of insurance protection for your family with the potential to grow the policy's cash value through professionally managed investment options.

In addition, variable universal life insurance policies offer tax-advantaged opportunities, including income tax-free death benefits to your beneficiaries, tax-deferred accumulation, nontaxable transfers and tax-free access to cash. We recommend that you consult with your attorney or tax advisor for answers to your specific tax questions because Nationwide<sup>®</sup> and its representatives do not give legal or tax advice.

## What you need to know about variable universal life insurance

- Your life insurance needs will change as your personal situation changes; whenever a major life event occurs (i.e., marriage, birth of a child or job promotion), you and your investment professional should review your policy to ensure that any strategy or product you've selected remains suitable for your long-term insurance and investment needs
- You can increase or decrease your coverage once a year after the first policy year; keep in mind that changing coverage may alter your cost; also, changes are subject to policy limits and proof of insurability may be required
- There are fees and charges associated with your policy; costs for insurance protection will vary depending on your sex, health and age; moreover, your total costs will be affected by underlying fund charges or expenses and charges for any riders you select to customize a policy for your individual needs

As you decide how to invest the money in your variable universal life insurance policy, you should weigh your objectives, time horizon, risk tolerance and any associated costs. It's important to remember the cash value of your policy will fluctuate with changes in the value of your investments. A significant loss in the policy's cash value may require you to add money to your policy in the form of additional premium.

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

# Quality investments — confident choices

Quality investments can help you feel more secure about the investment decisions you make. At Nationwide, we devote both time and effort to bring you a lineup of solid investment options from some of the leading money managers in the marketplace.

## **Morningstar “star ratings” — a symbol of investment excellence**

Morningstar Inc. developed “star ratings” to help investors and investment professionals compare investment options based on risk and return. Five-star investment options rank in the top 10% of their categories; four-star investment options rank in the next 22.5% of their categories.

Keep in mind that Morningstar ratings look at past performance. An investment option’s past performance does not indicate or guarantee future results. You should consider the investment’s management style and strategy, as well as how it fits in a portfolio, before making the decision to invest.

Actual current performance of any of these investments may be negative, regardless of the Morningstar rating shown here, depending on the performance return period shown. To obtain performance data current to the most recent month-end or for closed and walled-off funds, please call 1-800-848-6331 or visit [nationwide.com](http://nationwide.com).

# Morningstar Four- and Five-Star Rated Investments

Of the 68 investment options available in the Nationwide® VUL Accumulator and Nationwide® VUL Protector, 66 have been rated by Morningstar, as of September 30, 2018. Of these rated investments, 27 have received a four- or five-star rating. We've listed these investment options in the following tables. Star ratings are based on risk-adjusted returns.

Five-Star Overall Rated Funds			3 Years	5 Years	10 Years
★	Dimensional—VA Global Moderate Allocation Portfolio <sup>2,8</sup>	World Allocation	★★★★★	★★★★★	N/A
★	Janus Henderson VIT Enterprise Portfolio: Service Shares <sup>3</sup>	Mid-Cap Growth	★★★★★	★★★★★	★★★★★
★	Putnam VT Equity Income Fund—Class IA	Large Value	★★★★	★★★★	★★★★★

Source: Morningstar Inc. as of 09/30/18. Past performance does not guarantee future results.

## Number of Funds in Morningstar Category

Each investment option is assigned a category by Morningstar based on its investment objective and underlying holdings. Star ratings are then assigned within these categories to allow investors to distinguish among funds that use similar investment strategies. In the chart below, you'll find the number of funds in each Morningstar category as of September 30, 2018. For more details on how Morningstar assigns its ratings, please see Page 6.

Morningstar Category	3 Years	5 Years	10 Years
Allocation—15% to 30% Equity	182	149	83
Allocation—30% to 50% Equity	439	355	256
Allocation—50% to 70% Equity	703	619	450
Allocation—70% to 85% Equity	323	279	201
Allocation—85%+ Equity	176	151	108
Bank Loan	211	184	81
Commodities Broad Basket	103	80	25
Consumer Defensive	23	22	19
Convertibles	85	64	43
Diversified Emerging Mkts	708	508	218
Emerging Markets Bond	222	165	51
Energy Limited Partnership	100	58	0
Equity Energy	86	73	57
Equity Precious Metals	67	65	46
Financial	96	91	70
Foreign Large Blend	655	535	379
Foreign Large Growth	347	313	222
Foreign Large Value	276	225	146
Foreign Small/Mid Blend	89	65	49
Global Real Estate	200	162	102
Health	129	120	97
High Yield Bond	592	502	330
Inflation-Protected Bond	207	174	107
Infrastructure	72	53	15
Intermediate Government	211	199	149
Intermediate-Term Bond	902	796	575
Intermediate-Term Bond	N/A	N/A	N/A
Large Blend	1196	1058	794
Large Growth	1258	1129	818

Morningstar Category	3 Years	5 Years	10 Years
Large Value	1109	948	696
Long-Short Equity	194	105	29
Managed Futures	95	58	0
Market Neutral	129	92	34
Mid-Cap Blend	371	334	230
Mid-Cap Growth	540	483	342
Mid-Cap Value	373	315	228
Multialternative	299	160	55
Multisector Bond	278	215	132
Multisector Bond	N/A	N/A	N/A
Natural Resources	123	118	82
Nontraditional Bond	281	175	52
Prime Money Market	N/A	N/A	N/A
Real Estate	222	191	138
Short-Term Bond	474	400	260
Small Blend	652	539	388
Small Growth	606	532	404
Small Value	362	317	226
Tactical Allocation	246	185	70
Target-Date 2000-2010	113	91	76
Target-Date 2020	205	171	107
Target-Date 2030	195	161	97
Technology	181	173	139
Ultrashort Bond	144	113	59
Utilities	60	57	51
World Allocation	399	334	166
World Bond	261	246	137
World Large Stock	739	611	348
World Small/Mid Stock	114	97	58

Four-Star Overall Rated Funds			3 Years	5 Years	10 Years
★	American Funds Insurance Series® New World Fund—Class 2 <sup>2</sup>	Diversified Emerging Mkts	★★★	★★★★	★★★★★
★	American Funds NVIT Asset Allocation Fund—Class II <sup>15</sup>	Allocation--50% to 70% Equity	★★★★★	★★★★	★★★★
★	BlackRock High Yield VI Fund—Class I <sup>4,9</sup>	High Yield Bond	★★★	★★★★	★★★★
★	Deutsche DWS Global Income Builder VIP—Class A <sup>2</sup>	Tactical Allocation	★★★	★★★★	★★★★
	Dimensional—VA International Small Portfolio <sup>2,3</sup>	Foreign Small/Mid Blend	★★★	★★★	★★★★
	Dimensional—VA U.S. Large Value Portfolio	Large Value	★★★★	★★★★	★★★
	Fidelity® VIP Emerging Markets Portfolio—Service Class <sup>2</sup>	Diversified Emerging Mkts	★★★★	★★★★★	★★★
	Fidelity® VIP Energy Portfolio—Service Class 2 <sup>5,10,16</sup>	Equity Energy	★★★★	★★★★	★★★
	Fidelity® VIP Growth Portfolio—Service Class	Large Growth	★★★★	★★★★	★★★
	Franklin Income VIP Fund—Class I <sup>4,15</sup>	Allocation--30% to 50% Equity	★★★★★	★★★★	★★★★
	MFS® VIT Value Series—Initial Class	Large Value	★★★	★★★	★★★★
	NVIT Cardinal <sup>SM</sup> Balanced Fund—Class I <sup>8,15</sup>	Allocation--30% to 50% Equity	★★★★	★★★★	★★★
	NVIT Cardinal <sup>SM</sup> Managed Growth & Income Fund—Class I <sup>8,12,13,15</sup>	Allocation--30% to 50% Equity	★★★★	★★★	N/A
	NVIT Core Plus Bond Fund—Class I <sup>9</sup>	Intermediate-Term Bond	★★★	★★★	★★★★
	NVIT Investor Destinations Balanced Fund—Class P <sup>8,15</sup>	Allocation--30% to 50% Equity	★★★★	★★★★	N/A
	NVIT Investor Destinations Capital Appreciation Fund—Class P <sup>8,15</sup>	Allocation--50% to 70% Equity	★★★★	★★★★	N/A
	NVIT Investor Destinations Managed Growth & Income Fund—Class I <sup>8,13,15</sup>	Allocation--30% to 50% Equity	★★★★	★★★	N/A
	NVIT Mid Cap Index Fund—Class I <sup>3</sup>	Mid-Cap Blend	★★★★	★★★★	★★★★
	NVIT Multi-Manager Mid Cap Value Fund—Class I <sup>3</sup>	Mid-Cap Value	★★★	★★★★	★★★★★
	NVIT S&P 500 Index Fund—Class I	Large Blend	★★★★	★★★★	★★★★
	Oppenheimer Global Fund/VA—Non-Service Shares <sup>2</sup>	World Large Stock	★★★★	★★★★	★★★★
	Oppenheimer Main Street Small Cap Fund®/VA—Non-Service Shares <sup>3</sup>	Small Blend	★★★★	★★★★	★★★★
	T. Rowe Price Health Sciences Portfolio <sup>5</sup>	Health	★★★	★★★★	★★★★★
	Templeton Global Bond VIP Fund—Class I <sup>2,9</sup>	World Bond	★★	★★★	★★★★★

Source: Morningstar Inc. as of 09/30/2018. Past performance does not guarantee future results.

## Morningstar rating details

### Morningstar ratings metrics

Morningstar Ratings reflect risk-adjusted performance. The Overall Morningstar Rating™ is derived from a weighted average of the performance figures associated with the Fund's 3-, 5- and 10-year (if applicable) periods.

Morningstar ratings are calculated monthly with a proprietary mathematical formula based on measures of risk and performance. The ratings formula measures the amount of variation in the monthly performance (excluding sales charges and loads) of a fund or exchange-traded fund (ETF), emphasizing downward variations and rewarding consistency. Ratings are subject to change every month. The top 10% of funds and ETFs in the category receive 5 stars; the next 22.5%, 4 stars; the next 35%, 3 stars; the next 22.5%, 2 stars; and the bottom 10%, 1 star. As of November 1, 2016, Morningstar no longer provides ratings for load-adjusted share classes.

Ratings are based on the specific class performance of each fund. Current fund performance may be higher or lower, which may change a fund's star rating. Despite high ratings, funds may have experienced negative performance during the period. Performance may reflect a waiver of part of a fund's fees for certain periods since inception, without which returns would have been lower. Morningstar and Nationwide are not affiliated.

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## PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

Variable products are sold by prospectus. Both the product and underlying fund prospectuses can be obtained by visiting [Nationwide.com/prospectus](http://Nationwide.com/prospectus) or by calling 1-800-848-6331. Before investing, carefully read and consider the fund's investment objectives, risks, charges, expenses, and other important information contained in this and the underlying funds' prospectuses.

Below is a list of risk disclosures for the subaccounts in our variable products. The underlying investment options described in this brochure are available only as investment options in variable life insurance policies and variable annuity contracts issued by life insurance companies. They are not offered or made available to the general public directly.

- <sup>1</sup> **Government Money Market Funds:** Funds are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The funds are open to all investors and although they seek to preserve the value of the investment at \$1.00 per share, they cannot guarantee they will do so. You could lose money by investing in a fund. A fund may impose a fee upon sale of shares or temporarily suspend the ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.
- <sup>2</sup> International/Emerging markets funds: Funds that invest internationally involve risks not associated with investing solely in the United States, such as currency fluctuation, political risk, differences in accounting and the limited availability of information.
- <sup>3</sup> Small/Mid-cap funds: Funds investing in stocks of small-cap, mid-cap or emerging companies may have less liquidity than those investing in larger, established companies and may be subject to greater price volatility and risk than the overall stock market.
- <sup>4</sup> High-yield funds: Funds that invest in high-yield securities are subject to greater credit risk, liquidity risk, and price fluctuations than funds that invest in higher-quality securities. The prices of high-yield bonds tend to be more sensitive to adverse economic and business conditions than higher-rated corporate bonds. Increased volatility may reduce the market value of high-yield bonds. They are also subject to the claims-paying ability of the issuing company.
- <sup>5</sup> Nondiversified funds: Funds that invest in a concentrated sector or focus on a relatively small number of securities may be subject to greater volatility than a more diversified investment.
- <sup>6</sup> Government funds: While the funds invest primarily in the securities of the U.S. government and its agencies, the values are not guaranteed by these entities.
- <sup>7</sup> Real estate funds: Funds that focus on real estate investing are sensitive to economic and business cycles, changing demographic patterns and government actions.
- <sup>8</sup> Fund-of-funds: Designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the portfolio, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.
- <sup>9</sup> Bond funds: These funds have the same interest rate, inflation and credit risks associated with the underlying bonds owned by the fund. Interest rate risk is the possibility of a change in the value of a bond due to changing interest rates. Inflation risk arises from the decline in value of cash flows due to loss of purchasing power. Credit risk is the potential loss on an investment based on the bond issuer's failure to repay on the amount borrowed.
- <sup>10</sup> A short-term trading fee may apply for exchanges made within 60 days of original allocation to this fund. Please refer to the prospectus for details.
- <sup>11</sup> These funds may include increased volatility due to the use of options or futures. Leveraged exposure can result in accelerated losses as well as accelerated gains, depending on how much the market moves. Funds dedicated to Inverse and Leveraged strategies include risk compared to funds that do not use these strategies and are not meant to be long term buy and hold strategies.
- <sup>12</sup> For six trades occurring within a calendar quarter, Nationwide will issue a warning letter. If there are more than 11 trades in two consecutive quarters or 20 trades occurring within a calendar year involving limited transfer funds, Nationwide may limit contract owner to submitting transfer requests involving limited transfer funds via U.S. mail on a Nationwide-issued form. See prospectus for more details.
- <sup>13</sup> Managed volatility funds: Funds that are designed to offer traditional long-term investments blended with a strategy that seeks to mitigate risk and manage portfolio volatility. These funds may not be successful in reducing volatility, and it is possible that the funds' volatility management strategies could result in losses greater than if the fund did not use such strategies.
- <sup>14</sup> Tactical income: Seeks to adjust holdings based on perceived market fluctuations. This may result in adjustments made prior to an increase or decline in the market which could lead to greater losses than expected or smaller returns.
- <sup>15</sup> Asset allocation funds: These funds may invest across multiple asset classes including, but not limited to, domestic and foreign stocks, bonds, and cash. The use of diversification and asset allocation as a part of an overall investment strategy does not assure a profit or protect against loss in a declining market.
- <sup>16</sup> Commodities/Natural resources: Specific uncertainties associated with commodities and natural resources investing include changes in supply-and-demand relationships due to environmental, economic, and political factors, which may cause increased volatility and decreased liquidity.
- <sup>17</sup> Private Equity Company funds: Investing in private equity companies involves inherent risks, which encompasses financial institutions or investment vehicles whose principal business is to invest in and lend capital to privately held companies. Generally, little public information exists for private and thinly traded companies, and there is a risk that investors may not be able to make a fully informed investment decision.
- <sup>18</sup> These funds may provide less common return patterns than traditional equity or fixed income. These funds incorporate investment strategies that may increase or decrease volatility due to the fund's use of options or futures. Leveraged exposure can result in accelerated losses as well as accelerated gains, depending on how the market moves.



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This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager 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. Investors should work with their financial professional to discuss their specific situation.

The underlying investment options cannot be purchased directly by the general public. They are only available through variable annuity and life insurance products, or in certain qualified pension or retirement plans.

Variable products are issued by Nationwide Life Insurance Company or Nationwide Life and Annuity Insurance Company, Columbus, Ohio. The general distributor is Nationwide Investment Services Corporation (NISC), Member FINRA. Nationwide Funds are distributed by Nationwide Fund Distributors LLC (NFD), Member FINRA, Columbus, Ohio.

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