

MFS Spectrum Annuity

Invest in your future



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Answers to frequently asked questions.

What you should know about purchasing a variable annuity

What is a variable annuity?

A variable annuity is an insurance contract designed to help you create a fixed or variable stream of retirement income through a process called annuitization. With a variable annuity, you can invest in one product with multiple underlying investment options and direct money into subaccounts based on how much risk you're willing to take.

Variable annuities are for long-term investing; they're not appropriate for short-term financial goals. And variable annuities have fees and charges that include mortality and expense fees, administrative fees and contract maintenance fees. These fees are a percentage of the investment account value.

What kind of investments can I choose from?

Variable annuities offer a wide range of professionally managed investment options. With choices such as equity, bond and money market funds, you can create a portfolio designed to meet your investment goals. Please keep in mind that because these investment choices are subject to market fluctuation, investment risk and possible loss of principal, your annuity's value will vary depending on how they perform.

Investment choices within a variable annuity are not publicly traded mutual funds and are only available for purchase in variable products. Fees in investment choices cover the fund manager's services and the costs of the underlying investments.

Why should I consider a variable annuity?

Variable annuities offer tax deferral and compounding, unique features that can help you prepare for retirement. Investment gains within a variable annuity are tax deferred, meaning they're not taxed until you take money from the annuity. This allows more of your money to remain invested. And when combined with the power of compounding, your investment has the potential to accumulate faster than taxable investments earning the same rate of return.

When you decide to withdraw money from a variable annuity, the taxable portion will be subject to ordinary income tax. If you take your money out early, surrender charges may apply and, if you take it out before age 59½, a 10% federal tax penalty may apply.

When would I be able to draw income from an annuity?

Income from an annuity can be either deferred or immediate depending on the type of annuity you own and its features. Keep in mind that the guarantee of

continued payments depends on the claims-paying ability of the insurance company.

Deferred annuities

Deferred annuities are designed to help you grow your assets and provide income at a later time. They're for long-term goals, like planning for retirement. They can be purchased through payments over time or with a single payment.

Immediate annuities

Immediate annuities are designed to start providing income right away. They're usually purchased with a lump-sum payment by people who have already retired or are close to retirement.

What are the other features?

Some variable annuities offer living features, like guaranteed accumulation, guaranteed withdrawal features or principal protection for extra security, at an additional cost.

Most variable annuities offer a death feature — a payment made to your beneficiary after your death — which will be adjusted proportionally for any previous withdrawals. Other features, known as riders, may be offered at an additional cost as optional features.

Investment choices performance report

It's natural to want to know how your investments are doing over time

This performance report shows how the investment choices within this variable annuity have performed over a series of time periods. These investment choices are not publicly traded mutual funds and are only available for purchase in variable products.

Fees and expenses

Fees and expenses charged by the investment choices cover the cost of the underlying investment as well as the fund manager's services, and they are reflected in the performance figures.

Annual maintenance charge: \$30

Mortality and expense risk charge: 1.30%

Contingent deferred sales charge (CDSC):

Year	0	1	2	3	4	5	6	7	8	9
CDSC	5%	5%	5%	5%	5%	5%	5%	5%	5%	0%

Performance figures do not reflect the cost of optional riders. If the cost were included, performance figures would be lower.

Helpful terms

Annual maintenance charge: A fee charged to cover yearly expenses.

Asset allocation: The mixture of asset classes an investor chooses based on his or her time horizon and risk tolerance. Markets are volatile and can decline in response to adverse developments. The use of asset allocation does not guarantee returns or protect you from potential losses.

Asset class: A group of investments with similar characteristics, such as stocks, bonds or cash.

Bear market: An extended period of declining stock prices, frequently occurring when there is an economic recession, unemployment is high and inflation is rising.

Closed: A underlying investment option that is no longer accepting contributions from investors.

Contingent deferred sales charge: A charge for withdrawals over a set time period that is highest at the beginning and drops to zero at the end of the time period.

Current yield: A measure of the return an investor might expect if he or she purchased an investment and held it for one year.

Inception date: The date the underlying investment option first became available to investors.

Inclusion date: The date the underlying investment option was added to the Nationwide® separate account.

Mortality and expense risk charge: A fee assessed as a percentage of the contract value to cover the insurance guarantee, commissions, selling and administrative expenses.

Separate account: An investment pool funded by contributions to variable contracts including variable annuities and variable life insurance. These assets are kept separate from Nationwide's general account.

Short-term trading fees: Fees designed to offset the costs associated with short-term trading and to protect the long-term interests of all shareholders.

Walled-off: An underlying investment option that is not open to new investors, but is still accepting contributions from existing investors.

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 or call 1-800-848-6331.

Non-standardized performance: Without surrender charges (CDSC) applied

The figures shown are calculated based on a one-time investment of \$10,000 and reflect the deduction of all applicable charges, except for surrender charges (CDSC). These returns are measured from the inception date of the fund and may predate the offering of the fund in the Nationwide® separate account. Where this occurs, the performance is hypothetical in that it depicts how the underlying investment options would have performed had it been available in the Nationwide separate account during the time period. Year-to-date returns are shown only for underlying investment options inception on or before December 31 of the previous year.

The results shown represent past performance and do not represent expected future performance or experience. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. To obtain performance data current to the most recent month-end or for closed and walled-off underlying investment options, please call 1-800-848-6331 or visit nationwide.com.

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Investment Choices		Total Returns Periods Less Than 1 Year		Average Annual Total Returns as of 01/31/15			
Underlying Investment Option	Inception Date	Month	YTD	One Year	Three Years	Five Years	10 Years or Since Inception
Large cap stocks: Large-cap growth							
Massachusetts Investors Growth Stock Fund - Class A	01/02/1935	-3.04%	-3.04%	10.23%	14.37%	12.94%	6.32%
Massachusetts Investors Trust - Class A	07/15/1924	-4.13%	-4.13%	8.58%	15.08%	11.87%	6.23%
MFS® Growth Fund - Class A	12/29/1986	-2.09%	-2.09%	7.14%	15.57%	13.78%	7.64%
MFS® Research Fund - Class A	10/13/1971	-3.40%	-3.40%	8.37%	14.61%	12.64%	6.16%
Bonds: Corporate bond							
MFS® Bond Fund - Class A ³	05/08/1974	2.34%	2.34%	5.10%	3.49%	4.98%	4.33%
Bonds: High-yield bond							
MFS High Income Fund - Class A ^{2,3}	02/17/1978	0.62%	0.62%	0.82%	5.00%	6.46%	4.48%
Bonds: Multisector bond							
MFS® Strategic Income Fund - Class A ^{2,3}	10/29/1987	0.51%	0.51%	1.14%	2.66%	3.96%	3.55%
Cash: Cash							
MFS® US Government Money Market Fund <i>7-day current yield: -1.30%^{*1}</i>	12/19/1975	-0.11%	-0.11%	-1.60%	-1.60%	-1.61%	-0.13%
NVIT Money Market Fund - Class I <i>7-day current yield: -1.30%^{*1}</i>	11/10/1981	-0.11%	-0.11%	-1.60%	-1.60%	-1.61%	-0.23%
Asset allocation: Moderate allocation							
MFS® Total Return Fund - Class A ⁴	10/06/1970	-1.43%	-1.43%	7.12%	9.50%	8.17%	4.24%

*Current yield more closely reflects current money market fund earnings than the total return calculation.

A. Non-standardized performance: With surrender charges (CDSC) applied

The figures shown are based on a one-time investment of \$10,000 and reflect the deduction of all applicable charges. The performance calculations also reflect the 10% free withdrawal privilege available with this product. These returns are measured from the inception date of the underlying investment options and may predate the offering of the underlying investment options in the Nationwide® separate account. Where this occurs, performance is hypothetical in that it depicts how the underlying investment options would have performed had it been available in the Nationwide separate account during the time period.

B. Standardized performance: With surrender charges (CDSC) applied

The figures shown are based on a one-time investment of \$1,000 and reflect the deduction of all applicable charges. The performance calculations also reflect the 10% free withdrawal privilege available with this product. These returns are measured from the date the underlying investment options was included in the Nationwide separate account.

The results shown represent past performance and do not represent expected future performance or experience. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. To obtain performance data current to the most recent month-end or for closed and walled-off underlying investment options, please call 1-800-848-6331 or visit nationwide.com.

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Investment Choices		A. Non-standardized Performance: Average Annual Total Returns as of 01/31/15			B. Standardized Performance: Average Annual Total Returns as of 12/31/14			
Underlying Investment Option	Inception Date	One Year	Five Years	10 Years or Since Inception	One Year	Five Years	10 Years or Since Inclusion	Inclusion Date
Large cap stocks: Large-cap growth								
Massachusetts Investors Growth Stock Fund - Class A	01/02/1935	5.73%	12.38%	6.32%	2.58%	9.73%	3.49%	01/02/1985
Massachusetts Investors Trust - Class A	07/15/1924	4.08%	11.29%	6.23%	2.05%	8.99%	3.83%	01/02/1985
MFS® Growth Fund - Class A	12/29/1986	2.64%	13.24%	7.64%	-0.39%	10.07%	4.99%	02/02/1987
MFS® Research Fund - Class A	10/13/1971	3.87%	12.07%	6.16%	1.25%	9.63%	3.62%	01/02/1985
Bonds: Corporate bond								
MFS® Bond Fund - Class A ³	05/08/1974	0.60%	4.23%	4.33%	-3.19%	1.58%	1.47%	01/02/1985
Bonds: High-yield bond								
MFS High Income Fund - Class A ^{2,3}	02/17/1978	-3.68%	5.75%	4.48%	-6.52%	3.47%	1.63%	01/02/1985
Bonds: Multisector bond								
MFS® Strategic Income Fund - Class A ^{2,3}	10/29/1987	-3.36%	3.18%	3.55%	-5.79%	0.72%	0.78%	07/20/2001
Cash: Cash								
MFS® US Government Money Market Fund 7-day current yield: -1.30% ^{*1}	12/19/1975	-6.02%	-2.50%	-0.13%	-8.58%	-5.44%	-3.12%	01/02/1985
NVIT Money Market Fund - Class I 7-day current yield: -1.30% ^{*1}	11/10/1981	-6.02%	-2.50%	-0.23%	-8.58%	-5.44%	-3.25%	01/02/1985
Asset allocation: Moderate allocation								
MFS® Total Return Fund - Class A ⁴	10/06/1970	2.62%	7.51%	4.24%	-0.57%	5.00%	1.43%	01/02/1985

*Current yield more closely reflects current money market fund earnings than the total return calculation.

Understanding Risks

Here's a list of some of the risks associated with the variable annuity underlying investment choices. For specific risks related to each investment, see the prospectus.

1. **Money market funds:** These funds are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although they seek to preserve the value of your investment at \$1.00 per share, it's possible to lose money by investing in money market funds.
2. **High-yield funds:** Funds that invest in high-yield securities are subject to greater credit risk and price fluctuations than funds that invest in higher-quality securities.
3. **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.
4. **Asset allocation funds:** The use of asset allocation as a part of an overall investment strategy does not assure a profit or protect against loss in declining market.

Contract/Policy numbers

All state variations of: .

Finding solutions that fit

Your investment professional is a personal resource with the knowledge and commitment to help you determine how to best meet your investment and life insurance needs. Working with him or her, you can learn more about how Nationwide's many products can help you achieve your financial goals. For more information, visit **[nationwide.com](https://www.nationwide.com)**.



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For the specific contract number, please refer to the variable annuity investment choices performance report inside.

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