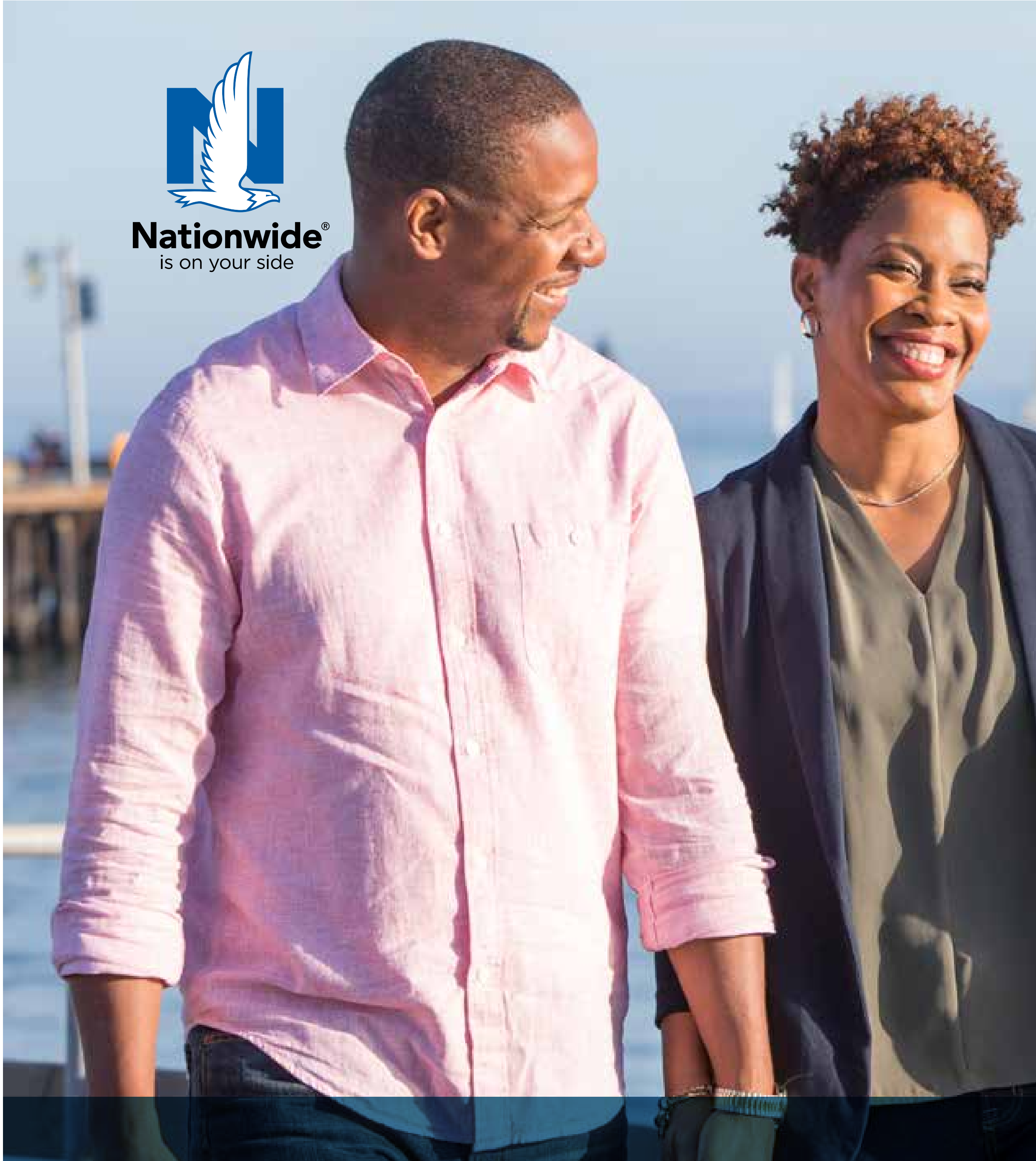


Spousal Protection
Death Benefit Feature

Client guide

Protection for you and your spouse

Leave a lasting impression

As a married investor, retirement may bring concerns about the financial well-being of you and your spouse. Particularly, you may worry about making sure your spouse is taken care of if they outlive you.

That's why most Nationwide® variable annuities offer the Spousal Protection Death Benefit Feature. It's available on all Nationwide Destination℠ 2.0 variable annuities at no additional cost. Spousal protection gives you the opportunity to extend the guaranteed death benefit to cover both spouses, regardless of who passes away first.

We work differently

When it comes to spousal protection, how death benefits are triggered makes a difference.

Our variable annuities are annuitant-driven, which allows a co-annuitant to be named to the contract. This means that a death benefit will be paid when either spouse passes away. Nationwide is the only provider that offers this option on annuities funded with qualified money (IRAs).[1]

Inside, we'll talk more about how this feature is unique among annuity providers and how it helps you and your spouse protect each other.

---

[1] VARDS, vards.com (April 2018).

Annuity basics

An annuity is a long-term, tax-deferred investment you buy from an insurance company to help you save for retirement.

But, as with most things in life, an annuity does have limitations. If you decide to take your money out early, you may face fees called surrender charges. Plus, if you're not yet 59½, you may also have to pay an additional 10% tax on top of ordinary income taxes. A death benefit is available with most variable annuities, and naturally, if you do take an early withdrawal, your death benefit and the contract value of the annuity contract will be reduced.

You should also know that an annuity contains guarantees and protections that are subject to the claims-paying ability of Nationwide Life Insurance Company. But these guarantees don't apply to any variable accounts, which are subject to investment risk, including possible loss of your principal.

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 discuss their specific situation with their financial professional.

Dual protection with a guaranteed death benefit

When added to your variable annuity, the Spousal Protection Death Benefit Feature helps you and your spouse provide for each other regardless of who passes away first, even if only one spouse owns the contract. This could be especially important if one of you passes away at a time when the markets and your contract value are down.

Details on Nationwide's spousal protection

- It's available at **no additional cost** on Nationwide Destination 2.0 variable annuities
- Surrender charges are **waived** when the first spouse passes away
- The surviving spouse has the **flexibility** to choose between:
  - Continuing the contract with no tax consequences at the death benefit amount and naming a new beneficiary, or
  - Taking a lump-sum distribution with no penalties[2]
- It's available on **qualified (IRA)** or nonqualified investments

How is spousal protection unique for IRAs?

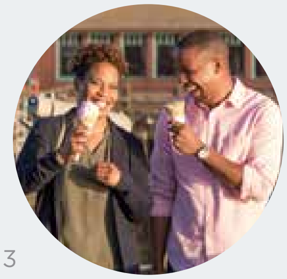
Nationwide® variable annuities are annuitant-driven, giving them more **flexibility. That's important since IRAs can have only one account owner with a death benefit that's paid to the contract beneficiary.** With spousal protection, an IRA account owner can be named annuitant and their spouse co-annuitant; both can be named a beneficiary. As a result, the death benefit will go to the surviving spouse, no matter which spouse passes away first.

Nationwide is the only provider who does this on IRAs.

Some details about requirements for spousal protection to work on an IRA:

- One spouse must be named annuitant, the other must be named co-annuitant, and both spouses must be named as beneficiaries; maximum issue ages may vary based on the death benefit elected
- No other person may be named as contract owner, annuitant, co-annuitant or beneficiary

Here's how the Spousal Protection Death Benefit Feature works:



Thomas and Jean

Contract: Jean purchases a Nationwide Destination 2.0 variable annuity

Owner/annuitant: Jean

Co-annuitant: Thomas

Beneficiary: Thomas and Jean

Death benefit: Return of premium death benefit with spousal protection

Life-changing event: Thomas passes away in year 3

Contract setup for spousal protection	Thomas	Jean
Contract owner		●
Co-annuitant	●	●
Primary beneficiary	●	●

[2] Taxes may be applicable.

Jean purchases a

$200,000

Nationwide variable annuity

Thomas is ***NOT*** named co-annuitant and spousal protection is ***NOT*** activated

Year 2 account value:

$175,000

Year 3:

Thomas passes away and surrender charges ***remain in effect***

- **Account value:**
  $175,000
- No death benefit is paid
- The contract remains in effect and the value fluctuates with the market
- Jean names her daughter, Sarah, as the new beneficiary

Thomas ***IS*** named co-annuitant and spousal protection ***IS*** activated

Year 2 account value:

$175,000

Year 3:

Thomas passes away and surrender charges ***are waived***

Lump-sum payout:

$200,000

~ or ~

Continue contract:

$200,000

Jean names her daughter, Sarah, as the new beneficiary

Year 5:

- **Account value:**
  $180,000
- Jean passes away
- **Return of premium death benefit value:**
  $200,000[3]

---

[3] This assumes no withdrawals were taken.

This example is hypothetical. It does not reflect the performance of any actual investment. If the owner takes a withdrawal, the death benefit and contract value will be reduced. Please see a product prospectus for details.

Jean purchases a Nationwide variable annuity

Thomas is ***NOT*** named co-annuitant and spousal protection is ***NOT*** activated

Year 2:
The account value drops due to poor market performance

Year 3:
Thomas passes away and surrender charges ***remain in effect***

- No death benefit is paid
- The contract remains in effect and the value fluctuates with the market
- Jean names her daughter, Sarah, as the new beneficiary

Thomas ***IS*** named co-annuitant and spousal protection ***IS*** activated

Year 2:
The account value drops due to poor market performance

Year 3:
Thomas passes away and surrender charges ***are waived***

Jean can take a lump-sum payout of the return of premium death benefit value — in other words, the amount paid into the annuity (taxes may be applicable)

~ or ~

Jean can continue her contract as the owner/annuitant at the return of premium death benefit value

Jean names her daughter, Sarah, as the new beneficiary

Year 5:
- The account value drops due to poor market performance
- Jean passes away
- Sarah receives the return of premium death benefit value

Open the page to see this example with dollar amounts

This example is hypothetical. It does not reflect the performance of any actual investment. If the owner takes a withdrawal, the death benefit and contract value will be reduced. Please see a product prospectus for details.

Talk with your advisor for more information on the Spousal Protection Death Benefit Feature.

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.

All contract and rider guarantees, including optional benefits and any fixed subaccount crediting rates or annuity payout rates, are backed by the claims-paying ability of the issuing insurance company. They are not obligations of or backed by the broker/dealer from which this annuity is purchased, by the insurance agency from which this annuity is purchased or any affiliates of those entities, and none makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

Products are issued by Nationwide Life Insurance Company, Columbus, Ohio. The general distributor is Nationwide Investment Services Corporation, member FINRA.

ML 16-006298

VAM-0377AO.16 (05/18)