



**Nationwide®**  
is on your side

Nationwide  
High Point® 365

Lifetime Income  
Benefit Guide

# Enter retirement with confidence.

The Nationwide High Point® 365 lifetime income benefit rider —  
available with the Nationwide New Heights® 8 fixed indexed annuity.

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

## Nationwide High Point 365® Lifetime Income Benefit rider

What is a fixed indexed annuity?.....	3
How High Point 365 works.....	5
Lifetime income.....	6
Purchase payment bonus option.....	7
Additional information.....	8

**Definitions for bold words are located at the bottom of the brochure pages.**

# Growth and income.

As you approach retirement, both growth potential and lifetime income become increasingly important. This is especially true as life expectancies increase and the responsibility for funding retirement shifts to the individual. A fixed indexed annuity with a lifetime income rider may help you address your retirement needs.

## What is a fixed indexed annuity?

A fixed indexed annuity is a contract you buy from an insurance company to help you accumulate assets for retirement. It offers returns based on the changes in an index, such as the S&P 500® Composite Price Index.

Regardless of index performance, indexed annuity contract values will not be impacted by negative index returns.

## Keep in mind that:

- A fixed indexed annuity is not a stock market investment and does not directly participate in any stock or equity investment
- A fixed indexed annuity may be appropriate for those individuals who want the opportunity to capture upside potential while having a level of protection from market downturns
- Lifetime income may be provided through the purchase of an optional rider for an additional cost or through annuitization at no additional cost
- Withdrawals taken before age 59½ may incur a 10% early withdrawal federal tax penalty in addition to ordinary income taxes; withdrawals may trigger early surrender charges, reduce your death benefit and contract value, and may also reduce any guaranteed lifetime withdrawal benefits

***Guarantees and protections are subject to the claims-paying ability of the issuing company.***

# Make the most of your retirement income.

Reaching retirement doesn't mean an end to doing the things you enjoy. In fact, you've probably set aside some money so you can continue those activities. Establishing a reliable source of income is an important part of working toward your retirement goals.

The Nationwide High Point 365 Lifetime Income Benefit rider (High Point 365) is an optional living benefit **rider** that you can add, for an additional cost, to your Nationwide New Heights 8 Fixed indexed Annuity (New Heights 8) **contract**, if suitable. It offers:

- Competitive payout factors that increase the longer you wait to take lifetime income<sup>1</sup>
- The ability to track daily index performance and capture the daily highs, which may in turn increase your lifetime income
- Guaranteed lifetime income payments that will continue as long as you follow the terms of your contract — even if your contract value is zero ; see page seven or review the Certificate of Disclosure for more information about withdrawal terms

## If you choose to add the High Point 365 rider to your New Heights 8 contract, please note that:

- High Point 365 is only available at contract issue; it cannot be added later
- High Point 365 has an annual rider charge rate of 0.95% for the life of the contract; it is calculated on the **high point income benefit base** and is deducted from the contract value on a quarterly basis
- To purchase this rider, you (and your spouse if the joint option is elected) must be between the ages of 40 and 80 when the contract is issued

**Please read this entire brochure to understand how High Point 365 can help you build a potentially stronger lifetime income opportunity. And remember that all guarantees are subject to the claims-paying ability of Nationwide Life and Annuity Insurance Company.**

**rider:** An option you can add to your annuity at an additional cost that gives you extra features or guarantees.

**contract:** A document describing the terms, conditions, features and rights of the annuity, as well as the application form and any documents describing elected options and endorsements.

**high point income benefit base:** Greater of the Minimum Income Benefit Value and the highest Balanced Allocation Value. The Income benefit base is used to calculate the maximum lifetime income benefit payment and the rider charge.

**strategy earnings:** Strategy earnings are the result of the equity indexed component and declared rate component earnings, if any, minus any applicable strategy spread component.

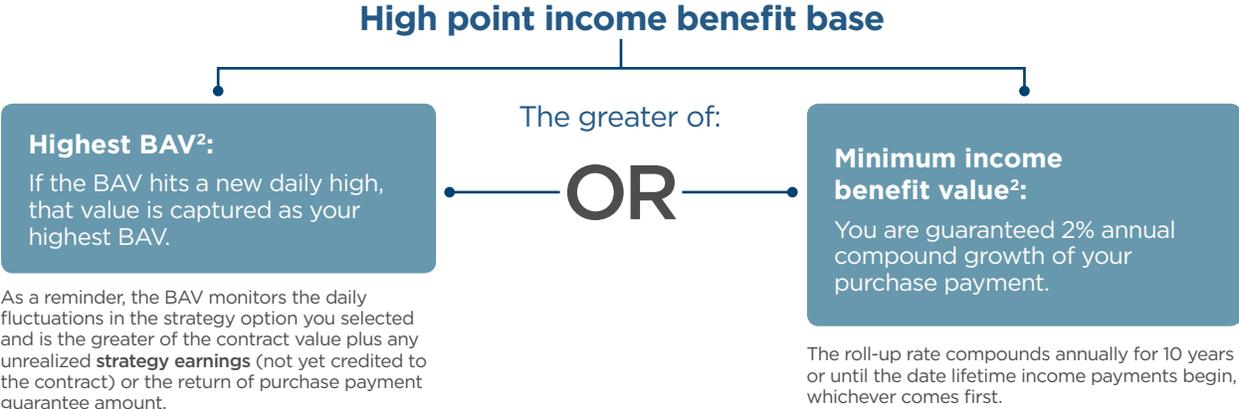
**strategy term:** A strategy term is a specific period of time, expressed in years, that is used to measure the change in the value of the strategy option used to credit earnings to your contract value. The initial strategy term is set at two years and is subject to change (may be shorter after the CDSC period). Only one strategy option may be selected for each strategy term.

<sup>1</sup> Lifetime income payments cannot begin until after the fifth contract anniversary and the date that the youngest covered life reaches age 50. Once your contract is issued, the range of lifetime payout percentages applicable to your contract will not change; however, payout percentages increase within that range every year income is deferred until the maximum payout percentage is reached. Once your lifetime income payments begin, the payout percentage will not change.

# Here's how it works.

On a daily basis, High Point 365 tracks two values to determine the high point income benefit base (income benefit base). During the accumulation phase and on the first day of the income phase, the income benefit base is the greater of the minimum income benefit value or the highest BAV (balanced allocation value).<sup>2</sup>

Let's take a closer look:



By capturing the peaks of the strategy option performance, the income benefit base has daily opportunities for growth. The example below illustrates how this can work.



Hypothetical Assumptions — New Heights 8 55% indexed allocation (S&P 500®); 45% declared rate allocation; 1% declared rate; 2.25% annual strategy spread; two-year **strategy terms**. Purchase date of January 1, 2007 through January 1, 2015 at hypothetical rates and holding these rates for renewals at each two-year term. The results shown represent hypothetical performance and shouldn't be considered a representation of future performance. While the strategy option and the rates are hypothetical, the S&P 500® index used in the calculation of the index component is historical data. Please note that Nationwide New Heights 8 was not available during the illustrated time period. The performance could be significantly different than the investment performance shown and shouldn't be considered a representation of performance or investor experience of the index(es) in the future. This does not illustrate a client exercising their right to lock in the index value, the impact of rider charges, or withdrawals.

<sup>2</sup> Both the highest BAV and the minimum income benefit value are adjusted for withdrawals.

# Starting your retirement income.

You must be age 50 and have held the contract for five years before beginning lifetime withdrawals. Once initiated, your annual maximum lifetime income payment is calculated by multiplying the income benefit base by the lifetime payout percentage. The maximum lifetime income payment is divided by 12 to determine the monthly available lifetime income benefit payment.

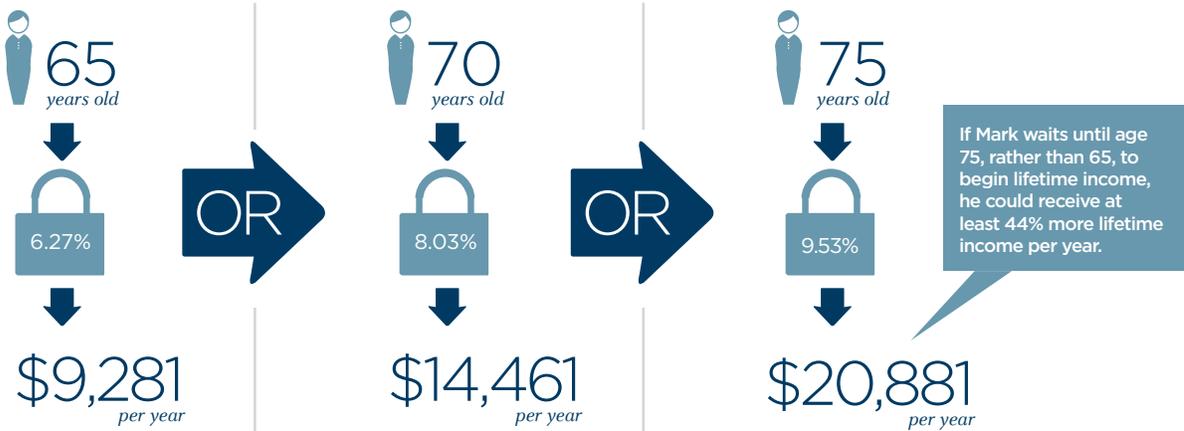
Income benefit base	X	Lifetime payout percentage	=	Maximum lifetime income payment
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Your lifetime payout percentage is based on your age at contract issue and the number of completed contract years when you elect to begin lifetime income payments. If the joint option is elected, the payout percentage is based on the age of the younger spouse and will result in a lower payout percentage. The longer you wait to begin lifetime income, the higher the lifetime payout percentages will usually be, offering the ability to increase your income potential regardless of the performance of the underlying index. Once your lifetime income payments begin, the payout percentage will not change.<sup>3</sup>

As long as you adhere to the rider withdrawal limits, lifetime income payments are guaranteed to continue for your life (and the life of your spouse following your death, if the joint option is elected). See page seven for more information about withdrawal terms. If your contract value is greater than zero and a new highest BAV is achieved after starting income, your income benefit base will be reset and your lifetime income amount will increase as a result.

**Hypothetical example: \$100,000 New Heights 8 contract with the High Point 365 rider**

Let's see how much annual income Mark, a 55-year-old male, would receive with a \$100,000 New Heights 8 contract with the High Point 365 rider, depending on when he chooses to begin lifetime income withdrawals.



The lifetime payout percentages illustrated are a hypothetical model intended to demonstrate the differences in payouts over time. They are purely hypothetical and shouldn't be considered a representation of what you may receive. The hypothetical income values were calculated assuming a 4% net growth of the income benefit base multiplied by the appropriate lifetime payout percentage, which change depending how long the contract is deferred prior to taking lifetime income payments. This example does not include a lock-in of the index, minimum income benefit value, rider charges, withdrawals or excess withdrawals.

To see specific lifetime payout percentages for your age and retirement timeframe, ask your advisor for current rates or to run an illustration. All guarantees and protections are subject to the claims-paying ability of Nationwide Life and Annuity Insurance Company.

<sup>3</sup> Lifetime income payments cannot begin until after the fifth contract anniversary and the date that the youngest covered life reaches age 50. Once your contract is issued, the range of lifetime payout percentages applicable to your contract will not change; however, payout percentages increase within that range every year income is deferred until the maximum payout percentage is reached. Once your lifetime income payments begin, the payout percentage will not change.

**covered life:** The covered life is the individual whose life is covered by the High Point 365 Lifetime Income Benefit rider.

**free withdrawal:** Defined amount allowed to be withdrawn without incurring a contingent deferred sales charge and forfeiting any unvested bonus. All lifetime income benefit payments are considered free withdrawals.

# Additional information.

## Purchase payment bonus option

If elected, a 3% bonus, credited at contract issue and calculated upon the purchase payment, will be added to the contract value, the High Point income benefit base and the return of purchase payment guarantee amount. If you elect this option, the High Point 365 rider charge rate increases to 1.15%.<sup>4</sup> It is important to note that rider charges are deducted from the contract value, which impacts the BAV, and therefore may reduce lifetime income payments

Should you take a partial withdrawal in excess of the free withdrawal amount or surrender the contract before the 9th contract year, you will receive the vested percentage of the purchase payment bonus shown below as part of the surrender value. Any unvested bonus will be forfeited and recouped from your contract value.

Completed contract years	0	1	2	3	4	5	6	7	8+
Vesting percentage	0%	13%	25%	38%	50%	63%	75%	88%	100%

**Note: Purchase payment bonus may not be available in all states and recoupment of unvested bonus is waived for free withdrawals**

## Important information about withdrawals

Lifetime income payments are free withdrawals and are not subject to **contingent deferred sales charges<sup>5</sup> (CDSC)** or, if applicable a **market value adjustment (MVA)**. A free withdrawal is the amount that you can withdraw annually from your contract and is noncumulative.

Once lifetime income payments are initiated, the income phase begins. Withdrawals that exceed your available lifetime income amount (excess withdrawals) may be taken, however, those excess withdrawals will reduce the highest BAV and income benefit base and future lifetime income payments proportionately. Excess withdrawals will reduce the contract value. If an excess withdrawal reduces the contract value to zero, this rider and the contract will terminate.

All withdrawals over the remaining free withdrawal amount are subject to CDSC and, if applicable, an MVA and/or recoupment of unvested bonus.

It is important to know that withdrawals taken, including lifetime income payments, may be subject to ordinary income tax, and also a 10% early withdrawal federal tax penalty if you are under age 59½. Please consult your qualified tax advisor or attorney regarding the applicability of this information to your specific situation. Neither Nationwide nor its insurance or investment professionals offer legal or tax advice.

See the Nationwide New Heights 8 fixed indexed annuity and riders disclosure summary for additional details, definitions, limitations and charges.

<sup>4</sup> Rider charge is based on the income benefit base, is charged on a quarterly basis and is deducted from the contract value.

<sup>5</sup> In CA, CDSC is called a surrender charge.

**contingent deferred sales charge (CDSC):** A charge that may be assessed on withdrawal or full surrender prior to the end of the CDSC schedule.

**market value adjustment (MVA):** In select states, an MVA may adjust the withdrawal amount payable, up or down, depending upon the interest rate conditions at the time of distribution as compared to interest conditions at the time your contract was issued. The MVA applies during the CDSC period to withdrawals in excess of the contract's free withdrawal amount, and does not apply to long-term care event or terminal illness or injury withdrawals or if a death benefit is payable.

## Your next steps.



*For additional materials, and to discuss adding the High Point 365 rider to your New Heights 8 contract, talk to your investment professional.*



**Nationwide®**

Guarantees and protections are subject to the claims-paying ability of Nationwide Life and Annuity Insurance Company.

Nationwide New Heights is underwritten by Nationwide Life and Annuity Insurance Company, Columbus, Ohio 43215

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Contract/certificate: FACC-0108AOPP, FARR-0104AO, FARR-0105AO, FARR-0108AO, FARR-0109AO, ICC13-FACC-0108AOPP, ICC13-FARR-0104AO, ICC13-FARR-0105AO

Oklahoma contract/certificate: FACC-0108OKPP, FARR-0106AO, FARR-0107AO, FARR-0110AO, FARR-0111AO

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