

# A plan for your **retirement**

Planning for retirement can help put you on the right path for your retirement. That's where Nationwide Peak® 10 may help. It offers protection and growth potential to help you plan for tomorrow – all from a company with almost 100 years of disciplined investing.

- Protection from market risk
- Growth potential with guarantees
- Guaranteed retirement income
- Protection for a spouse



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

# Guaranteed income backed by the strength of Nationwide®

We work hard to help you protect what matters today and prepare you for what comes tomorrow. In fact, we've been helping members protect what's important since 1925.



## NATIONWIDE AT A GLANCE<sup>1</sup>



### AM Best

2nd strongest of 16

Received 10/17/02  
Affirmed 12/17/19



### Moody's

5th strongest of 21

Received 3/10/09  
Affirmed 5/27/20



### Standard & Poor's

5th strongest of 22

Received 12/22/08  
Affirmed 6/23/20

<sup>1</sup> AM Best, Moody's and Standard & Poor's ratings and rankings reflect the rating agency assessment of the financial strength and claims-paying ability of Nationwide Life Insurance Company and are subject to change at any time. They are not intended to reflect the investment experience or financial strength of any variable account, which is subject to market risk. Because the dates are updated only when there's a change in the ratings, the dates above reflect the most recent ratings we have received. They are subject to change at any time.

While ratings can be objective indicators of an insurance company's financial strength and can provide a relative measure to help select among insurance companies, they are not guarantees of the future financial strength and/or claims-paying ability of a company. The broker/dealer from which a policy is purchased, the insurance agency and any affiliates of those entities make no representations regarding the quality of the analysis conducted by the rating agencies. The rating agencies are not affiliated with the abovementioned entities, nor were they involved in any rating agency's analysis of the insurance companies.

As you consider whether Nationwide Peak 10 is right for your needs, we want you to have important details about fixed indexed annuities.

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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 who want the opportunity to capture upside potential while having a level of protection from market downturns.

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Withdrawals taken before age 59½ may incur a 10% early withdrawal federal tax penalty in addition to ordinary income taxes; withdrawals may trigger surrender charges and reduce your death benefit and contract value. Please keep in mind that annuities have limitations, as they are designed for long-term retirement goals.

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All guarantees and protections are subject to the claims-paying ability of the issuing insurance company. Federal tax laws are complex and subject to change. The information in this brochure is based on current interpretations of the law. Nationwide doesn't offer tax advice. Please talk with your attorney or tax advisor for answers to specific questions.

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This material is not a recommendation to buy, sell, hold or roll over any asset, adopt a financial strategy 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. Clients should discuss their specific situation with their financial professional.

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# Nationwide Peak 10 and retirement risks

As life expectancies increase and the responsibility of funding retirement shifts to the individual, a product that offers both growth potential and principal protection is more important than ever. That's where a fixed indexed annuity may help.



**74%** of the population think there is some possibility of a **market crash in the next six months.**<sup>2</sup>

## PROTECTION FROM MARKET RISK

You want your money to grow. But you don't want to risk losing what you already have.

We guarantee<sup>3</sup> that you won't lose any of your initial investment or credited earnings due to the performance of the underlying index. Just keep in mind that if you decide to withdraw assets from your annuity, a surrender charge could reduce the money you receive.



**48%** of adults recognize the need for **annuities to protect their retirement income.**<sup>4</sup>

## GUARANTEED INCOME FOR LIFE

Nationwide Peak 10 gives you a choice between two options that provide guaranteed income for as long as you live — even if the contract value falls to zero.



**Only 27%** of investors are very confident they'll have **enough money to live comfortably through retirement.**<sup>5</sup>

## GROWTH POTENTIAL WITH GUARANTEES

As you approach retirement, the potential for the value of a portfolio to decrease because of changes in stock prices, interest rates or other factors is of greater concern. You simply don't have as much time to recover from losses. Nationwide Peak 10 can help keep your assets safe and has a higher growth potential than traditional investments.



The average 65-year-old couple has a **50% chance that at least one of them will reach age 93.**<sup>6</sup>

## PROTECTION FOR YOU AND YOUR SPOUSE

A joint option on the death benefit allows the annuity contract owner to name a spouse as a co-annuitant. This allows the death benefit to be paid to either spouse, no matter who passes away first — even on an IRA.

<sup>2</sup> Yale School of Management United States Stock Market Confidence Indices (April 2020).

<sup>3</sup> Guarantees are subject to the claims-paying ability of Nationwide Life and Annuity Insurance Company.

<sup>4</sup> "The Nationwide Retirement Institute COVID-19 Financial Study," presented by The Harris Poll on behalf of Nationwide Retirement Institute. This survey was conducted online within the United States between May 15-19, 2020, among 2,026 adults age 18 and over.

<sup>5</sup> "2020 Retirement Confidence Survey Summary Report," EBRI (April 2020).

<sup>6</sup> Based on Society of Actuaries RP - 2014 Mortality Table projected with Mortality Improvement Scale MP-2017 as of 2018.

# Understanding Nationwide Peak 10

The following pages are meant to help you and your financial professional talk about the product and its features in order to decide how it could help you achieve your long-term goals.

## ISSUE AGES

The maximum issue age for the annuitant is 85 for single or joint life contracts. The contract owner can be any age.

## CONTRACT TYPES

Nonqualified, traditional IRA, Roth IRA, SEP IRA, SIMPLE IRA, charitable remainder trust and 401(a).

## MINIMUM INVESTMENTS

\$25,000.

## CONTRACT VALUE TIERS

- Tiers give you the opportunity to earn more, based on how much you invest in your annuity.
- The fixed account and index account offer two different tiers of fixed rates, based on premium: \$0-\$99,999 and \$100,000 or more.

## Accessing your money

Nationwide Peak 10 allows you surrender charge- and MVA-free access to your money in the following circumstances:

- Withdrawals of up to 10% of your contract value (keep in mind that any distributions prior to age 59½ may be subject to a 10% early withdrawal federal tax penalty)
- Long-term care or confinement waiver: 100% of the contract may be withdrawn penalty free if you are confined to a nursing home for a continuous 90-day period; confinement must begin after the contract is issued and may not be available in all states; maximum issue age is 80
- Terminal illness or injury waiver: 100% of the contract value may be withdrawn penalty free after the first contract year if terminal illness or injury is diagnosed after the contract is issued; maximum issue age is 80; not available in NJ; in CT, available only after the second contract anniversary
- Required minimum distributions, even if they exceed 10% of your contract value; please keep in mind that money withdrawn from the index account during the index term will forfeit potential earnings that would have been credited at the end of the term

## Excess withdrawals

You may withdraw more than your free withdrawal amount in a given contract year, but keep in mind that charges and penalties may apply. In the first 10 years of your contract, withdrawals in excess of the 10% will be subjected to a surrender charge and, if applicable, a market value adjustment (MVA). The surrender charge schedule is a percentage of the withdrawal according to the following schedule<sup>7</sup>:

Completed years	0	1	2	3	4	5	6	7	8	9	10
Surrender charge	10%	9%	8%	7%	6%	5%	4%	3%	3%	3%	0%

<sup>7</sup> The surrender charge percentages differ for the following states: AK, CT, IA, ID, MN, MS, MO, NJ, NV, NH, OH, OK, OR, SC, PA, TX, UT, WA, WY. Please refer to a current rate sheet for your state of issue.

## Fixed and indexed options

To provide you with the flexibility to meet your needs, Nationwide Peak 10 offers a fixed account as well as a diverse lineup of indexes and crediting options. There are one-year or two-year periods (index terms) that track performance and calculate earnings at the end of each term. See a current rate sheet for more details.

### CREDITING OPTIONS AND CALCULATIONS

**One-year terms** are available for fixed and index cap crediting options:

- The fixed account earns interest daily
- Index cap terms begin when your contract is issued and last until the first contract anniversary; each subsequent term lasts from contract anniversary to contract anniversary
- Index cap earnings are determined by multiplying the contract value allocated to the index on the last day of a one-year term by the percent change in the index value from the beginning of the index period until the end of the index period, subject to the cap; earnings are applied at the end of a one-year index period

**Two-year terms** are available for index participation crediting options:

- Participation index terms begin when your contract is issued, and they last until the second contract anniversary with subsequent two-year terms (subject to change)
- Participation rate crediting option earnings are calculated using the index performance as a proportion of the index change (INDEX CHANGE x PARTICIPATION RATE) - (SPREAD RATE<sup>8</sup> x # YEARS)
- Earnings are applied at the end of a two-year index period; your account will not result in a loss due to an index's negative performance or performance equaling 0% at the end of the index term

### ACCOUNT OPTIONS

- An account option is the fixed account, or the combination of an index + crediting option
- You can select up to five account options

### Costs

There are no annual contract or administrative fees. However, if you need to withdraw money from your contract during the surrender charge period, you may have to pay a penalty and an MVA, if applicable. If distributions occur prior to age 59½, you may be subject to a 10% early withdrawal federal tax penalty, have to pay surrender charge and, if applicable, an MVA.

## Allocation changes

- For one-year crediting options, your account allocation can be changed once a year during the 30 days before the end of the term
- For two-year crediting options, your account allocation can be changed every two years during the 30 days before the end of the term
- Allocation changes will be reflected on the first day of the next term, no matter when the transfer is requested within the 30-day window

## Market value adjustments (MVA)

If you surrender your contract or withdraw more than the 10% free withdrawal amount in a year before the end of the surrender charge period, an MVA may apply. Depending on how interest rates have changed since you bought the annuity, the MVA could add or subtract value. Generally speaking:

- If interest rates have gone up, the MVA will be negative and money will be subtracted from your withdrawal
- If interest rates have gone down, the MVA will be positive and money will be added to your withdrawal
- When an MVA applies, it will be based on the portion of a withdrawal or full surrender that is greater than the remaining free withdrawal amount; please refer to the MVA endorsement in your contract for more details

## Taxation

Annuities are tax-deferred products, so you do not pay taxes on any gains until you take a withdrawal. If you take withdrawals or surrender your contract, ordinary federal and state income taxes may apply. You may also be subject to a 10% early withdrawal federal tax penalty if you take withdrawals or surrender your contract before age 59½.

## Death benefit

If you are the sole owner and annuitant, when you pass away, a death benefit will be paid to the beneficiaries named in your contract. The death benefit payable is equal to the contract value. Please refer to the contract for more details.

A joint option is also available if the contract owner names a spouse as a co-annuitant. This feature allows a death benefit to be paid to the surviving spouse, no matter who passes away first or who owns the contract. The surviving spouse also has the option to continue the annuity contract at the death benefit value. Any remaining surrender charge or MVA would no longer apply to the contract. The death benefit will be equal to the contract value.

<sup>8</sup> Spread rate could be 0%.

# One guarantee may make a big difference

The **Guaranteed Income Solution** is a lifetime income withdrawal feature designed to provide consistent retirement income you can count on. You'll know the minimum amount you will receive, and it's guaranteed for your lifetime.

**Guaranteed 4%** simple interest roll-up rate on your original Income Benefit Base each year for the first 10 years or until your first withdrawal, whichever comes first.

**Guaranteed lifetime income<sup>9</sup>** that won't decrease, even if your contract value goes to zero. Your income will be based on your age when you take your first lifetime withdrawal.

## When you need retirement income

The Guaranteed Income Solution can provide a steady stream of income that's guaranteed for the rest of your life—even if your contract value falls to \$0.

The income phase allows you to turn the growth of your contract or the Income Benefit Base into income by taking lifetime withdrawals.

**Income Benefit Base:** The numerical value used to calculate your lifetime withdrawals; it is not a cash value.

On each anniversary, it will be the greater of:

- Contract value
- Income Benefit Base<sup>10</sup>

AGE	LIFETIME WITHDRAWAL PERCENTAGE
50-59	3.50%
60-71	4.00%
72+	4.50%

The lifetime withdrawal percentage is based on the owner's attained age when the first withdrawal is taken.

- Your income percentage is based on your age and is determined when you take your first withdrawal.
- There is no waiting period, so you may begin withdrawals right away, but if you wait longer, your lifetime withdrawal percentage may increase based on your age.
- Your lifetime withdrawal amount is determined by multiplying your lifetime withdrawal percentage by your Income Benefit Base.

## OTHER IMPORTANT INFORMATION

- The owner must be at least age 50 for this feature to apply; beneficially owned contracts are excluded
- This feature applies to all contracts unless the Bonus Income+ Rider is elected

## ASSUMING YOU ARE BETWEEN AGES 50 AND 59, IF YOU BEGIN WITHDRAWALS RIGHT AWAY:

<b>INCOME BENEFIT BASE</b> \$100,000	X	<b>LIFETIME WITHDRAWAL %</b> 3.5%	=	<b>LIFETIME WITHDRAWAL AMOUNT</b> \$3,500
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## IF YOU WAIT 10 YEARS:

<b>INCOME BENEFIT BASE</b> \$140,000	X	<b>LIFETIME WITHDRAWAL %</b> 4%	=	<b>LIFETIME WITHDRAWAL AMOUNT</b> \$5,600
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<sup>9</sup> If you take early or excess withdrawals, they will reduce your Income Benefit Base and contract value. Withdrawals above the annual income amount to cover required minimum distributions will reduce the Income Benefit Base. Some restrictions apply.

<sup>10</sup> From the prior contract anniversary adjusted for roll-up crediting (and excess withdrawals if applicable).

# Options to fit your income needs

Now that you have a better understanding of Nationwide Peak 10 and how it can help you grow your assets while protecting your income, you may want to learn more about the Bonus Income+ Rider. It's available for an additional cost and has features to customize your lifetime income even more. To learn more, see the Bonus Income+ Rider brochure.



## Your next steps

Talk to your insurance professional to learn how Nationwide Peak 10 can help you plan for tomorrow.



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

If you annuitize a nonqualified annuity, a portion of your payment will be considered a return of premium and will not be subject to ordinary income tax. The amount that is taxable will be determined at the time you elect to annuitize the policy.

All annuity contract and rider guarantees, including optional benefits and any fixed subaccount crediting rates or annuity payout rates, are subject to the claims-paying ability of the issuing insurance company. They are not 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.

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