



**Nationwide**<sup>®</sup>  
is on your side

Nationwide High Point  
365<sup>®</sup> Lifetime Income  
Benefit rider

Lifetime Income  
Overview

# Enter retirement with confidence

*Nationwide New Heights<sup>®</sup> 12 fixed indexed annuity with Nationwide High Point 365<sup>®</sup> provides two powerful ways to increase guaranteed lifetime income*

# A source of income for life

As retirement draws nearer, many of us reach a point when we begin to wonder how we'll generate income and if that income will be enough to carry us through retirement. If you're invested in equities, it's natural to consider what impact a major downturn could have on your retirement. In today's low interest rate environment, are your fixed interest options providing enough growth to fund a retirement that could last 25 years or more?

Nationwide High Point 365<sup>®</sup> Lifetime Income Benefit rider, available for an additional cost with Nationwide New Heights<sup>®</sup> 12 fixed indexed annuity, may help address some of these concerns and be an important part of your long-term retirement plan by offering:

- **Protection**—your retirement savings are protected from a potential decline in the market
- **Growth**—opportunity for earnings based on the performance of an underlying index
- **Income**—guarantee a source of income you cannot outlive

## What is a fixed indexed annuity?

A fixed indexed annuity is a contract you buy from an insurance company that provides the opportunity to earn interest based on the changes in an index such as the S&P 500<sup>®</sup> Composite Price Index. Regardless of index performance, indexed annuity contract values will not be impacted by negative index returns.

This material is not a recommendation to buy, sell, hold, or rollover 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 work with their financial professional to discuss their specific situation.

# Two ways to grow your future income

The Nationwide High Point 365 Lifetime Income Benefit rider (High Point 365) provides a source of guaranteed income and increases your future income in two powerful ways:

- 1 Every year you wait to begin taking lifetime income payments<sup>1</sup>**
- 2 Every day your contract reaches a new daily high point**

If you're interested in generating an income stream you can't outlive, High Point 365 may be a solution.<sup>2</sup> High Point 365 is available with Nationwide New Heights 12 fixed indexed annuity.<sup>3</sup>

<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.

<sup>2</sup> Nationwide High Point 365 offers lifetime income as long as you follow the terms of your contract. Excess withdrawals will reduce future income payments, and an excess withdrawal that reduces contract value below zero will terminate the rider.

<sup>3</sup> The rider charge is an annual fee, assessed quarterly, and reduces the contract value.

# Guaranteed increases to your lifetime income each year you wait

The first way lifetime income can increase is through the guaranteed lifetime payout percentage. Your lifetime income will be calculated based on the payout percentage in the year you begin taking withdrawals. Each year you wait to begin withdrawals, your payout percentage is guaranteed to increase.<sup>4</sup>

High Point 365's lifetime income benefit includes:

- **Guaranteed annual increases** to lifetime payout percentage up to 16%<sup>5</sup>
- **Guaranteed lifetime income** that will never decrease due to index performance<sup>6</sup>
- **Guaranteed income for both spouses** when you choose the joint option<sup>7</sup>



<sup>4</sup> After the fifth contract anniversary and date the youngest covered life reaches age 50, the payout percentage is guaranteed to increase every year up to age 90 or achieving the maximum payout percentage. Payout percentages are based on age at contract issue and guaranteed for the life of the contract. All guarantees are subject to the claims-paying ability of Nationwide Life Insurance and Annuity Company.

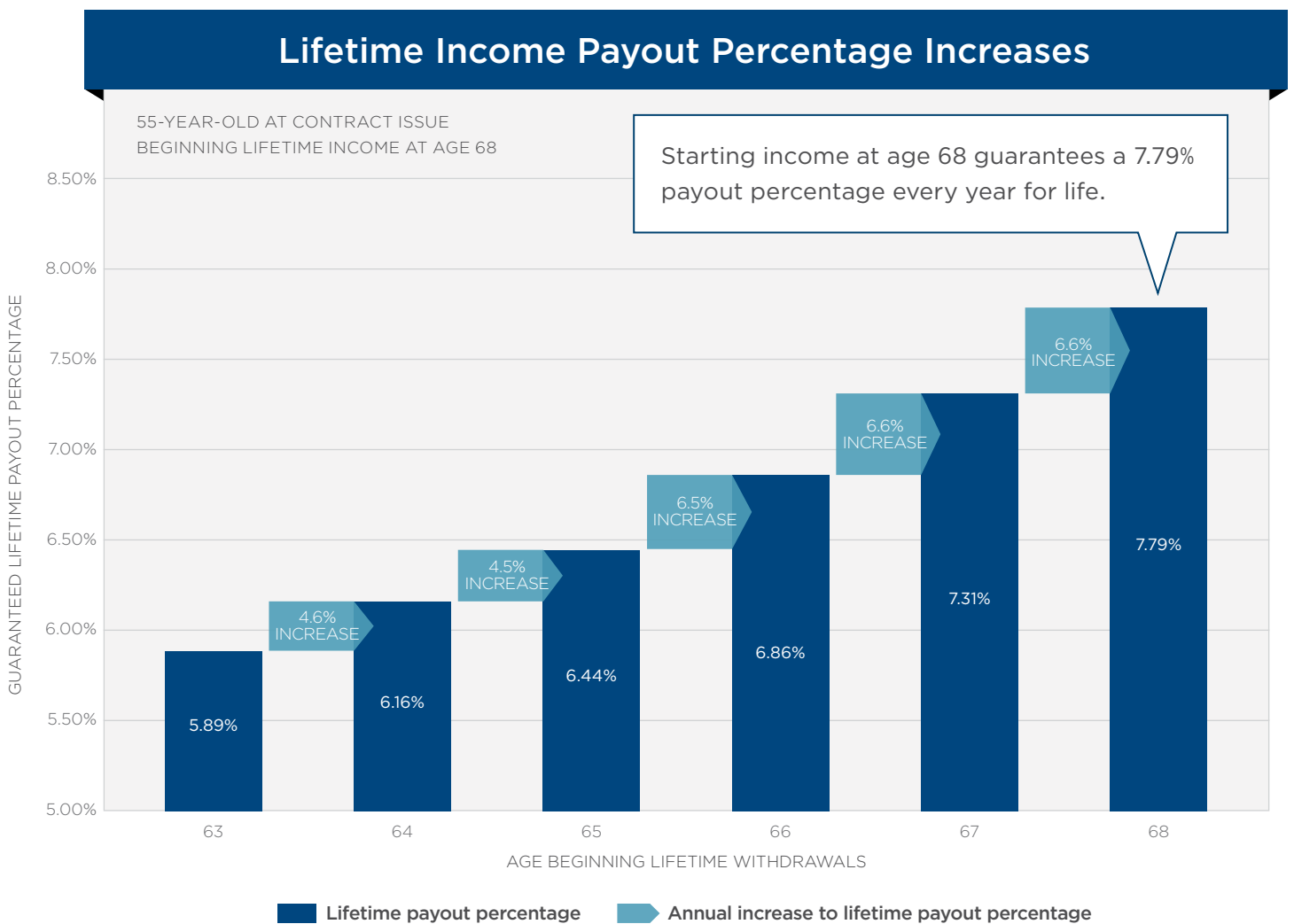
<sup>5</sup> For Single Life; maximum payout percentage is 14% with the joint option. Lifetime income percentage increases every year you wait to start lifetime income. Once lifetime income payments begin, the payout percentage is fixed and guaranteed not to go down.

<sup>6</sup> Excess withdrawals may reduce lifetime income payments.

<sup>7</sup> Lifetime payout percentages may be lower when you choose the joint option.

## During this six-year period, the lifetime payout percentage increases an average of 5.76% per year

The graph below shows an example of how the payout percentage increases each year until withdrawals begin. During this six-year period before starting lifetime income, the payout percentage increased over 32%. By choosing to begin lifetime withdrawals at age 68, the payout percentage would be guaranteed for life at 7.79%.



Lifetime payout percentages above are presented as an example and may not reflect current payout percentages. Lifetime payout percentages are guaranteed at contract issue for the life of the contract and are subject to change prior to contract issue. Ask your financial professional for current lifetime payout percentages for your specific situation.

# Automatically capture each new high point to increase future income

The second way your lifetime income can increase is through your high point income benefit base. Your high point income benefit base is the greater of:

## 1 Highest Balanced Allocation Value

On any day your Balanced Allocation Value (BAV) reaches a new high point, it automatically increases your income benefit base, even if you've already started taking withdrawals.<sup>8</sup>

## 2 Guaranteed 1% annual roll-up

Even if the BAV does not reach a new high point, the minimum income benefit value provides a guaranteed 1% roll-up on the initial purchase payment, compounded annually.<sup>9</sup>

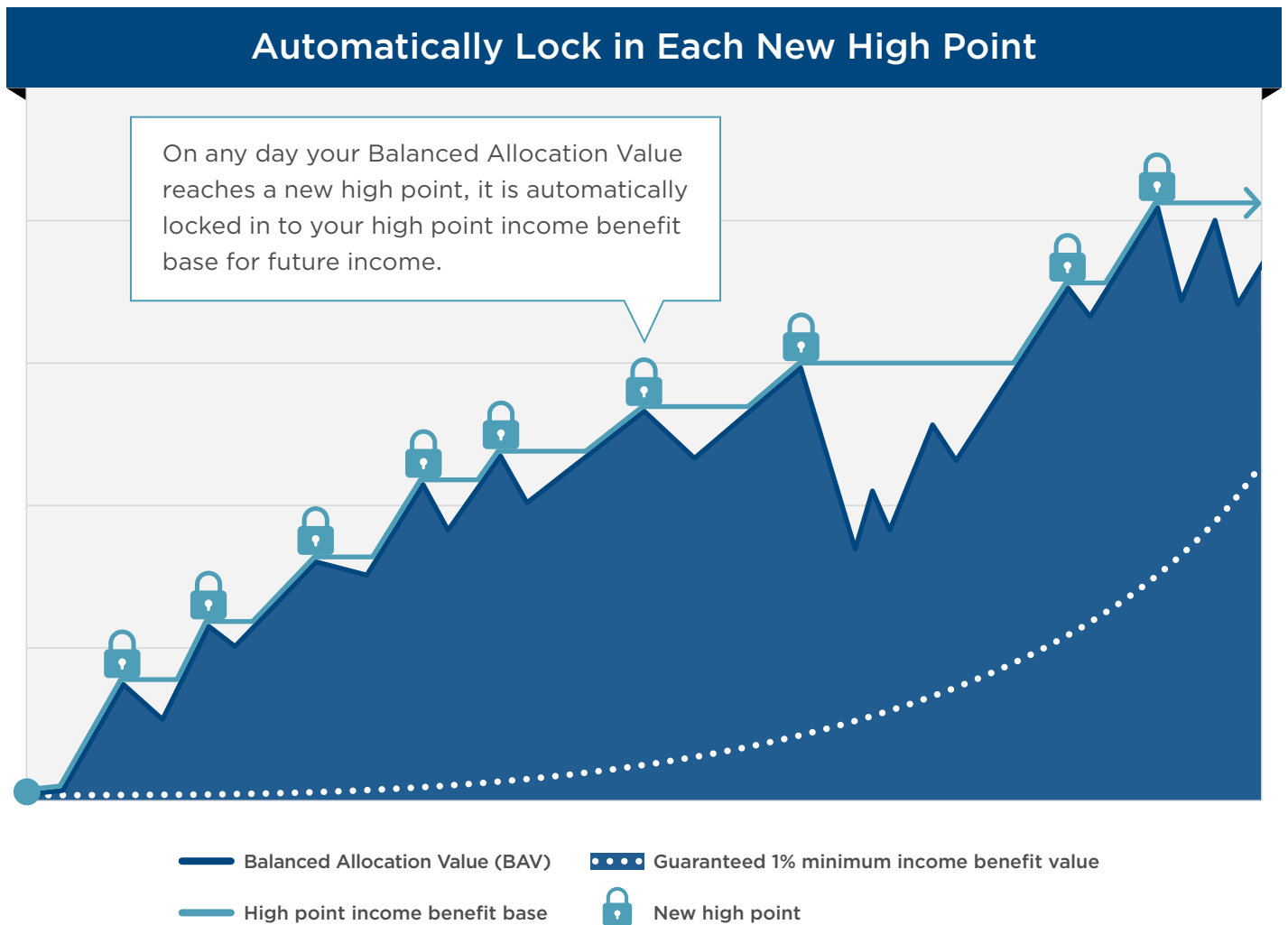


<sup>8</sup> The BAV is the greater of the contract value plus any strategy earnings that have not been credited to the contract or the Return of Purchase Payment Guarantee amount.

<sup>9</sup> The 1% roll-up rate is compounded annually from the date of issue until the earlier of the 10th contract anniversary or the date lifetime income payments begin.

## Benefit from the greater of a minimum guaranteed rollup or the highest Balanced Allocation Value.

The chart below provides a hypothetical example of how High Point 365 automatically locks in every new high point to increase future income.



# Calculating your lifetime income benefit

Once you decide to start taking lifetime income, your payments are calculated by multiplying the lifetime income payout percentage by the high point income benefit base.

Lifetime Payout Percentage

x

High Point Income Benefit Base

=

Annual Lifetime Income

Lifetime income can be guaranteed for you or you and your spouse at no additional cost through the joint option.<sup>10</sup> When you choose the joint option, lifetime income will continue to be paid as long as either you or your spouse is living.

## ***More information on lifetime income:***

Annual lifetime income payments are paid monthly. Any increase in your income benefit base after lifetime withdrawals have begun will be reflected in the next month's lifetime income payment. You can roll over any unused lifetime income payments month-to-month until the end of the contract year. If you take a withdrawal greater than your available monthly lifetime income payment, your future income will be reduced.

<sup>10</sup> Lifetime payout percentages may be lower when you choose the joint option.







## Meet David

Age: 59

Purchase payment: \$100,000

Age to begin lifetime income: 71

Looking for a secure way to continue to grow his assets and provide lifetime income once he retires, David purchased New Heights 12 with High Point 365. The hypothetical graph to the right shows how David's contract might have performed over the last 12 years.

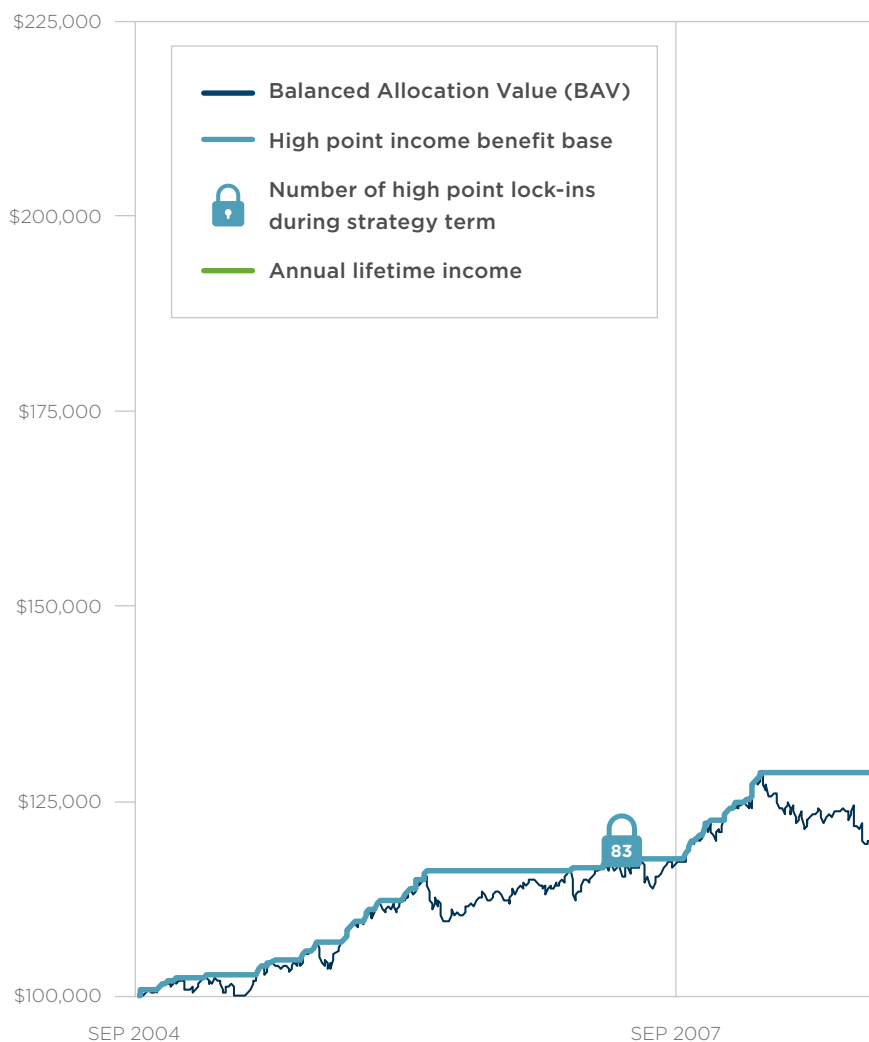
During this 12-year period, David's high point income benefit base locked in **353 new high points and increased from \$100,000 to \$200,428.**

After the five-year deferral period, David's lifetime payout percentage increased from 5.56% at age 64 to 8.18% at age 71—**a 47.12% increase in his lifetime income.**

When David decides to begin lifetime withdrawals, his guaranteed annual lifetime income is \$16,395 per year—**the equivalent of over 16% of his initial \$100,000 investment.**

This hypothetical example uses the J.P. Morgan Mozaic II<sup>SM</sup> Index. Other index options are available with Nationwide New Heights.

# Benefit from both daily guaranteed income



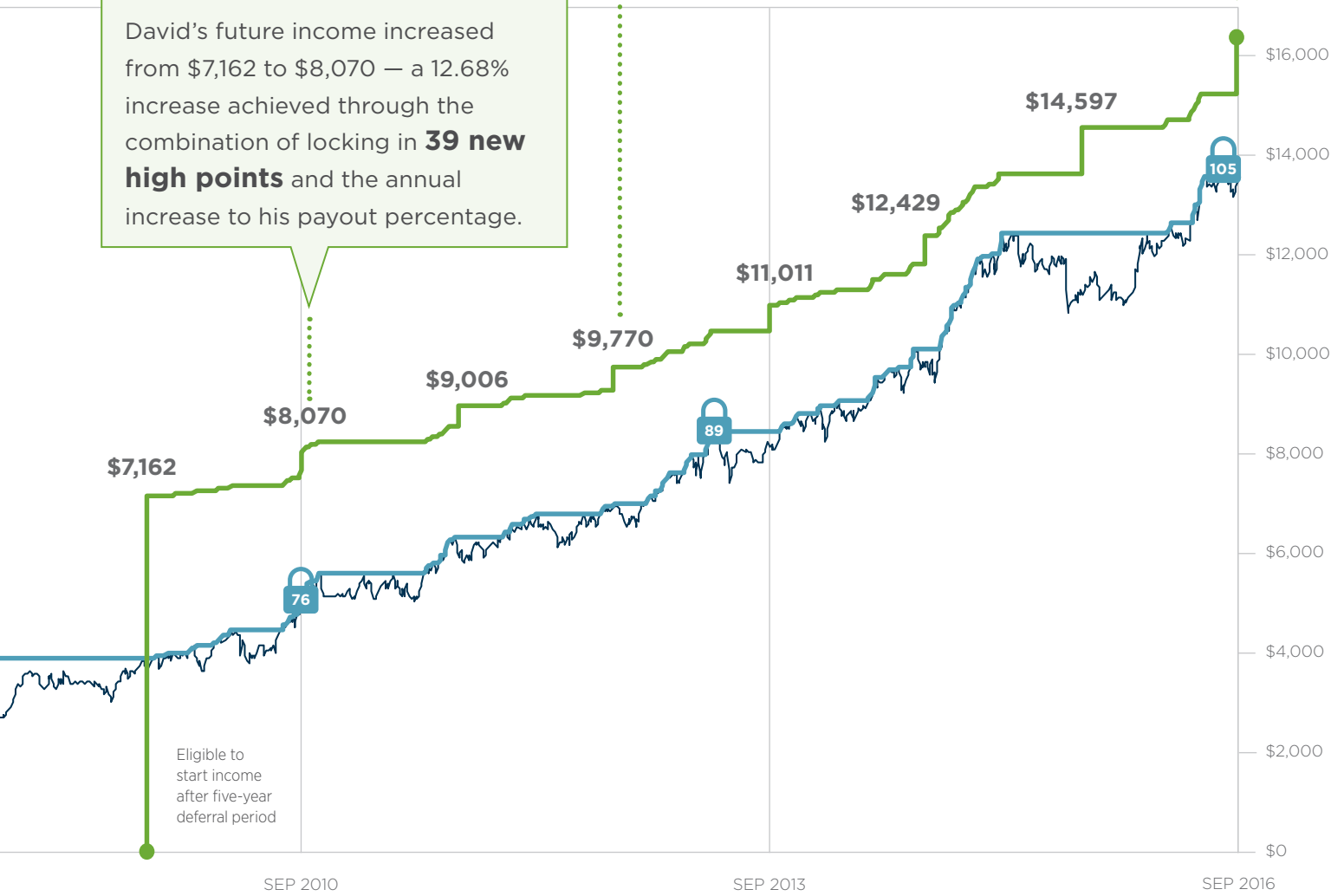
Hypothetical assumptions: Issue age 59, New Heights 12 with High Point 365, J.P. Morgan Balanced Allocation Strategy option crediting factors are held for renewals at each three-year shown represent hypothetical performance and shouldn't be considered a representation of calculation of the index component is actual and back-tested data. The J.P. Morgan MOZAIC II<sup>SM</sup> is hypothetical and has been provided for informational purposes only. This shouldn't be illustrate free partial withdrawals or excess withdrawals prior to beginning lifetime income. income payout percentages for your specific case.

# and yearly opportunities to increase your

Even with just 3.27% market growth this year, David's future income grew from \$9,006 to \$9,770 primarily due to a **5.05% increase in his payout percentage**.

When David starts withdrawals, his **lifetime income is \$16,395 per year**.

David's future income increased from \$7,162 to \$8,070 — a 12.68% increase achieved through the combination of locking in **39 new high points** and the annual increase to his payout percentage.



MOZAIC II™ Index Strategy B (120% index allocation 0% strategy spread, 0.95% rider fee). Purchase date of 9/30/2004 to 9/30/2016. This illustration assumes that the term. Keep in mind that crediting factors are only guaranteed for the initial strategy term; crediting factors for each subsequent strategy term may vary. The results future performance. While New Heights 12 was not available during most of this time, and the strategy option and the rates are hypothetical, the index used in the Index was established in 2016. Performance shown before this date is back-tested by applying the index strategy to historical financial data. Backtested performance considered a representation of performance or investor experience of the index in the future. Other index options are available with New Heights. This does not The lifetime income payout percentages used in this example may differ from those currently available. Ask your financial professional for current rates and lifetime



## Talk with your financial professional to learn more about Nationwide New Heights® 12 with the High Point 365® rider.

### Please keep in mind:

- 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



**Nationwide®**

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

Nationwide New Heights, an individual, single purchase payment, deferred fixed index annuity is issued by Nationwide Life and Annuity Insurance Company, Columbus, Ohio. Please note, the contract does not directly participate in any stock or equity investments. Withdrawals are subject to income tax, and withdrawals before age 59½ may be subject to a 10% federal tax penalty. Annuities have limitations. They are long-term vehicles designed for retirement purposes. They are not intended to replace emergency funds, to be used as income for day-to-day expenses or to fund short-term savings goals. Please read the contract for complete details.

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

Withdrawals may trigger early surrender charges, reduce your death benefit and contract value and may also reduce any guaranteed lifetime withdrawal benefits.

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