Nationwide®

Annuity Customer Suitability Questionnaire for Fixed Products

Nationwide Life Insurance Company
Nationwide Life and Annuity Insurance Company

PO Box 182021, Columbus, OH 43218-2021
Phone: 800-848-6331 • Fax: 888-634-4472 • nationwide.com

Important Information: Complete this form when purchasing a new annuity contract with Nationwide. The information collected on this form is used to determine if recommendations appropriately match your financial needs. **Please include this form with your Nationwide Annuity Application, as well as the most recent statement for all associated accounts from a security and/or insurance product for exchange or replacement. If the new contract is an immediate annuity, please provide a current income comparison quote/illustration from the existing contract carrier.**

1. Customer Information (Please print)

Nam[redacted] Date of Birth: 11/09/1966
SSN: Phone: [redacted]
Email:

Joint Owner's Name (if applicable):
Date of Birth: SSN: Phone:
Email:

Marital Status: ☑ Single ☐ Domestic Partner ☐ Married ☐ Divorced/Separated ☐ Widowed

Employment Status: ☑ Employed ☐ Self Employed ☐ Homemaker ☐ Student ☐ Retired ☐ Disabled ☐ Unemployed ☐ Other:

If employed or self [redacted]ide the following information:
Name of Employer:[redacted] Occupation/Job Title:[redacted]

Financial Information - Person (If using a non-natural owner, please provide annuitant information in space below.)

Annual Household Income (include all household income, i.e., spouse)	Income Tax Bracket:	Annual Expenses:	Approximate Total Net Worth:	Liquid Assets after Annuity Purchase:
$: 180,000.00 ☐ Gross **OR** ☑ Net	☐ 0% ☐ 25% ☐ 5% ☐ 35% ☐ 10% ☐ >35% ☑ 15%	$: 120,000.00	$: 1,495,000.00 (The total assets listed in this field should equal all assets listed in the assets table below. Do not include client's residence.)	$: $125,000.00 (Checking, savings, money market funds, and securities that can be sold without penalties)

Assets

Liquid Assets		Non-Liquid Assets	
Asset Type	**Current Value**	**Asset Type**	**Current Value**
Checking and Savings Accounts	$125,000.00	Life Insurance	
Mutual Funds (A & C shares)		Mutual Funds (B shares)	$370,000.00
Employer Based Retirement Plans (if older than 59½)		Employer Based Retirement Plans (if younger than 59½)	$200,000.00
CD		Fixed Annuity in Surrender Period	$600,000.00
Fixed Annuity (penalty-free)		Variable Annuity in Surrender Period	
Variable Annuity (penalty-free)		Other: Real Estate	$200,000.00
Stocks and Bonds		Other:	
Other:			
Total:	$125,000.00	**Total:**	$1,370,000.00

☐ **See attached statement(s)**

1. Customer Information (continued)

Financial Information - Entity (If the contract owner is a **non-natural entity**, please complete the information below.)
Gross Annual Revenue or Income: $________ Net Annual Revenue or Income: $________
Total Entity Assets: $________ - Total Entity Liabilities: $________ = Total Entity Net Worth: $________

2. Investment Experience & Objectives

Investment Objectives:	Investment Experience:	Investment Time Horizon:	Liquidity Needs:
☐ Current Income[1]	☐ Annuities	☐ < 1 Year	☐ < 1 Years
☐ Discretionary Income[1]	☐ Life Insurance	☐ 1-5 Years	☐ 1-5 Years
☑ Future Income[1]	☑ CDs	☐ 6-10 Years	☐ 6-10 Years
Expected Start Date: 14 year	☑ Stocks	☑ > 11+ Years	☑ > 11+ Years
☐ Estate Planning	☑ Bonds		☐ No Liquidity Needs
☐ Tax Deferral	☑ Mutual Funds		
☐ Accumulation	☐ None		**Immediate Annuity Only:**
☐ Child's Education	☑ Other: Real Estate		☐ Liquidity Feature
☐ Safety of Principal			
☑ Other: growth potential			

[1] **Please provide the general need for income:** retiring

Low

Risk Tolerance: What is your risk tolerance **for this account**? Select the answer that most closely matches your situation.

☑ **Conservative:** I want to preserve my initial principal in this account, with minimal risk, even if that means this account does not generate significant income or returns and may not keep pace with inflation.

☐ **Moderately Conservative:** I am willing to accept low risk to my initial principal, including low volatility, to seek a modest level of portfolio returns.

☐ **Moderate:** I am willing to accept some risk to my initial principal and tolerate some volatility to seek higher returns, and understand I could lose a portion of the money invested.

☐ **Moderately Aggressive:** I am willing to accept high risk to my initial principal, including high volatility, to seek high returns over time, and understand I could lose a portion of the money invested.

High

☐ **Aggressive:** I am willing to accept maximum risk to my initial principal to aggressively seek maximum returns, and I understand I could lose most, or all, of the money invested.

3. Source of Funds (choose all that apply)

☐ Fixed Annuity ☐ Variable Annuity[2] ☐ Life Insurance[2] ☐ Mutual Fund[2]

☐ Employer Sponsored Retirement Plan[2]

Type:________ ☐ Previous Employer OR ☐ Current Employer
(401(k), 403(b), etc.)

☐ Brokerage Account[2]

Tax Qualification Code:________ Time Held:________ ☐ Months ☐ Years Orig Prod Type:________

☑ Savings/Checking/CD

Tax Qualification Code: NQ Time Held: 3 ☐ Months ☑ Years Orig Prod Type: wages

☐ Other[2]:________ If selected, must state source of funds:________

[2] A registered representative who is currently licensed with a broker dealer may be required to assist you with the liquidation of your portfolio to fund the purchase of the fixed annuity. If the producer who recommended the purchase of the fixed annuity compared your existing portfolio to the fixed annuity, they must be a registered representative of a broker dealer or an investment advisor representative of a registered investment advisor. Additional information and existing account documentation may be required to confirm the recommendation to purchase the fixed annuity, if the recommendation was made by an insurance-only producer.

4. Product Information (Purchasing a fixed annuity product)

Please note, when completing the information in this section, boxes cannot be left blank. If the question or charge is not applicable, please respond with either N/A or zero, if applicable.

Fixed Annuity Product Being Purchased	
Product Name	New Heights 9
Total Premium	$ 300,000.00
CDSC Schedule (% per year)	Completed years: 0: 9 %, 1: 9 %, 2: 9 %, 3: 9 %, 4: 8 %, 5: 7 %, 6: 6 %, 7: 5 %, 8: 4 %, 9: 0 %, 10: __ %, 11: __ %, 12+: __ %
Rider Fees	$ OR .95 %
Enhanced Death Benefit	☐ Yes ☑ No
Living Benefit	☑ Yes ☐ No If yes, type of living benefit: High Point 365 Income
Expected Income Start Date:[3] 07/01/2032	
Nationwide Anticipated Guaranteed Income Amount on Expected Income Start Date:[3] $ 50,887.50	

5. Replacement Information

Will this fixed annuity be funded by a replacement or exchange from a life insurance or annuity contract? ☐ Yes ☑ No

If yes, please complete the "Contract or Policy Under Consideration for Replacement or Exchange" columns. Please note, when completing the information in this section, boxes cannot be left blank. If the question or charge is not applicable, please respond with either N/A or zero, if applicable.

Contract or Policy Under Consideration for Replacement or Exchange	**Contract 1**	**Contract 2**
Contract/Policy Number		
Contract/Policy Issue Date		
Contract/Policy Value	$	$
Current Interest Rate	%	%
Minimum Guaranteed Interest Rate[4]		
Years of CDSC Remaining		
CDSC Schedule (% per year)		
CDSC Amount	$	$
Market Value Adjustment	$	$
Mortality & Expense Charge	%	%
Administrative Fees	$ OR %	$ OR %
Rider Fees	$ OR %	$ OR %
Guaranteed Death Benefit	$	$
Living Benefit	☐ Yes ☐ No Benefit Base: $	☐ Yes ☐ No Benefit Base: $
Expected Income Start Date:[3]		
Anticipated Guaranteed Retirement Income Amount on Expected Income Start Date:[3]	$	$
Client Acknowledgement	Client's Initials:	Client's Initials :

[3]Income Start Date in the annuity contract

[4]If 3% or greater, please initial to indicate the acknowledgment the client is foregoing a percentage guaranteed return in exchange for the growth potential of the annuity contract being purchased. Although the potential may exist, there is no guaranteed growth equal to that offe[redacted]current contract.

Client: [redacted] Producer:

6. Financial Objective & Considerations

1. Please describe your emergency fund for unexpected expenses.
   $125k in liquid assets for emergencies
2. Is your current income sufficient to cover future changes in your living and/or out-of-pocket medical expenses during the surrender charge period? ☑ Yes ☐ No
   If no, explain:
3. Does your current income cover all of your living expenses including medical? ☑ Yes ☐ No
   If no, explain:
4. Do you expect changes to your living expenses in the future? ☐ Yes ☑ No
   If yes, explain:
5. Do you anticipate changes in your out-of-pocket medical expenses in the future? ☐ Yes ☑ No
   If yes, explain:
6. Do you reside in a nursing home or assisted living facility? ☐ Yes ☑ No
   If yes, explain:
7. Have you executed an exchange in the last 36 months (60 months in CA or MN)? ☐ Yes ☑ No
   If yes, explain:
8. Do you have a reverse mortgage? ☐ Yes ☑ No
   If yes, please provide amount:
9. How will this fixed annuity being purchased better assist your insurance needs and financial objectives?

☑ Lifetime Income Payout ☐ Higher Interest Rate / Index Credit Potential ☐ Penalty Free Death Benefit
☐ Enhanced Benefits ☐ Increased Liquidity ☐ Multiple Index Options
☐ Immediate Income ☐ Principal Protection ☑ Other - Please explain: growth potential

☐ The consumer intends to apply for means-tested government benefits including, but not limited to, Medicaid, Medi-Cal, or Veterans' Aid and Attendance Benefit

Please provide the name of the Elder Law Attorney (if applicable):

10. How do you anticipate taking distributions from this fixed annuity? (Check all boxes that apply.)

☐ Partial Surrenders (including penalty-free withdrawals) ☑ Income Rider
☐ Lump Sum ☐ Wealth Transfer
☐ RMD (required minimum distributions) ☐ N/A (death benefit)
☐ Systematic Withdrawals ☐ N/A (single premium immediate annuity)
☐ Other - Please explain:

7. Producer's Statement

Please provide a **detailed statement** as to the benefits and suitability of this annuity product being sold, including the customer's specific needs and intended use:

[redacted] is looking to put a portion of her assets with growth potential where she can maintain no risk environment.

8. Fixed Annuity Disclosure

A typical fixed annuity offers three basic features: tax-deferred treatment of earnings, a death benefit, and annuity payout options that may provide income for life. Generally, fixed annuities have two phases: The "accumulation" phase, when your contributions, also known as premiums, accumulate and earn interest, and the "distribution" phase, when you withdraw money, typically as a lump sum or through various annuity payment options. If the payments are delayed to the future, you have a deferred annuity. If the payments start immediately, you have an immediate annuity. Before you consider purchasing a fixed annuity, make sure you fully understand all of its terms. The following are six factors you should bear in mind before purchasing:

Liquidity and Early Withdrawals

Deferred annuities are long-term investments. Many annuities assess surrender charges for withdrawals within a specified period of time, which can be 10 years or longer. 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. Federal tax laws are complex and subject to change. This information 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.

Sales and Surrender Charges

Fixed annuities typically impose surrender charges for withdrawals or termination within the first several years of the contract, but they usually do not charge a front-end sales charge or annual contract fee. These surrender charges normally decline (usually over 7-10 years) and eventually are eliminated the longer you hold your contract. For example, a surrender charge could start at 7% in the first year and decline by 1% per year until it reaches zero.

Fees and Expenses

In addition to surrender charges, fixed annuities may impose a fee or expense for optional features. These fees are generally represented as a reduction in the interest rate earned in the contract. Remember, you will pay for each fixed annuity benefit. If you don't need or want these features, you should consider whether this is an appropriate investment for you.

Taxes

While earnings in a fixed annuity accrue on a tax-deferred basis, they may not provide all the tax advantages of a 401(k) and other pre-tax contribution retirement plans, such as the ability to make tax deductible or pre-tax contributions. Once you start withdrawing money from your fixed annuity, the portion of the withdrawal that represents earnings or income (but not principal) will be taxed at the ordinary income rate, rather than at the capital gains rates applied to investments in stocks, bonds, mutual funds or other non tax-deferred vehicles in which funds are held for more than one year.

Guarantees

Insurance companies issuing fixed annuities may provide a number of specific guarantees. For example, they may guarantee a death benefit or an annuity payout option that can provide income for life. While it is an uncommon occurrence that the insurance companies that back these guarantees are unable to meet their obligations, it can happen. You should be aware of and consider the credit ratings of the insurance company issuing any annuity you intend to purchase.

Fixed Annuities within IRAs

Please consider your needs and objectives carefully before investing in a fixed annuity within a tax-deferred account, such as an individual retirement account (IRA). IRAs are already tax-advantaged so a fixed annuity will provide no additional tax savings. Also, if the annuity is held in a traditional (rather than a Roth) IRA, the government requires that you start withdrawing income no later than the April 1 that follows your 70 1/2 birthday, regardless of any surrender charges the annuity might impose.

A Special Notice Concerning Indexed Annuities

Before you buy an indexed annuity, you should understand the various features of this type of annuity and be prepared to ask your insurance agent, financial planner, or other financial professional about whether an indexed annuity is right for you and your objectives.

What is an Indexed Annuity?

A fixed indexed annuity is a contract you buy from an insurance company to help you potentially accumulate assets for retirement. It offers returns based on the changes in an index, such as the S&P 500® Composite Price Index. You can receive earnings when the underlying index goes up, but your principal and earnings are also protected from downturns. This means you won't lose principal or earnings based on negative index returns. You may be able to choose to place your money in two different types of accounts: a fixed account and an index account that may have multiple index options.

8. Fixed Annuity Disclosure (continued)

Fixed account: You'll receive a fixed interest rate guaranteed for a specific term. After that, you'll receive renewal rates guaranteed for each term.

Index account: You may be able to choose one or more indices where you have the opportunity for earnings based on the performance of the underlying index or indices, up to a maximum amount (for example, 5%), referred to as a cap.

You can allocate your money into one or both accounts, and the total allocation needs to equal 100%. 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.

What is a Guaranteed Minimum Return?

The guaranteed minimum return for an indexed annuity is typically a majority of the premium value with a set interest percentage applied. However, if you surrender your indexed annuity early, you may have to pay a significant surrender charge and a 10% federal tax penalty that will reduce or eliminate any return.

What is a market index?

A market index tracks the performance of a specific group of stocks representing a particular segment of the market or, in some cases, an entire market. For example, the S&P 500® index is an index of 500 stocks intended to be representative of a broad segment of the market – U.S. large cap equities. There are indexes for almost every sector of the stock market. Many indexed annuities are based on the S&P 500®, but other indexes also are used. Some indexed annuities even allow investors to select one or more indexes.

How is an indexed annuity's index-linked interest rate computed?

The index-linked interest credited depends on the particular combination of indexing features that an indexed annuity uses. The most common indexing features are listed below. To fully understand an indexed annuity, make sure you not only understand each feature, but also how the features work together since these features can dramatically impact the return on your investment.

Participation Rates – A participation rate determines how much of the gain in the index will be credited to the annuity. For example, the insurance company may set the participation rate at 80%, which means the annuity would only be credited with 80% of the gain experienced by the index.

Spread/Margin/Asset Fee – Some indexed annuities use a spread, margin or asset fee in addition to, or instead of, a participation rate. This percentage will be subtracted from any gain in the index linked to the annuity. For example, if the index gained 10% and the spread/margin/asset fee is 3.5%, then the gain in the annuity would be only 6.5%.

Interest Rate Caps – Some indexed annuities may put a cap or upper limit on your return. This cap rate is generally stated as a percentage. This is the maximum rate of interest the annuity will earn. For example, if the index linked to the annuity gained 10% and the cap rate was 8%, then the gain in the annuity would be 8%.

Changes in Interest Rate Computation - Some indexed annuities allow the insurance company to change participation rates, cap rates, or spread/asset/margin fees either annually or at the start of the next contract term. If an insurance company subsequently lowers the participation rate or cap rate or increases the spread/asset/margin fees, this could adversely affect your return. Read your contract carefully to see if it allows the insurance company to change these features.

Indexing Methods

As described below, there are several methods for determining the change in the relevant index over the period of the annuity. These varying methods impact the calculation of the amount of interest to be credited to the contract based on a change in the index.

Annual Reset - Compares the change in the index from the beginning to the end of each year. Any declines are disregarded.

Advantage: Any interest credited is 'locked in' each year.

Disadvantage: Can be combined with other features, such as lower cap rates and participation rates, that will limit the amount of interest you might receive each year.

High Water Mark - Looks at the index value at various points during the contract, usually upon specified anniversary dates. Then the highest of these values is compared to the index level at the start of the term.

Advantage: May credit you with more interest than other indexing methods and protect against declines in the index

Disadvantage: Because interest is not credited until the end of the term, you may not receive any index-linked interest if you surrender your indexed annuity early. It can also be combined with other features, such as lower cap rates and participation rates that will limit the amount of interest you might receive each year.

8. Fixed Annuity Disclosure (continued)

Point-to-Point - Compares the change in the index at two discrete points in time, such as the beginning and ending dates of the contract term.

Advantage: May be combined with other features, such as higher cap and participation rates, that may credit you with more interest.

Disadvantage: Relies on single point in time to calculate interest. Therefore, even if the index that the annuity is linked to is going up throughout the term of the investment, if it declines dramatically on the last day of the term, then part or all of the earlier gain can be lost. Because interest is not credited until the end of the term, you may not receive any index-linked interest if you surrender your indexed annuity early. **Other important index calculation considerations:**

Index Averaging - Some indexed annuities average an index's value either daily or monthly, rather than using the actual value of the index on a specified date. Averaging may reduce the amount of index-linked interest earned.

Interest Calculation - The way that an insurance company calculates interest earned during the term of an indexed annuity can make a big difference in the amount of interest you will earn. Some indexed annuities pay simple interest during the term of the annuity. Because there is no compounding of interest, your return will be lower.

Exclusion of Dividends - For most indexed annuities, the increase in the underlying index does not include dividends or distributed capital gains paid on the underlying stocks, and therefore do not reflect the total return of the underlying stocks; an index or any market-indexed annuity is not comparable to a direct investment in the financial markets. Clients who purchase indexed annuities are not directly investing in a stock market index. An index cannot be invested in directly and is unmanaged.

If You Have Questions

If you have questions about indexed annuities, you can contact the Department of Insurance for your state.

9. Customer Acknowledgment & Signature

By signing this document, I am confirming that the information provided is complete and accurate to the best of my knowledge and I believe this annuity is appropriate for my insurance needs and financial objectives.

Owner:

Name (please prin[redacted]

Signature: [redacted] **Date:** 6/26/18

Joint Owner (if appli[redacted]

Name (please print): ______

Signature: ______ **Date:** ______

10. Insurance Producer/Registered Representative/Investment Advisor Acknowledgement & Signature

By signing this document, I acknowledge that Nationwide is not a fiduciary or acting as a Financial Institution, as defined by the U.S. Department of Labor. I further acknowledge that, to the extent applicable, I have complied with the requirements of PTE 84-24, including providing the required disclosure and adhering to the Impartial Conduct Standards.

Firm Name (please print): ______

Producer/Representative/Advisor:

Name (please print): Evan Ward

Signature: Evan Ward **Date:** 6/26/2018

☑ Insurance Only Producer

NOTE: If the source of funds selected in Section 3 is marked by footnote 2, the Non-Solicitation Form is required.

☐ Registered Representative CRD# ______

☐ Investment Advisor Representative IARD# ______

NOTE: (Only if an Investment Advisor Representative) I represent that I am acting in a fiduciary capacity, pursuant to the Investment Advisers Act of 1940, to the customer(s) and have recommended the product herein in such fiduciary capacity. I am registered as required by applicable federal and state securities laws or am exempt from registration pursuant to such laws.