



**Nationwide Life and Annuity Insurance Company**  
One Nationwide Plaza  
Columbus, OH 43215

## Nationwide CareMatters® II

LIFE INSURANCE WITH

## Cash Indemnity Long-Term Care Benefits

**Prepared for:**  
Valued Client

**Presented by:**  
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**Prepared on:**  
June 21, 2022

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



## Nationwide CareMatters® II

### LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

Dear Valued Client,

Thank you for considering Nationwide® for your long-term (LTC) care planning needs. The proposal you're about to see was customized for you based on the following information:

#### Long-term care scenario

Valued Client (Female, 65, Couple Nontobacco, Illinois)

<b>Premium received</b>	Annual: \$100,000.00 Year 0 - Year 1 Total: \$100,000.00
<b>Refund of Premium on Surrender</b>	Maximum LTC Benefit <sup>1</sup>
<b>Total Long-term care benefit</b>	Day 1: \$263,426 Age 80: \$410,409
<b>Maximum monthly LTC benefit</b>	Day 1: \$3,394 Age 80: \$5,287
<b>LTC specified benefit period</b>	6 years
<b>Inflation protection option</b>	3% Compound
<b>Specified amount (amount accelerated for long-term care)</b>	\$81,449.91 Note: The Net Death Benefit may be higher in some years. See Net Death Benefit column of the Tabular Detail.
<b>Guaranteed minimum death benefit</b>	\$16,289.98
<b>Is Sales Proposal a MEC?</b>	Yes

<sup>1</sup>You have elected the Minimum Refund of Premium with Maximum LTC Benefit Option. The Refund of Premium value is equal to the Cash Surrender Value. This option provides the lowest Refund of Premium value in the early years and the most LTC benefit for a given Premium.

#### Distinct product features

- Cash Indemnity LTC Benefits
- Guaranteed Premiums
- Informal Care
- Nationwide Care Guide Network
- Guaranteed Cash Value

This policy covers care for a wide range of long-term care services and pays the monthly benefit directly to you, the policy owner. Nationwide CareMatters II was designed to put you in control of your future long-term care choices.

Please review the enclosed information with your insurance professional to determine if Nationwide CareMatters II is right for you.

Thank you.



# Why LTC coverage may be a better option

## Consider a linked benefit policy

Unlike a traditional long-term care policy, a linked benefit policy offers more than just LTC benefits - it's linked to a life insurance policy with a death benefit typically equal to or more than premiums paid. That means a benefit is paid whether you need LTC or not.

### Let's take a closer look:



#### A linked benefit policy

The policy is an asset that's not tied to the market so it's ready anytime to provide funds for potential LTC needs<sup>2</sup>



#### LTC benefits

The amount you receive each month to help pay for your long-term care needs.



#### Death benefit

The death benefit preserves this asset for the beneficiaries to the extent that LTC is not needed and typically returns at least the premium paid or more if LTC benefits have never been paid.



#### Liquidity

The policy will remain a liquid asset in the form of the cash surrender value

<sup>2</sup>The insured must meet LTC claims requirements.



## Nationwide CareMatters® II

LIFE INSURANCE WITH  
Cash Indemnity Long-term Care Benefits

Nationwide CareMatters II is a cash indemnity plan that simplifies how your benefits are paid to you because it allows you to:



### Spend your benefits as you see fit

Once you qualify, you'll receive monthly long-term care benefit payments to use without restrictions from Nationwide<sup>3</sup>



### Eliminate monthly paperwork

You won't be required to submit bills or receipts to Nationwide<sup>4</sup>

### Long-term care support services

The Nationwide Care Guide Network<sup>®</sup> is a LTC resource and referral service tailored to your geographic location for policyowners who have purchased Nationwide CareMatters II.<sup>5</sup> This service is available to the policyowner as well as to their spouses, parents, adult children, siblings and parents-in-law.

*It's designed to help provide referrals when you need help with the following:*

Caregiver support

Home care and housing options

Assisted living or nursing homes

Adult day care

Memory and Alzheimer's care

End-of-life care

Meal and nutrition services

Safety and adaptive equipment

Transportation

<sup>3</sup> Benefits may be taxable under certain circumstances. Consult your tax advisor.

<sup>4</sup> The insured must continue to meet LTC claims requirements

<sup>5</sup> The company that currently provides professional consultation services through the Nationwide Care Guide Network is a member of The National Association of Geriatric Care Managers. This service provider is not affiliated with Nationwide Life and Annuity Insurance Company or its subsidiaries. The service provider and the Nationwide Care Guide Network may be changed or discontinued at any time.

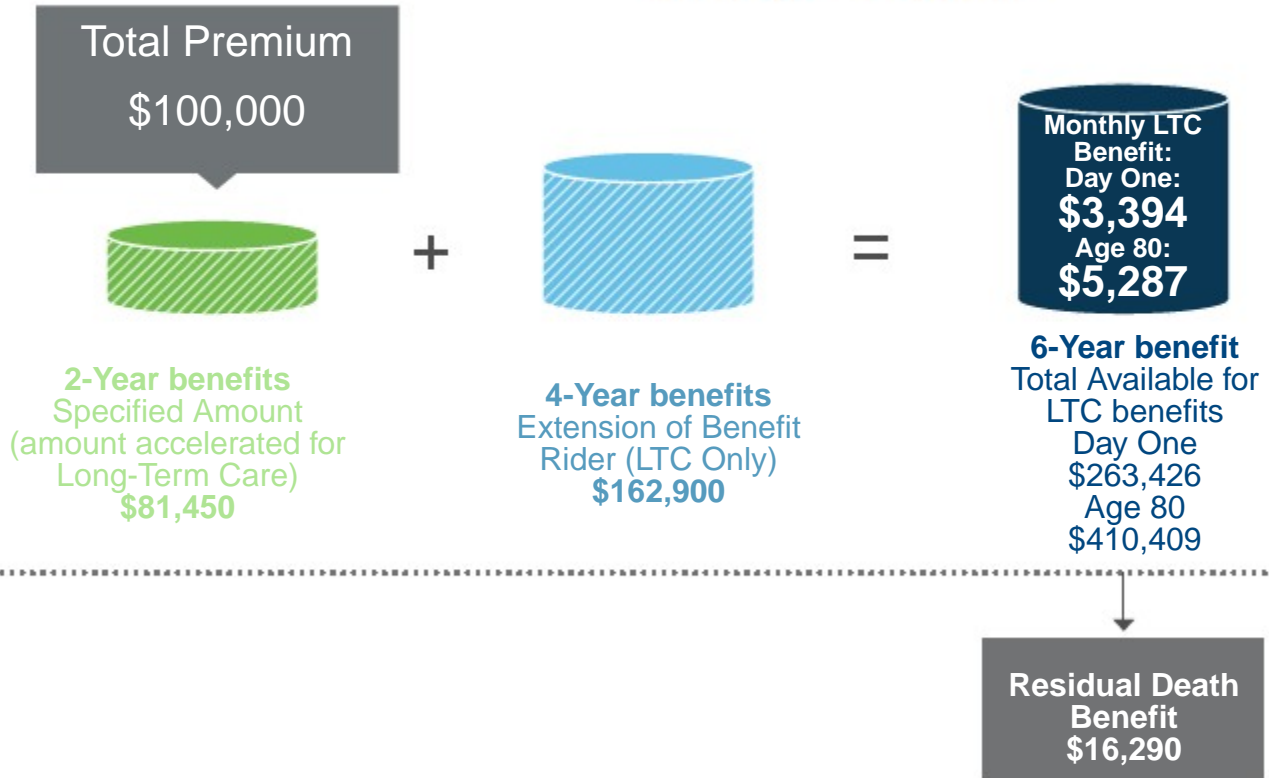


# Nationwide CareMatters® II

## LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

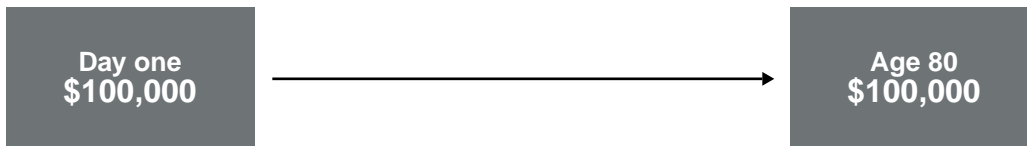
### How the product works<sup>6</sup>

Coverage if you need long-term care

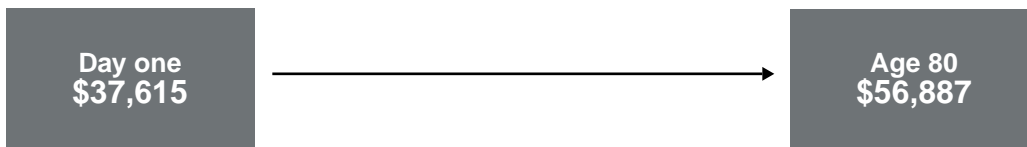


### If the Long-term care benefits are never used, the guarantees below are available.

Guaranteed Death Benefit if LTC is never used.



Guaranteed Total Received on Surrender.



<sup>6</sup> This scenario assumes no Loans, Partial Surrenders, or LTC Benefits have been taken.



## Nationwide CareMatters® II

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Cash Indemnity Long-term Care Benefits

### Narrative Summary

#### About this Proposal

Payment of the single premium, or paying all premiums during the selected premium payment period, guarantees that the policy will not lapse as long as no policy loans are taken.

This proposal assumes that the premium is paid on the first day of each policy year.

The proposal is not a contract and will not become part of any policy issued by Nationwide Life and Annuity Insurance Company. The policy constitutes the actual agreement of coverage and contains the entire terms of the contract. The policy is designed to qualify as life insurance under laws of the United States of America, including the Internal Revenue Code of 1986, as amended. This policy is also intended to be federally tax qualified under section 7702B(b) of the Internal Revenue Code of 1986, as amended. Tax treatment for citizens of, and US residents subject to taxation in, foreign countries may be different. Neither Nationwide nor its representatives give legal or tax advice. Please consult with your attorney or tax advisor for answers to your specific tax questions.

#### Proposal Details

**Total Required Premium - \$100,000** is the sum of all Scheduled Premiums you must pay (including any rollovers and/or lump sums), based on the Premium Payment Period you selected. The Premium Payment Period is the period during which the Scheduled Premium will be due and must be selected at issue. The Premium Payment Period for this proposal is a single pay. As long as the premium obligation is met and no loans or partial surrenders are taken, the quoted benefits are guaranteed. For any scheduled premium after the first, there will be a 61 day grace period after the date we mail the grace period notice in which to make the premium payment.

The Scheduled Premium breaks down as follows:

1. Life Insurance Premium - \$55,322.42
2. LTC Rider Premium- \$5,120.87
3. LTC Extension of Benefits Premium - \$11,714.59
4. LTC Inflation Protection Rider Premium - \$27,842.12

**Refund of Premium on Surrender** - You have elected the Minimum Refund of Premium with Maximum LTC Benefit Option. The Refund of Premium value is equal to the Cash Surrender Value. This option provides the lowest Refund of Premium value in the early years and the most LTC benefit for a given Premium.

**Total Long-Term Care (LTC) Benefits - \$244,350** is the total maximum amount of LTC benefits available to you from your Nationwide CareMatters® II policy. This amount does not include the Inflation Protection Option you may have elected.

**Maximum Monthly LTC Benefit - \$3,394** is the amount you will be paid every month if you choose to receive the full LTC benefit amount. It does not include amounts that might be provided by any inflation protection option you might have elected.

**Specified Amount - \$81,450** is the amount used to determine LTC benefits and the death benefits. It is also used to determine Policy Charges and Deductions from the Accumulated Value. The Specified Amount is not the same as the Net Death Benefit. Please refer to the Net Death Benefit description below or to the tabular detail.





## Nationwide CareMatters® II

### LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

## Narrative Summary

### Proposal Details (continued)

**Guaranteed Minimum Death Benefit - \$16,290** is 20% of the Specified Amount quoted. As long as your policy stays in force, we guarantee we will pay your beneficiaries a death benefit, even if the death benefit amount quoted is exhausted by the payment of LTC benefits. This death benefit will be lower if loans or partial surrenders are taken.

**Inflation Protection Option (Long-Term Care Fixed Rate Inflation Protection Rider Form # ICC18-NWLA-586)** - Nationwide CareMatters II offers Inflation Protection Options of either 3% Simple, 3% Compound, 5% Compound or the U.S. Medical Care Inflation Option. You have elected the 3% Compound inflation option. The monthly benefit provided by the Inflation Protection Rider is not included in the Total LTC Benefit Amount. The monthly Inflation Protection Rider amount is in addition to the Maximum Monthly LTC Benefit amount provided by the LTC Rider, or the LTCEB Rider if elected. This rider must be selected at the time of application and can't be changed after issue.

**LTC Specified Benefit Period - 6 years** is the benefit period you have selected. This represents the total period of time LTC benefits may be paid under your policy if the Maximum Monthly LTC Benefit is taken continuously. This includes a 2 Year LTC Rider Specified Acceleration Period and a 4 Year LTC Extension of Benefits Rider Specified Extension Period. Your specified benefit period must be selected at the time of the application and may not be changed after issue. However, taking less than the Maximum Monthly LTC Benefit may extend the length of time over which benefits are payable.

**LTC Rider (Form # ICC18-NWLA-584)** - Is the rider that provides LTC benefits as an acceleration of the death benefit.

**LTC Extension of Benefits Rider (Form # ICC18-NWLA-585)** - Is the rider that provides benefits once the benefits provided by the LTC rider are exhausted.

### Key Policy Features & Terms

#### **Accelerated Death Benefit (ADB) for Terminal Illness Rider (ICC13-NWLA-495)**

- The ADB Rider advances a portion of the policy's death benefit in the event of a terminal illness (with a life expectancy of 12 months or less).
- The rider is attached to the policy at the time the policy is issued.
- There is no upfront charge for this rider; however, charges and adjustments will apply at the time the claim is approved.
- The receipt of an accelerated death benefit payment may be taxable or may affect Medicaid or public assistance eligibility. Nationwide does not provide tax or legal advice, so you should consult your personal financial advisor to assess the impact of this benefit.
- Nationwide reserves the right to require the base policy Specified Amount be at least \$50,000 on the Benefit Effective Date; the remaining Specified Amount, after payment of the ADB Rider Benefit, must be at least the minimum Specified Amount.
- The maximum amount of the ADB Rider Benefit to be paid if the insured meets the requirements of the Eligibility and Conditions for Payment section of the ADB Rider cannot exceed 50% of the base policy Eligible Specified Amount.

#### **Accelerated Death Benefit for Critical Illness Rider - (Form # ICC20-NWLA-606)**

This rider is automatically added to eligible policies at issue. A charge will only occur if the rider benefit is paid.



## Nationwide CareMatters® II

### LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

## Narrative Summary

### Key Policy Features & Terms (continued)

This rider permits a request for an elected portion of the base policy's Specified Amount when the Insured is diagnosed with any of the following as described in the rider, including any required period of survival or treatment:

- Cancer
- Heart attack
- Heart valve replacement
- Kidney failure
- Major organ transplant
- Paralysis
- Stroke
- Sudden cardiac arrest

The maximum annual benefit is the lesser of 10% of the specified amount or \$25,000 per event and is paid as a lump sum. A maximum of 5 claims are allowed.

An administrative charge of up to \$250 dollars, and any due and unpaid premium or policy charges and a loan repayment for any outstanding policy loan, are deducted from the benefit payment. In addition, the Specified Amount and other policy values are reduced each time an accelerated death benefit payment is made. The reduction in the Specified Amount will be more than one dollar for each dollar of benefit received by the Policy Owner based on factors that exist at the time of claim including interest rates and age of insured at the time of claim. The reduction factor includes the cost of accessing the death benefit early. Benefits provided by other riders may also be impacted or require termination when a benefit under the Critical Illness Rider is paid.

Benefits may be taxable under certain circumstances. Consult your tax advisor.

Limitations on availability and the amount of the benefit apply. If the policy specified amount at the time of claim is at or near the minimum stated specified amount in the policy, benefits may not be available. Please request a copy of the rider for details.

**Accumulated Value** - Is the amount of Life Insurance premium paid, minus premium loads and administrative charges, minus monthly deductions for cost of insurance minus any partial surrenders, plus interest credited.

**Cash Indemnity LTC Benefits** - Once your claim is approved, no monthly bills or receipts will need to be submitted, and up to full monthly LTC benefit will be paid directly to the policy owner.

**Cash Value** - Is an amount equal to the greater of:

- a. the Accumulated Value of this Policy; or
- b. the Guaranteed Cash Value.

**Cash Surrender Value** - Is an amount equal to the greater of:

- a. the Accumulated Value of this policy less any surrender charge; or
- b. the Guaranteed Cash Value.

**Cumulative Net Payments** - Is the sum of Premiums paid minus any partial surrenders.





## Nationwide CareMatters® II

### LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

## Narrative Summary

### Key Policy Features & Terms (continued)

**Eligibility Requirements** - In order to receive benefits, no exclusions must apply, and the following requirements must be met:

- The Insured has been certified within the previous 12 months by a Licensed Health Care Practitioner as requiring Substantial Supervision to protect the individual from threats to health and safety due to severe Cognitive Impairment and/or is unable to perform, without Substantial Assistance from another individual, two or more of the Activities of Daily Living for at least ninety (90) days due to a loss of functional capacity:
  - Bathing
  - Eating
  - Contenance
  - Toileting
  - Dressing
  - Transferring (moving into or out of a bed, chair, or wheel chair)
- during the Period of Care, the Insured has been receiving Qualified Long-Term Care Services specified in a Plan of Care submitted to us;
- The Licensed Health Care Practitioner must be someone other than the owner or an employee of the Eligible Service Provider, or a family member of the Insured;
- The Elimination Period has been satisfied. The Elimination Period has to be satisfied only once while these Riders are in effect;
- you may be required to provide a signed acknowledgment of concurrence with the payment from all parties with an interest in the Policy, including, but not limited to assignees.
- None of the following Exclusions or Preexisting conditions apply:

**Exclusions -**

1. intentionally self-inflicted injuries or attempts at suicide (either while sane or insane);
2. committing or attempting to commit a felony;
3. alcoholism or drug addiction, unless addiction results from administration of drugs for treatment prescribed by a Physician; or
4. war or any act of war, whether declared or undeclared.

**Preexisting Conditions Limitations** - A preexisting condition is any condition for which the Insured received medical advice, or treatment was recommended by, or received from, a health care services provider in the six months preceding the Policy Date. We will not pay benefits for Qualified Long-Term Care Services received wholly or in part due to a preexisting condition which is not disclosed in the application if the need for services begins during the first six months after the Policy Date.

**Guaranteed Cash Value** - Is the applicable amount (based on the insured's Attained Age) from the table of the Guaranteed Cash value. Please refer to the Total Received on Surrender report.

**Informal Care** - Benefits can be used to pay a family member, or any other individual deemed appropriate by the Licensed Health Care Practitioner under the insured's customized Plan of Care. Under certain circumstances, benefits may be taxable. Please consult a tax advisor.

**International Benefits** - If you are receiving Qualified Long-Term Care services outside of the United States, its territories or possessions, the International LTC benefit payments can be the Maximum Monthly LTC Rider Benefit Amount and the monthly inflation amount. International benefits are not available under the LTCEB rider. Please refer to the client guide for further information on this benefit.

**Nationwide CareMatters® II****LIFE INSURANCE WITH  
Cash Indemnity Long-term Care Benefits**

## Narrative Summary

**Key Policy  
Features &  
Terms  
(continued)**

**IRC Section 7702** - Provides the rules for the tax qualification of life insurance. The CVAT test requires we pay a minimum death benefit based on Corridor factors. These factors are defined in section 7702 of the IRS code, and are dependent upon age, class, gender, and rating. If the amount calculated using these Corridor factors in the CVAT is greater than the Specified Amount, then the "Death Benefit" is that higher amount as calculated.

**IRC Section 7702B** - Provides the rules for the tax qualification of life insurance. The LTC Rider and the LTCEB Rider are intended to be qualified long-term care insurance contracts under Section 7702B of the Internal Revenue Code of 1986, as amended.

**Issue Age** - Is the insured's age on the last birthday on or before the policy issue date.

**Licensed Health Care Practitioner** - A Physician, as defined in § 1861 (r)(1) of the Social Security Act, as amended; a registered professional nurse; licensed social worker; or other individual who meets requirements prescribed by the Secretary of the Treasury. The Licensed Health Care Practitioner must be acting within the scope of his or her license when providing: (a) a certification and/or recertification that the insured is Chronically Ill; or (b) an individualized Plan of Care for the Insured.

**Loans (Indebtedness)** - Is the amount borrowed against the Net Surrender Value during the policy year. Any outstanding policy indebtedness will be charged interest at the policy loan interest rate of 4.00% as defined in the policy. Any outstanding policy indebtedness will result in a reduction in the policy's Net Surrender Value, Death Benefit, Total LTC Benefit, and LTC Benefits.

**Maximum Monthly LTC Inflation Protection Rider Benefit** - Is the full amount of the benefit available under the Inflation Protection Option after the Maximum Monthly LTC Benefit is taken. This amount is in addition to the Maximum Monthly LTC Benefit. Please consult your policy specification pages for details.

**Modified Endowment Contract (MEC)** - This proposal is a MEC as defined by the guidelines of a MEC as defined by Section 7702A of the Internal Revenue Code. A life insurance policy where premium payments made during the first seven years of the contract, or during the first seven years after a material change, exceed the Modified Endowment Premium limit as defined by section 7702A of the Internal Revenue Code. Withdrawals and loans from these contracts are subject to less favorable tax treatment than distributions from policies which are not Modified Endowment Contracts. This does not apply to distributions for LTC benefits.

**Nationwide Care Guide Network®** - Is a service provided by a non-affiliated third party and included at no additional charge. It provides policy owners, insureds and their family members, with free consultations and tailored information to help implement your plan of care. You have no obligation to use these services which are currently provided through a non-affiliated third party. There is no separate additional charge for this service. This service is subject to availability.

**Net Surrender Value** - Is the Cash Surrender Value of this policy minus any indebtedness and minus the Unpaid Monthly Deductions Account if applicable.



## Nationwide CareMatters® II

LIFE INSURANCE WITH  
Cash Indemnity Long-term Care Benefits

### Narrative Summary

#### Key Policy Features & Terms (continued)

**Net Death Benefit** - Is the death benefit amount that will be paid to your beneficiary if the insured dies while the policy is in-force. This amount is net of any outstanding Policy Indebtedness and LTC benefits paid. Assuming no Loans, Partial Surrenders or LTC Benefits have been paid, this amount will never be less than the total Premiums paid. The Net Death Benefit may be higher in some years based on the Specified Amount, Accumulated Value, Guaranteed Cash Value, Return of Premium Value, and the IRC 7702 corridor factors.

**Partial Surrenders** - Is the amount of money withdrawn during the policy year. Partial Surrenders will result in the reduction of the Cash Surrender Value, Death Benefit, Total LTC Benefit and Monthly LTC Benefit.

**Scheduled Premium** - Is the amount of Premium required on the first day of the premium payment frequency for the Premium Payment Period you selected.

**Surrender Charges** - Is the amount deducted from the Accumulated Value in the event the policy owner surrenders the policy for cash during the applicable period. At no time will the deduction of the surrender charge cause the policy owner to owe additional funds to Nationwide.

**Total Monthly Benefit** - is the total benefit amount available to you every month. If an inflation protection option is elected, the Total Monthly Benefit you receive will be the Maximum Monthly LTC Benefit plus the Maximum Monthly Inflation Benefit. The full Maximum Monthly LTC Benefit must be taken before the Inflation Protection Rider Benefit is available.

**Total Received On Surrender** - The total dollar amount that will be paid upon surrender of the policy. The Total Received on Surrender is equal to the Net Surrender Value plus any Refund of Premium amount provided by the Refund of Premium option elected.

**Unpaid Monthly Deductions Account** - An account used for tracking purposes. This account accrues unpaid Policy charges and monthly deductions when Indebtedness exceeds the Accumulated Value. No interest is credited to the Unpaid Monthly Deductions Account. Interest charged on the Unpaid Monthly Deductions Account accrues at the same rate as Indebtedness, and is applied to the Unpaid Monthly Deductions Account.



**Nationwide CareMatters® II**

**LIFE INSURANCE WITH  
Cash Indemnity Long-term Care Benefits**

**Prepared For:** Valued Client // Female/65/Couple Non-Tobacco  
**IRC Section 7702:** Cash Value Accumulation Test  
**Specified Amount:** \$81,449.91  
**Guaranteed Minimum Death Benefit:** \$16,290  
**Total LTC Benefit:** \$244,349.73  
**Maximum Monthly LTC Benefit:** \$3,393.75  
**LTC Benefit Period:** 6 years  
**Inflation Protection Option:** 3% Compound  
**Refund of Premium Option:** Maximum LTC Benefit  
**Premium Payment Period:** Single Premium  
**Scheduled Premium:** \$100,000.00 Annual

**Tabular Detail**

						All Values and Benefits Guaranteed				
						Guaranteed 1.00% Interest Rate				
End of Year	Age	Scheduled Premium	Cash Value	Total Received on Surrender	Net Death Benefit	Total LTC Benefit (Excludes Inflation)	Max Monthly LTC Benefit* (Excludes Inflation)	Max Monthly Inflation Rider Benefit*	Total Monthly Benefit	Total Benefit** (Total LTC Benefit Plus Inflation)
1	65	100,000	40,814	37,615	100,000	244,350	3,394	0	3,394	263,426
2	66	0	40,124	38,765	100,000	244,350	3,394	102	3,496	271,329
3	67	0	39,940	39,940	100,000	244,350	3,394	207	3,600	279,469
4	68	0	41,142	41,142	100,000	244,350	3,394	315	3,708	287,853
5	69	0	42,369	42,369	100,000	244,350	3,394	426	3,820	296,488
<b>Total</b>		<b>100,000</b>								
6	70	0	43,622	43,622	100,000	244,350	3,394	541	3,934	305,383
7	71	0	44,897	44,897	100,000	244,350	3,394	659	4,052	314,544
8	72	0	46,192	46,192	100,000	244,350	3,394	780	4,174	323,981
9	73	0	47,505	47,505	100,000	244,350	3,394	905	4,299	333,700
10	74	0	48,831	48,831	100,000	244,350	3,394	1,034	4,428	343,711
<b>Total</b>		<b>100,000</b>								
11	75	0	50,168	50,168	100,000	244,350	3,394	1,167	4,561	354,023
12	76	0	51,513	51,513	100,000	244,350	3,394	1,304	4,698	364,643
13	77	0	52,863	52,863	100,000	244,350	3,394	1,445	4,839	375,582
14	78	0	54,213	54,213	100,000	244,350	3,394	1,590	4,984	386,850
15	79	0	55,557	55,557	100,000	244,350	3,394	1,740	5,133	398,455
<b>Total</b>		<b>100,000</b>								
16	80	0	56,887	56,887	100,000	244,350	3,394	1,894	5,287	410,409
17	81	0	58,195	58,195	100,000	244,350	3,394	2,052	5,446	422,721
18	82	0	59,482	59,482	100,000	244,350	3,394	2,216	5,609	435,403
19	83	0	60,757	60,757	100,000	244,350	3,394	2,384	5,778	448,465
20	84	0	62,016	62,016	100,000	244,350	3,394	2,557	5,951	461,919
<b>Total</b>		<b>100,000</b>								

Based on Premium Outlay, coverage would continue to:

Insured's attained age: 120

\* The Max Monthly LTC Benefit + the Max Monthly Inflation Rider Benefit = The Total Monthly Benefit available. The full Max Monthly LTC Benefit must be taken before the Monthly Inflation Protection Rider Benefit can be taken. The benefit provided by the Inflation Rider will not be added to, nor will it increase or decrease the Total LTC Benefit, the Maximum Lifetime LTC Rider Benefit Amount, the Maximum Lifetime LTCEB Rider Benefit Amount or the Lifetime Total Maximum Amount of LTC Benefits.

\*\* The values shown assume you collect the full amount of LTC Benefits continuously for the full six year LTC Specified Benefit Period you elected and you are receiving qualified LTC services in the United States. Any Monthly Inflation Rider Benefit not taken in a given month will be forfeited. Benefits shown are cumulative over the six year LTC Specified Benefit Period you elected. For example, if you go on claim in year 11 the total benefit \$354,023 would encompass claim years 11-16.



## Nationwide CareMatters® II

### LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

**Prepared For:** Valued Client // Female/65/Couple Non-Tobacco

**IRC Section 7702:** Cash Value Accumulation Test

**Specified Amount:** \$81,449.91

**Guaranteed Minimum Death Benefit:** \$16,290

**Total LTC Benefit:** \$244,349.73

**Maximum Monthly LTC Benefit:** \$3,393.75

**LTC Benefit Period:** 6 years

**Inflation Protection Option:** 3% Compound

**Refund of Premium Option:** Maximum LTC Benefit

**Premium Payment Period:** Single Premium

**Scheduled Premium:** \$100,000.00 Annual

## Tabular Detail

						All Values and Benefits Guaranteed				
						Guaranteed 1.00% Interest Rate				
End of Year	Age	Scheduled Premium	Cash Value	Total Received on Surrender	Net Death Benefit	Total LTC Benefit (Excludes Inflation)	Max Monthly LTC Benefit* (Excludes Inflation)	Max Monthly Inflation Rider Benefit*	Total Monthly Benefit	Total Benefit** (Total LTC Benefit Plus Inflation)
21	85	0	63,226	63,226	100,000	244,350	3,394	2,736	6,129	475,777
22	86	0	64,381	64,381	100,000	244,350	3,394	2,920	6,313	490,050
23	87	0	65,496	65,496	100,000	244,350	3,394	3,109	6,503	504,751
24	88	0	66,565	66,565	100,000	244,350	3,394	3,304	6,698	519,894
25	89	0	67,580	67,580	100,000	244,350	3,394	3,505	6,899	535,491
<b>Total</b>		<b>100,000</b>								
26	90	0	68,540	68,540	100,000	244,350	3,394	3,712	7,106	551,556
27	91	0	69,447	69,447	100,000	244,350	3,394	3,925	7,319	568,102
28	92	0	70,303	70,303	100,000	244,350	3,394	4,145	7,538	585,145
29	93	0	71,110	71,110	100,000	244,350	3,394	4,371	7,765	602,700
30	94	0	71,877	71,877	100,000	244,350	3,394	4,604	7,998	620,781
<b>Total</b>		<b>100,000</b>								
31	95	0	72,615	72,615	100,000	244,350	3,394	4,844	8,238	639,404
32	96	0	73,318	73,318	100,000	244,350	3,394	5,091	8,485	658,586
33	97	0	73,967	73,967	100,000	244,350	3,394	5,345	8,739	678,344
34	98	0	74,560	74,560	100,000	244,350	3,394	5,608	9,001	698,694
35	99	0	75,088	75,088	100,000	244,350	3,394	5,878	9,271	719,655
<b>Total</b>		<b>100,000</b>								
36	100	0	75,541	75,541	100,000	244,350	3,394	6,156	9,550	741,245
37	101	0	75,929	75,929	100,000	244,350	3,394	6,442	9,836	763,482
38	102	0	76,277	76,277	100,000	244,350	3,394	6,737	10,131	786,386
39	103	0	76,589	76,589	100,000	244,350	3,394	7,041	10,435	809,978
40	104	0	76,869	76,869	100,000	244,350	3,394	7,354	10,748	834,277
<b>Total</b>		<b>100,000</b>								

Based on Premium Outlay, coverage would continue to:

Insured's attained age: 120

\* The Max Monthly LTC Benefit + the Max Monthly Inflation Rider Benefit = The Total Monthly Benefit available. The full Max Monthly LTC Benefit must be taken before the Monthly Inflation Protection Rider Benefit can be taken. The benefit provided by the Inflation Rider will not be added to, nor will it increase or decrease the Total LTC Benefit, the Maximum Lifetime LTC Rider Benefit Amount, the Maximum Lifetime LTCEB Rider Benefit Amount or the Lifetime Total Maximum Amount of LTC Benefits.

\*\* The values shown assume you collect the full amount of LTC Benefits continuously for the full six year LTC Specified Benefit Period you elected and you are receiving qualified LTC services in the United States. Any Monthly Inflation Rider Benefit not taken in a given month will be forfeited. Benefits shown are cumulative over the six year LTC Specified Benefit Period you elected. For example, if you go on claim in year 11 the total benefit \$354,023 would encompass claim years 11-16.



## Nationwide CareMatters® II

### LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

**Prepared For:** Valued Client // Female/65/Couple Non-Tobacco

**IRC Section 7702:** Cash Value Accumulation Test

**Specified Amount:** \$81,449.91

**Guaranteed Minimum Death Benefit:** \$16,290

**Total LTC Benefit:** \$244,349.73

**Maximum Monthly LTC Benefit:** \$3,393.75

**LTC Benefit Period:** 6 years

**Inflation Protection Option:** 3% Compound

**Refund of Premium Option:** Maximum LTC Benefit

**Premium Payment Period:** Single Premium

**Scheduled Premium:** \$100,000.00 Annual

## Tabular Detail

### All Values and Benefits Guaranteed

Guaranteed 1.00% Interest Rate

End of Year	Age	Scheduled Premium	Cash Value	Total Received on Surrender	Net Death Benefit	Total LTC Benefit (Excludes Inflation)	Max Monthly LTC Benefit* (Excludes Inflation)	Max Monthly Inflation Rider Benefit*	Total Monthly Benefit	Total Benefit** (Total LTC Benefit Plus Inflation)
41	105	0	77,129	77,129	100,000	244,350	3,394	7,677	11,071	859,306
42	106	0	77,388	77,388	100,000	244,350	3,394	8,009	11,403	885,085
43	107	0	77,656	77,656	100,000	244,350	3,394	8,351	11,745	911,637
44	108	0	77,914	77,914	100,000	244,350	3,394	8,703	12,097	938,986
45	109	0	78,165	78,165	100,000	244,350	3,394	9,066	12,460	967,156
<b>Total</b>		<b>100,000</b>								
46	110	0	78,408	78,408	100,000	244,350	3,394	9,440	12,834	996,171
47	111	0	78,643	78,643	100,000	244,350	3,394	9,825	13,219	1,026,056
48	112	0	78,873	78,873	100,000	244,350	3,394	10,222	13,615	1,056,837
49	113	0	79,097	79,097	100,000	244,350	3,394	10,630	14,024	1,088,543
50	114	0	79,317	79,317	100,000	244,350	3,394	11,051	14,445	1,121,199
<b>Total</b>		<b>100,000</b>								
51	115	0	79,534	79,534	100,000	244,350	3,394	11,484	14,878	1,154,835
52	116	0	79,752	79,752	100,000	244,350	3,394	11,930	15,324	1,189,480
53	117	0	79,974	79,974	100,000	244,350	3,394	12,390	15,784	1,225,164
54	118	0	80,210	80,210	100,000	244,350	3,394	12,864	16,257	1,261,919
55	119	0	80,500	80,500	100,000	244,350	3,394	13,351	16,745	1,299,777
<b>Total</b>		<b>100,000</b>								

Based on Premium Outlay, coverage would continue to:

Insured's attained age: 120

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\*\* The values shown assume you collect the full amount of LTC Benefits continuously for the full six year LTC Specified Benefit Period you elected and you are receiving qualified LTC services in the United States. Any Monthly Inflation Rider Benefit not taken in a given month will be forfeited. Benefits shown are cumulative over the six year LTC Specified Benefit Period you elected. For example, if you go on claim in year 11 the total benefit \$354,023 would encompass claim years 11-16.





## Nationwide CareMatters® II

LIFE INSURANCE WITH  
Cash Indemnity Long-term Care Benefits

### Input Summary - Ledger Case File: [Untitled]

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#### Screen: Insured

Revised Illustration?	No	Issue Age or D.O.B. (mm/dd/yyyy)	65
Issue State	IL	Tobacco User?	No
First Name	Valued	Married / Civil Union / Domestic Partnership?	Yes
Last Name	Client		
Sex	Female		

---

#### Screen: Face Amount and Premium

Specify Premium or Benefit	Premium	Premium Mode	Annual
Premium or Benefit Amount	100000	Benefit Duration	6
Scheduled Premium	Single Premium	Inflation Benefit Option	3% Compound
Refund of Premium	Maximum LTC Benefit	1035 Exchange?	No

---

#### Screen: Interest Rate and Income

Guaranteed Rate

---

#### Screen: Output Design

General Ledger	Yes	Premium Summary	Yes
Annual Cost Summary	No	OCC Report	No
Display IRR Column	No	Monthly Cost Summary	No
Quick View	Yes		

---



## Nationwide CareMatters® II

### LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

**Prepared For:** Valued Client // Female/65/Couple Non-Tobacco  
**IRC Section 7702:** Cash Value Accumulation Test  
**Specified Amount:** \$81,449.91  
**Guaranteed Minimum Death Benefit:** \$16,290  
**Total LTC Benefit:** \$244,349.73  
**Maximum Monthly LTC Benefit:** \$3,393.75  
**LTC Benefit Period:** 6 years  
**Inflation Protection Option:** 3% Compound  
**Refund of Premium Option:** Maximum LTC Benefit  
**Premium Payment Period:** Single Premium  
**Scheduled Premium:** \$100,000.00 Annual

## Signature Page

**Proposal as shown is a Modified Endowment Contract.**

I have received a copy of this proposal. I also understand this proposal is not a contract and that the terms of the policy constitute the actual agreement of coverage.

\_\_\_\_\_

Applicant/Policy Owner

\_\_\_\_\_

Date

I certify that this proposal has been presented to the applicant. I have made no representations that are inconsistent with the proposal.

\_\_\_\_\_

Sales Representative

\_\_\_\_\_

Date

Life Insurance underwritten by the Nationwide Life and Annuity Insurance Company, Columbus, Ohio.



## Nationwide CareMatters® II

### LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

**Prepared For:** Valued Client // Female/65/Couple Non-Tobacco

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**Scheduled Premium:** \$100,000.00 Annual

## Total Received on Surrender

- A. **Guaranteed Cash Value**
- B. **Accumulated Value Less Surrender Charges**
- C. **Net Surrender Value (the greater of A or B)**
- D. **Refund of Premium Value**

E. **Total Received On Surrender** - The total dollar amount that will be paid upon surrender of the policy. The Total received On Surrender is the greater of the Net Surrender Value (C) and the Refund of Premium (D). If the Refund of Premium is greater than the Net Surrender Value, the excess will be refunded upon surrender.

Examples:

- If the Refund of Premium is \$100,000 and the Net Surrender Value is \$70,000, the Total Received on Surrender will be \$100,000. The \$100,000 will consist of the \$70,000 Net Surrender Value and \$30,000 Refund of Premium.
- If the Refund of Premium is \$70,000 and the Net Surrender Value is \$100,000, the Total Received on Surrender will be \$100,000. The \$100,000 will consist of the \$100,000 Net Surrender Value.

End of Year	Age	(A) Guaranteed Cash Value	(B) Accumulated Value Less Surrender Charges	(C) Net Surrender Value	(D) Refund Of Premium	(E) Total Received on Surrender
1	65	37,615	36,388	37,615	N/A	37,615
2	66	38,765	35,975	38,765	N/A	38,765
3	67	39,940	35,546	39,940	N/A	39,940
4	68	41,142	35,076	41,142	N/A	41,142
5	69	42,369	34,566	42,369	N/A	42,369
6	70	43,622	34,010	43,622	N/A	43,622
7	71	44,897	33,405	44,897	N/A	44,897
8	72	46,192	33,026	46,192	N/A	46,192
9	73	47,505	32,595	47,505	N/A	47,505
10	74	48,831	32,110	48,831	N/A	48,831
11	75	50,168	32,123	50,168	N/A	50,168
12	76	51,513	30,973	51,513	N/A	51,513
13	77	52,863	29,765	52,863	N/A	52,863
14	78	54,213	28,499	54,213	N/A	54,213
15	79	55,557	27,174	55,557	N/A	55,557
16	80	56,887	25,776	56,887	N/A	56,887
17	81	58,195	24,290	58,195	N/A	58,195
18	82	59,482	22,722	59,482	N/A	59,482
19	83	60,757	21,078	60,757	N/A	60,757
20	84	62,016	19,358	62,016	N/A	62,016



## Nationwide CareMatters® II

### LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

**Prepared For:** Valued Client // Female/65/Couple Non-Tobacco

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**Scheduled Premium:** \$100,000.00 Annual

## Total Received on Surrender

- A. **Guaranteed Cash Value**
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- If the Refund of Premium is \$70,000 and the Net Surrender Value is \$100,000, the Total Received on Surrender will be \$100,000. The \$100,000 will consist of the \$100,000 Net Surrender Value.

End of Year	Age	(A) Guaranteed Cash Value	(B) Accumulated Value Less Surrender Charges	(C) Net Surrender Value	(D) Refund Of Premium	(E) Total Received on Surrender
21	85	63,226	17,572	63,226	N/A	63,226
22	86	64,381	15,709	64,381	N/A	64,381
23	87	65,496	13,750	65,496	N/A	65,496
24	88	66,565	11,704	66,565	N/A	66,565
25	89	67,580	9,585	67,580	N/A	67,580
26	90	68,540	7,450	68,540	N/A	68,540
27	91	69,447	5,311	69,447	N/A	69,447
28	92	70,303	3,113	70,303	N/A	70,303
29	93	71,110	815	71,110	N/A	71,110
30	94	71,877	0	71,877	N/A	71,877
31	95	72,615	0	72,615	N/A	72,615
32	96	73,318	0	73,318	N/A	73,318
33	97	73,967	0	73,967	N/A	73,967
34	98	74,560	0	74,560	N/A	74,560
35	99	75,088	0	75,088	N/A	75,088
36	100	75,541	0	75,541	N/A	75,541
37	101	75,929	0	75,929	N/A	75,929
38	102	76,277	0	76,277	N/A	76,277
39	103	76,589	0	76,589	N/A	76,589
40	104	76,869	0	76,869	N/A	76,869



## Nationwide CareMatters® II

### LIFE INSURANCE WITH Cash Indemnity Long-term Care Benefits

**Prepared For:** Valued Client // Female/65/Couple Non-Tobacco

**IRC Section 7702:** Cash Value Accumulation Test

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**LTC Benefit Period:** 6 years

**Inflation Protection Option:** 3% Compound

**Refund of Premium Option:** Maximum LTC Benefit

**Premium Payment Period:** Single Premium

**Scheduled Premium:** \$100,000.00 Annual

## Total Received on Surrender

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Examples:

- If the Refund of Premium is \$100,000 and the Net Surrender Value is \$70,000, the Total Received on Surrender will be \$100,000. The \$100,000 will consist of the \$70,000 Net Surrender Value and \$30,000 Refund of Premium.
- If the Refund of Premium is \$70,000 and the Net Surrender Value is \$100,000, the Total Received on Surrender will be \$100,000. The \$100,000 will consist of the \$100,000 Net Surrender Value.

End of Year	Age	(A) Guaranteed Cash Value	(B) Accumulated Value Less Surrender Charges	(C) Net Surrender Value	(D) Refund Of Premium	(E) Total Received on Surrender
41	105	77,129	0	77,129	N/A	77,129
42	106	77,388	0	77,388	N/A	77,388
43	107	77,656	0	77,656	N/A	77,656
44	108	77,914	0	77,914	N/A	77,914
45	109	78,165	0	78,165	N/A	78,165
46	110	78,408	0	78,408	N/A	78,408
47	111	78,643	0	78,643	N/A	78,643
48	112	78,873	0	78,873	N/A	78,873
49	113	79,097	0	79,097	N/A	79,097
50	114	79,317	0	79,317	N/A	79,317
51	115	79,534	0	79,534	N/A	79,534
52	116	79,752	0	79,752	N/A	79,752
53	117	79,974	0	79,974	N/A	79,974
54	118	80,210	0	80,210	N/A	80,210
55	119	80,500	0	80,500	N/A	80,500



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**Scheduled Premium:** \$100,000.00 Annual

## 7702 / 7702a

**MEP:** **\$6,112.65**

**NSP:** **\$37,668.96**

Modified Endowment Premium (MEP): As defined by the IRC Section 7702A, this premium represents the level annual premium required for seven years to mature the policy under guaranteed mortality charges at an annual interest rate of 3.75%.

Net Single Premium (NSP): This premium represents the single premium required to mature the policy under mortality charges, as defined in IRC Section 7702, at an annual interest rate of 3.75%.

Please see the proposal for further information on other important information and features.





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## Quick View

### All Values and Benefits are Guaranteed

LTC Specified Benefit Period	Inflation Protection Option	Specified Amount	Total Benefit** (Total LTC Benefit Plus Inflation) (Day One)	Max Monthly LTC Benefit (Day One)	Total Monthly* Benefit (Age 80)	Total Benefit** (Total LTC Benefit Plus Inflation) (Age 80)	Inflation Crossover Age***
2 Years	None	\$134,754	\$134,754	\$5,615	\$5,615	\$134,754	
2 Years	3% Simple	\$112,104	\$113,785	\$4,671	\$6,773	\$164,232	72
2 Years	3% Compound	\$110,738	\$112,399	\$4,614	\$7,189	\$175,114	72
2 Years	5% Compound	\$86,923	\$89,096	\$3,622	\$7,529	\$185,223	74
3 Years	None	\$125,476	\$188,214	\$5,228	\$5,228	\$188,214	
3 Years	3% Simple	\$100,233	\$154,860	\$4,176	\$6,056	\$222,518	74
3 Years	3% Compound	\$96,541	\$149,200	\$4,023	\$6,267	\$232,448	74
3 Years	5% Compound	\$73,483	\$115,828	\$3,062	\$6,365	\$240,798	76
4 Years	None	\$119,395	\$238,789	\$4,975	\$4,975	\$238,789	
4 Years	3% Simple	\$94,192	\$196,860	\$3,925	\$5,691	\$281,633	74
4 Years	3% Compound	\$91,883	\$192,203	\$3,828	\$5,965	\$299,446	74
4 Years	5% Compound	\$62,886	\$135,524	\$2,620	\$5,447	\$281,744	79
5 Years	None	\$114,740	\$286,850	\$4,781	\$4,781	\$286,850	
5 Years	3% Simple	\$88,767	\$235,232	\$3,699	\$5,363	\$335,094	75
5 Years	3% Compound	\$86,563	\$229,787	\$3,607	\$5,619	\$358,001	75
5 Years	5% Compound	N/A	N/A	N/A	N/A	N/A	N/A
6 Years	None	\$112,877	\$338,632	\$4,703	\$4,703	\$338,632	
6 Years	3% Simple	\$85,330	\$275,190	\$3,555	\$5,155	\$390,385	76
6 Years	3% Compound	\$81,450	\$263,426	\$3,394	\$5,287	\$410,409	77
6 Years	5% Compound	N/A	N/A	N/A	N/A	N/A	N/A
7 Years	None	\$106,356	\$372,248	\$4,432	\$4,432	\$372,248	
7 Years	3% Simple	\$81,944	\$312,614	\$3,414	\$4,951	\$441,675	75
7 Years	3% Compound	\$77,346	\$296,329	\$3,223	\$5,021	\$461,672	76
7 Years	5% Compound	N/A	N/A	N/A	N/A	N/A	N/A

\*The Max Monthly LTC Benefit + the Max Monthly Inflation Rider Benefit at age 80 = The Total Monthly Benefit available at age 80. The full Max Monthly LTC Benefit must be taken before the Monthly Inflation Rider Benefit can be taken. The benefit provided by the Inflation Rider will not be added to, nor will it increase or decrease the Total LTC Benefit, the Maximum Lifetime LTC Rider Benefit Amount, the Maximum Lifetime LTCEB Rider Benefit Amount or the lifetime Total Maximum Amount of LTC Benefits.

\*\*The values shown assume you collect the full amount of LTC Benefits continuously for the full LTC Specified Benefit Period you elected at the beginning of Day 1 or age 80 and you are receiving qualified LTC services in the United States. Any Monthly Inflation Rider Benefit not taken in a given month will be forfeited. Benefits shown are cumulative over the LTC Specified Benefit Period you elected.

\*\*\*The Inflation Crossover Age is the age that the Total Monthly Benefit is equal to or greater than the Max Monthly Benefit with no inflation added.



**Nationwide Life and Annuity Insurance Company**  
 One Nationwide Plaza  
 Columbus, OH 43215

All guarantees and benefits of the insurance policy are backed by the claims-paying ability of the issuing insurance company. Policy guarantees and benefits are not backed by the broker/dealer and/or insurance agency selling the policy, nor by any of their affiliates, and none of them makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company. Nationwide CareMatters II is a cash indemnity product that pays LTC benefits when the insured person is certified to have a qualifying condition and a need for LTC services. Bills and receipts showing actual expenses do not have to be submitted for payment of benefits once a claim has been approved. Each year, the policy owner can receive, tax free, the greater of the HIPAA per diem amount or actual LTC costs incurred. However, benefits may be taxable under certain circumstances. You may receive, tax free, the greater of the HIPAA per diem in the year of your claim or your actual qualified LTC expenses incurred. Taxpayers should consult with their tax and legal advisors about their specific situation.

Keep in mind that the payment of long-term care rider benefits, as an acceleration of the death benefit, will reduce both the death benefit and cash surrender values of the policy. Additionally, loans and withdrawals will also reduce both the cash values and the death benefit. Care should be taken to make sure that life insurance needs continue to be met even if the rider pays out in full or after money is taken from the policy. There is no guarantee that the rider will cover the entire cost for all of the insured's long-term care, as this may vary with the needs of each insured. Nationwide pays the long-term care benefit to the policy owner; there is no guarantee the policy owner will use the benefit for long-term care expenses if the policy is owned by someone other than the insured.

When choosing a product, make sure that life insurance and long-term care insurance needs are met. CareMatters II is not intended to be a primary source of life insurance protection, so make sure life insurance needs have been covered by appropriate products. Because personal situations may change (i.e., marriage, birth of a child or job promotion), so can life insurance and longterm care insurance needs. Care should be taken to ensure these strategies and products are suitable. Associated costs, as well as personal and financial objectives, time horizons and risk tolerance should all be weighed before purchasing CareMatters II. Life insurance, and long-term care coverage linked to life insurance, has fees and charges associated with it that include: costs of insurance, which vary based on characteristics of the insured such as sex, tobacco use, health and age; and additional charges for riders that customize a policy to fit individual needs.

CareMatters II has exclusions, limitations, reductions of benefits and terms under which the product may be continued in force or discontinued. For more details on cost and coverage options, contact your insurance professional.

The insurance professional or company may contact you in response to your request for additional information. Approval for coverage under the policy and riders is subject to underwriting and may require a medical exam. Nationwide CareMatters II may not be available in every state. Please contact Nationwide to determine product availability in your state.

The information contained herein was prepared to support the promotion, marketing, and/or sale of life insurance contracts, annuity contracts and/or other products and services provided by Nationwide Life and Annuity Insurance Company.

The Medical Care Component of the Consumer Price Index for All Urban Consumers, Unadjusted (the "Index"), is maintained by the U.S. Bureau of Labor Statistics. Nationwide's use of the Index is not sponsored, endorsed or promoted by the U.S. Bureau of Labor Statistics, The U.S. government, or any of its agencies. Inclusion of the Index in an insurance product is not a recommendation by the U.S. government to buy such a product. Neither the U.S. government nor the U.S. Bureau of Labor Statistics guarantees the adequacy, accuracy, timeliness or the completeness of Nationwide's use of the Index. The actual rate of inflation in long-term care costs may be different than the experience of the Index. Products are issued by Nationwide Life and Annuity Insurance Company, Columbus, Ohio.

Nationwide, the Nationwide N and Eagle, Nationwide is on your side and Nationwide CareMatters II are service marks of Nationwide Mutual Insurance Company. © 2019 Nationwide