



**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:**

May 16, 2023

• 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 (Male, 60, Couple Nontobacco, Virginia)

<b>Premium received</b>	Annual: \$113,331.66 Year 0 - Year 1 Total: \$113,331.66
<b>Refund of Premium on Surrender</b>	Maximum LTC Benefit <sup>1</sup>
<b>Total Long-term care benefit</b>	Day 1: \$465,726 Age 80: \$841,152
<b>Maximum monthly LTC benefit</b>	Day 1: \$6,000 Age 80: \$10,837
<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>	\$144,000.00 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>	\$28,800.00
<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.



Nationwide CareMatters® II

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# 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.

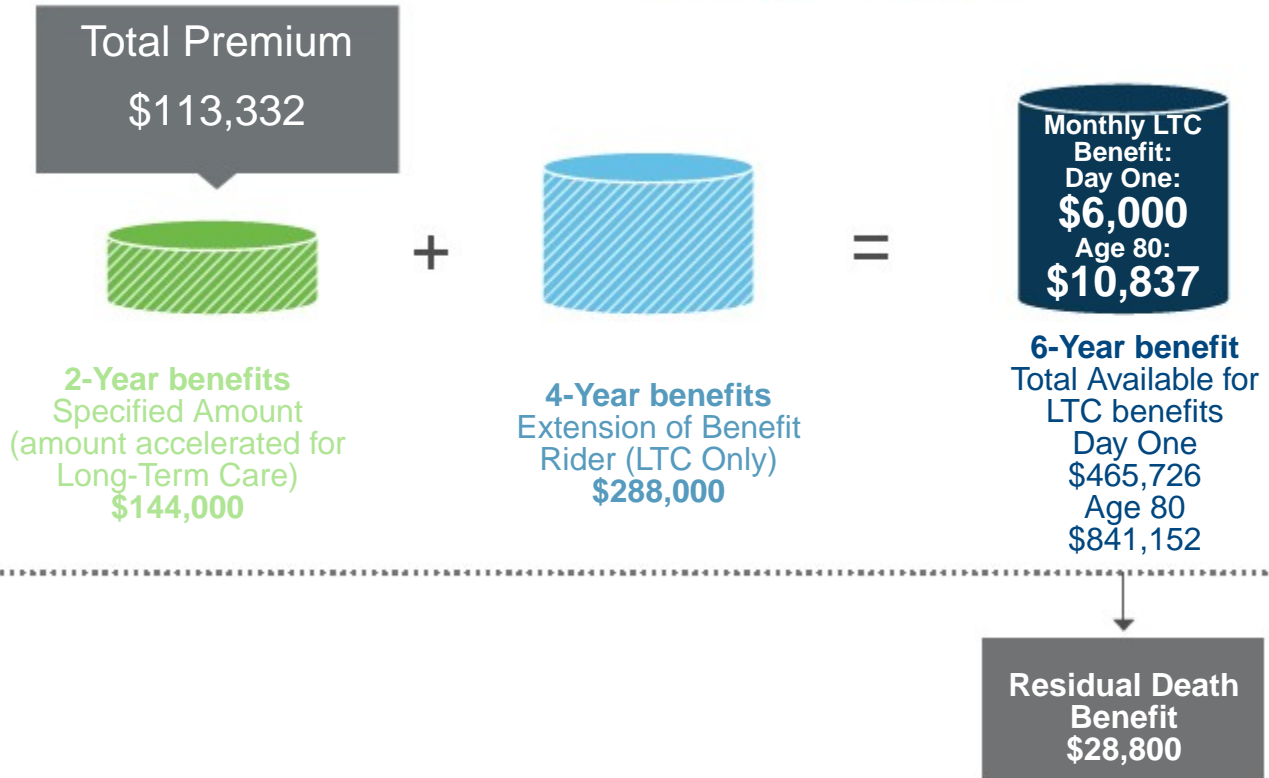


# Nationwide CareMatters® II

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

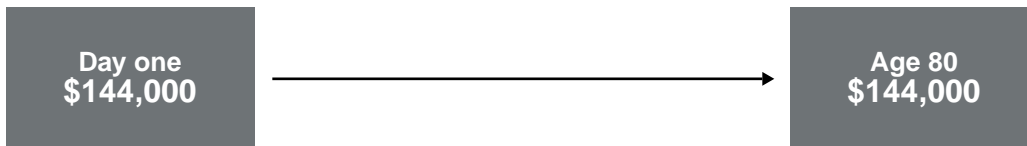
### How the product works<sup>6</sup>

Coverage if you need long-term care

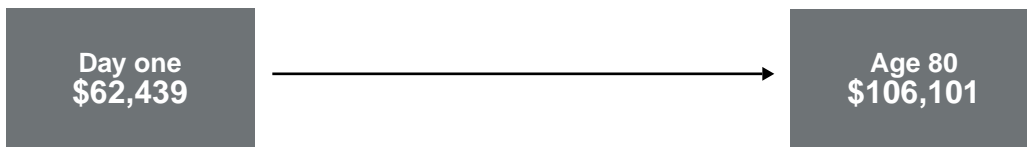


### If the Long-term care benefits are never used, the guarantees below are available.

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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### 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 - \$113,332** 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 - \$75,056.00
2. LTC Rider Premium- \$5,272.34
3. LTC Extension of Benefits Premium - \$10,121.33
4. LTC Inflation Protection Rider Premium - \$22,881.99

**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 - \$432,000** 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 - \$6,000** 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 - \$144,000** 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 - \$28,800** 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

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### 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 // Male/60/Couple Non-Tobacco  
**IRC Section 7702:** Cash Value Accumulation Test  
**Specified Amount:** \$144,000.00  
**Guaranteed Minimum Death Benefit:** \$28,800  
**Total LTC Benefit:** \$432,000.00  
**Maximum Monthly LTC Benefit:** \$6,000.00  
**LTC Benefit Period:** 6 years  
**Inflation Protection Option:** 3% Compound  
**Refund of Premium Option:** Maximum LTC Benefit  
**Premium Payment Period:** Single Premium  
**Scheduled Premium:** \$113,331.66 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	60	113,332	62,439	62,439	144,000	432,000	6,000	0	6,000	465,726
2	61	0	64,371	64,371	144,000	432,000	6,000	180	6,180	479,697
3	62	0	66,343	66,343	144,000	432,000	6,000	365	6,365	494,088
4	63	0	68,353	68,353	144,019	432,000	6,000	556	6,556	508,911
5	64	0	70,396	70,396	144,000	432,000	6,000	753	6,753	524,178
<b>Total</b>		<b>113,332</b>								
6	65	0	72,474	72,474	144,007	432,000	6,000	956	6,956	539,904
7	66	0	74,587	74,587	144,000	432,000	6,000	1,164	7,164	556,101
8	67	0	76,737	76,737	144,000	432,000	6,000	1,379	7,379	572,784
9	68	0	78,922	78,922	144,000	432,000	6,000	1,601	7,601	589,967
10	69	0	81,141	81,141	144,025	432,000	6,000	1,829	7,829	607,666
<b>Total</b>		<b>113,332</b>								
11	70	0	83,391	83,391	144,016	432,000	6,000	2,063	8,063	625,896
12	71	0	85,664	85,664	144,000	432,000	6,000	2,305	8,305	644,673
13	72	0	87,951	87,951	144,000	432,000	6,000	2,555	8,555	664,013
14	73	0	90,245	90,245	144,000	432,000	6,000	2,811	8,811	683,934
15	74	0	92,538	92,538	144,000	432,000	6,000	3,076	9,076	704,452
<b>Total</b>		<b>113,332</b>								
16	75	0	94,825	94,825	144,000	432,000	6,000	3,348	9,348	725,585
17	76	0	97,103	97,103	144,004	432,000	6,000	3,628	9,628	747,353
18	77	0	99,373	99,373	144,000	432,000	6,000	3,917	9,917	769,773
19	78	0	101,632	101,632	144,012	432,000	6,000	4,215	10,215	792,867
20	79	0	103,877	103,877	144,000	432,000	6,000	4,521	10,521	816,653
<b>Total</b>		<b>113,332</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 \$625,896 would encompass claim years 11-16.



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

**Prepared For:** Valued Client // Male/60/Couple Non-Tobacco  
**IRC Section 7702:** Cash Value Accumulation Test  
**Specified Amount:** \$144,000.00  
**Guaranteed Minimum Death Benefit:** \$28,800  
**Total LTC Benefit:** \$432,000.00  
**Maximum Monthly LTC Benefit:** \$6,000.00  
**LTC Benefit Period:** 6 years  
**Inflation Protection Option:** 3% Compound  
**Refund of Premium Option:** Maximum LTC Benefit  
**Premium Payment Period:** Single Premium  
**Scheduled Premium:** \$113,331.66 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	80	0	106,101	106,101	144,000	432,000	6,000	4,837	10,837	841,152
22	81	0	108,293	108,293	144,000	432,000	6,000	5,162	11,162	866,387
23	82	0	110,447	110,447	144,000	432,000	6,000	5,497	11,497	892,378
24	83	0	112,553	112,553	144,000	432,000	6,000	5,842	11,842	919,150
25	84	0	114,600	114,600	144,000	432,000	6,000	6,197	12,197	946,724
<b>Total</b>		<b>113,332</b>								
26	85	0	116,574	116,574	144,000	432,000	6,000	6,563	12,563	975,126
27	86	0	118,459	118,459	144,000	432,000	6,000	6,940	12,940	1,004,380
28	87	0	120,238	120,238	144,000	432,000	6,000	7,328	13,328	1,034,511
29	88	0	121,894	121,894	144,000	432,000	6,000	7,728	13,728	1,065,546
30	89	0	123,418	123,418	144,000	432,000	6,000	8,139	14,139	1,097,513
<b>Total</b>		<b>113,332</b>								
31	90	0	124,804	124,804	144,000	432,000	6,000	8,564	14,564	1,130,438
32	91	0	126,058	126,058	144,000	432,000	6,000	9,000	15,000	1,164,351
33	92	0	127,190	127,190	144,000	432,000	6,000	9,450	15,450	1,199,282
34	93	0	128,218	128,218	144,000	432,000	6,000	9,914	15,914	1,235,260
35	94	0	129,167	129,167	144,000	432,000	6,000	10,391	16,391	1,272,318
<b>Total</b>		<b>113,332</b>								
36	95	0	130,083	130,083	144,000	432,000	6,000	10,883	16,883	1,310,488
37	96	0	130,977	130,977	144,000	432,000	6,000	11,390	17,390	1,349,802
38	97	0	131,823	131,823	144,000	432,000	6,000	11,911	17,911	1,390,296
39	98	0	132,615	132,615	144,000	432,000	6,000	12,449	18,449	1,432,005
40	99	0	133,343	133,343	144,000	432,000	6,000	13,002	19,002	1,474,965
<b>Total</b>		<b>113,332</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 \$625,896 would encompass claim years 11-16.



**Nationwide CareMatters® II**

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

**Prepared For:** Valued Client // Male/60/Couple Non-Tobacco  
**IRC Section 7702:** Cash Value Accumulation Test  
**Specified Amount:** \$144,000.00  
**Guaranteed Minimum Death Benefit:** \$28,800  
**Total LTC Benefit:** \$432,000.00  
**Maximum Monthly LTC Benefit:** \$6,000.00  
**LTC Benefit Period:** 6 years  
**Inflation Protection Option:** 3% Compound  
**Refund of Premium Option:** Maximum LTC Benefit  
**Premium Payment Period:** Single Premium  
**Scheduled Premium:** \$113,331.66 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	100	0	133,997	133,997	144,000	432,000	6,000	13,572	19,572	1,519,214
42	101	0	134,584	134,584	144,000	432,000	6,000	14,159	20,159	1,564,791
43	102	0	135,118	135,118	144,000	432,000	6,000	14,764	20,764	1,611,734
44	103	0	135,604	135,604	144,000	432,000	6,000	15,387	21,387	1,660,086
45	104	0	136,050	136,050	144,000	432,000	6,000	16,029	22,029	1,709,889
<b>Total</b>		<b>113,332</b>								
46	105	0	136,474	136,474	144,000	432,000	6,000	16,690	22,690	1,761,186
47	106	0	136,911	136,911	144,000	432,000	6,000	17,370	23,370	1,814,021
48	107	0	137,374	137,374	144,000	432,000	6,000	18,071	24,071	1,868,442
49	108	0	137,823	137,823	144,000	432,000	6,000	18,794	24,794	1,924,495
50	109	0	138,258	138,258	144,000	432,000	6,000	19,537	25,537	1,982,230
<b>Total</b>		<b>113,332</b>								
51	110	0	138,679	138,679	144,000	432,000	6,000	20,303	26,303	2,041,697
52	111	0	139,089	139,089	144,000	432,000	6,000	21,093	27,093	2,102,948
53	112	0	139,488	139,488	144,000	432,000	6,000	21,905	27,905	2,166,036
54	113	0	139,878	139,878	144,000	432,000	6,000	22,742	28,742	2,231,017
55	114	0	140,261	140,261	144,000	432,000	6,000	23,605	29,605	2,297,948
<b>Total</b>		<b>113,332</b>								
56	115	0	140,640	140,640	144,000	432,000	6,000	24,493	30,493	2,366,886
57	116	0	141,019	141,019	144,000	432,000	6,000	25,408	31,408	2,437,893
58	117	0	141,406	141,406	144,000	432,000	6,000	26,350	32,350	2,511,030
59	118	0	141,819	141,819	144,000	432,000	6,000	27,320	33,320	2,586,361
60	119	0	142,327	142,327	144,000	432,000	6,000	28,320	34,320	2,663,951
<b>Total</b>		<b>113,332</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 \$625,896 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)	60
Issue State	VA	Tobacco User?	No
First Name	Valued	Married / Civil Union / Domestic Partnership?	Yes
Last Name	Client		
Sex	Male		

---

#### Screen: Face Amount and Premium

Specify Premium or Benefit	Monthly LTC Benefit	Premium Mode	Annual
Premium or Benefit Amount	6000	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 // Male/60/Couple Non-Tobacco  
**IRC Section 7702:** Cash Value Accumulation Test  
**Specified Amount:** \$144,000.00  
**Guaranteed Minimum Death Benefit:** \$28,800  
**Total LTC Benefit:** \$432,000.00  
**Maximum Monthly LTC Benefit:** \$6,000.00  
**LTC Benefit Period:** 6 years  
**Inflation Protection Option:** 3% Compound  
**Refund of Premium Option:** Maximum LTC Benefit  
**Premium Payment Period:** Single Premium  
**Scheduled Premium:** \$113,331.66 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 // Male/60/Couple Non-Tobacco  
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**Premium Payment Period:** Single Premium  
**Scheduled Premium:** \$113,331.66 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	60	62,439	49,312	62,439	N/A	62,439
2	61	64,371	48,631	64,371	N/A	64,371
3	62	66,343	47,859	66,343	N/A	66,343
4	63	68,353	46,990	68,353	N/A	68,353
5	64	70,396	46,026	70,396	N/A	70,396
6	65	72,474	44,968	72,474	N/A	72,474
7	66	74,587	43,821	74,587	N/A	74,587
8	67	76,737	42,961	76,737	N/A	76,737
9	68	78,922	42,014	78,922	N/A	78,922
10	69	81,141	40,973	81,141	N/A	81,141
11	70	83,391	40,578	83,391	N/A	83,391
12	71	85,664	38,558	85,664	N/A	85,664
13	72	87,951	36,399	87,951	N/A	87,951
14	73	90,245	34,104	90,245	N/A	90,245
15	74	92,538	31,675	92,538	N/A	92,538
16	75	94,825	29,110	94,825	N/A	94,825
17	76	97,103	26,400	97,103	N/A	97,103
18	77	99,373	23,529	99,373	N/A	99,373
19	78	101,632	20,482	101,632	N/A	101,632
20	79	103,877	17,252	103,877	N/A	103,877



## Nationwide CareMatters® II

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

**Prepared For:** Valued Client // Male/60/Couple Non-Tobacco

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

**Specified Amount:** \$144,000.00

**Guaranteed Minimum Death Benefit:** \$28,800

**Total LTC Benefit:** \$432,000.00

**Maximum Monthly LTC Benefit:** \$6,000.00

**LTC Benefit Period:** 6 years

**Inflation Protection Option:** 3% Compound

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

**Premium Payment Period:** Single Premium

**Scheduled Premium:** \$113,331.66 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
21	80	106,101	13,835	106,101	N/A	106,101
22	81	108,293	10,235	108,293	N/A	108,293
23	82	110,447	6,463	110,447	N/A	110,447
24	83	112,553	2,525	112,553	N/A	112,553
25	84	114,600	0	114,600	N/A	114,600
26	85	116,574	0	116,574	N/A	116,574
27	86	118,459	0	118,459	N/A	118,459
28	87	120,238	0	120,238	N/A	120,238
29	88	121,894	0	121,894	N/A	121,894
30	89	123,418	0	123,418	N/A	123,418
31	90	124,804	0	124,804	N/A	124,804
32	91	126,058	0	126,058	N/A	126,058
33	92	127,190	0	127,190	N/A	127,190
34	93	128,218	0	128,218	N/A	128,218
35	94	129,167	0	129,167	N/A	129,167
36	95	130,083	0	130,083	N/A	130,083
37	96	130,977	0	130,977	N/A	130,977
38	97	131,823	0	131,823	N/A	131,823
39	98	132,615	0	132,615	N/A	132,615
40	99	133,343	0	133,343	N/A	133,343



## Nationwide CareMatters® II

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

**Prepared For:** Valued Client // Male/60/Couple Non-Tobacco

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

**Specified Amount:** \$144,000.00

**Guaranteed Minimum Death Benefit:** \$28,800

**Total LTC Benefit:** \$432,000.00

**Maximum Monthly LTC Benefit:** \$6,000.00

**LTC Benefit Period:** 6 years

**Inflation Protection Option:** 3% Compound

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

**Premium Payment Period:** Single Premium

**Scheduled Premium:** \$113,331.66 Annual

## Total Received on Surrender

- A. **Guaranteed Cash Value**
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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	100	133,997	0	133,997	N/A	133,997
42	101	134,584	0	134,584	N/A	134,584
43	102	135,118	0	135,118	N/A	135,118
44	103	135,604	0	135,604	N/A	135,604
45	104	136,050	0	136,050	N/A	136,050
46	105	136,474	0	136,474	N/A	136,474
47	106	136,911	0	136,911	N/A	136,911
48	107	137,374	0	137,374	N/A	137,374
49	108	137,823	0	137,823	N/A	137,823
50	109	138,258	0	138,258	N/A	138,258
51	110	138,679	0	138,679	N/A	138,679
52	111	139,089	0	139,089	N/A	139,089
53	112	139,488	0	139,488	N/A	139,488
54	113	139,878	0	139,878	N/A	139,878
55	114	140,261	0	140,261	N/A	140,261
56	115	140,640	0	140,640	N/A	140,640
57	116	141,019	0	141,019	N/A	141,019
58	117	141,406	0	141,406	N/A	141,406
59	118	141,819	0	141,819	N/A	141,819
60	119	142,327	0	142,327	N/A	142,327



## Nationwide CareMatters® II

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

**Prepared For:** Valued Client // Male/60/Couple Non-Tobacco

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

**Specified Amount:** \$144,000.00

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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:** \$113,331.66 Annual

## 7702 / 7702a

**MEP:** **\$10,107.67**

**NSP:** **\$62,458.54**

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.



## Nationwide CareMatters® II

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

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

**Premium Payment Period:** Single Premium

**Scheduled Premium:** \$113,331.66 Annual

## 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	\$203,163	\$203,163	\$8,465	\$8,465	\$203,163	
2 Years	3% Simple	\$198,741	\$201,722	\$8,281	\$13,249	\$320,967	61
2 Years	3% Compound	\$171,792	\$174,369	\$7,158	\$12,928	\$314,930	66
2 Years	5% Compound	\$131,649	\$134,940	\$5,485	\$14,554	\$358,036	69
3 Years	None	\$194,154	\$291,231	\$8,090	\$8,090	\$291,231	
3 Years	3% Simple	\$185,266	\$286,236	\$7,719	\$12,351	\$452,976	62
3 Years	3% Compound	\$158,979	\$245,694	\$6,624	\$11,964	\$443,751	67
3 Years	5% Compound	\$120,818	\$190,439	\$5,034	\$13,357	\$505,291	70
4 Years	None	\$187,920	\$375,840	\$7,830	\$7,830	\$375,840	
4 Years	3% Simple	\$166,620	\$348,235	\$6,942	\$11,108	\$548,178	65
4 Years	3% Compound	\$148,732	\$311,120	\$6,197	\$11,193	\$561,918	68
4 Years	5% Compound	\$112,618	\$242,700	\$4,692	\$12,450	\$643,954	71
5 Years	None	\$183,682	\$459,206	\$7,653	\$7,653	\$459,206	
5 Years	3% Simple	\$163,172	\$432,405	\$6,799	\$10,878	\$677,162	65
5 Years	3% Compound	\$145,391	\$385,949	\$6,058	\$10,941	\$697,067	68
5 Years	5% Compound	\$111,530	\$308,137	\$4,647	\$12,330	\$817,580	71
6 Years	None	\$180,429	\$541,287	\$7,518	\$7,518	\$541,287	
6 Years	3% Simple	\$161,620	\$521,224	\$6,734	\$10,775	\$812,140	64
6 Years	3% Compound	\$144,000	\$465,726	\$6,000	\$10,837	\$841,152	68
6 Years	5% Compound	\$105,004	\$357,115	\$4,375	\$11,609	\$947,533	72
7 Years	None	\$178,439	\$624,535	\$7,435	\$7,435	\$624,535	
7 Years	3% Simple	\$158,680	\$605,365	\$6,612	\$10,579	\$938,593	65
7 Years	3% Compound	\$135,471	\$519,020	\$5,645	\$10,195	\$937,408	70
7 Years	5% Compound	\$101,642	\$413,784	\$4,235	\$11,237	\$1,097,891	72

\*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.

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