



Nationwide[®]
On Your Side

YOUR GUIDE TO:

**THE NATIONWIDE
LIFETIME INCOME RIDER[®]**

GET LIFETIME INCOME FOR THE LIFE YOU WANT.

An optional rider available with certain Nationwide[®] variable annuities

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

A STRONG APPROACH IN A WEAK MARKET

We're conservative by nature. As an insurance company that issues annuities, we take steps to manage risk and help protect our investors. We've worked hard to build:

- Diversified sources of earnings and cash flows
- A strong balance sheet
- A sound and disciplined investment policy
- A long history of maintaining a high-quality investment portfolio

Add up the numbers, and our strength becomes even more apparent:

- A Fortune 500 company¹
- 80 years of experience
- 35,000 associates — we're one of the largest financial services providers in the country
- \$127 billion in customer funds managed and administered²

OUR FINANCIAL FITNESS

We've been rated by several independent agencies that track the financial stability of life insurance companies. Standard and Poor's awarded a "Strong" rating to the risk management abilities of Nationwide Enterprise. Only 14% of insurance companies achieved this rating.

FINANCIAL STRENGTH RATINGS

AGENCY	RATING	RANK	RECEIVED	AFFIRMED
AM Best	A+ "Superior"	2nd strongest of 16	10/17/02	1/27/09
Moody's	A1 "Good"	5th strongest of 21	3/10/09	3/10/09
S&P	A+ "Strong"	5th strongest of 22	12/22/08	12/22/08

These ratings and rankings reflect Rating Agency assessment of the financial strength and claims-paying ability of Nationwide Life Insurance Company and are subject to change at any time. They are not intended to reflect the investment experience or financial strength of any variable account, which is subject to market risk. Because the dates are only updated when there's a change in the rating, the dates above reflect the most recent ratings we have received.

¹ Based on revenue, Fortune Magazine (April 2008).

² Nationwide Financial Statistical Supplement (12/31/08).

NOTHING VENTURED, NOTHING GAINED.

You need to invest your retirement money to give it the chance to grow. But investing can also expose you to risk, including:



MARKET RISK

Your investment value will rise and fall with the market.

You can't predict or control equity values.

What happens to your money if the market is down when you decide to retire?



INFLATION RISK

The rising cost of living may offset your investment gains.

Each year, the same amount of money buys a little less.

So how can you maintain the purchasing power of your hard-earned retirement dollars?



INCOME RISK

Your yearly income may shrink if your investment value drops.

Imagine you're retired. You're withdrawing 7% of your investment every year.

How will you cover your expenses in years when 7% is less than what you need?



LONGEVITY RISK

You may last longer than the money you have to live on.

Today, the average 62-year-old can expect to reach 80. And half of all 62-year-olds will live longer than average.*

Once you stop working, how can you make sure you'll always have money coming in?

* MarketFacts Quarterly, LIMRA (Fall 2002); Retirement Planning: The Ongoing Challenge, LIMRA (2002); United States Life Tables 2000, Centers for Disease Control (December 19, 2002).

Help reduce these four types of risk. >>

A VARIABLE ANNUITY COULD HELP REDUCE THE RISKS.

Variable annuities are contracts you buy from an insurance company to help you build assets for retirement. They are called “variable” because their value will fluctuate based on the performance of the underlying investment options you and your investment professional pick.

The cost of a variable annuity depends in part on the combination of features you select. Annuity fees and charges may include administrative fees, contract fees, mortality and expense and the expense of your investment options. For more specific information about fees, ask your investment professional.

VARIABLE ANNUITIES CAN GIVE YOU ...

WHILE HELPING TO OFFSET ...

Lifetime income — a stream of income you can’t outlive; accessed either through annuitization or systematic withdrawals



MARKET RISK



LONGEVITY RISK

Living benefits — optional benefits for you, including guaranteed accumulation or guaranteed withdrawals



INCOME RISK

Death benefits — guarantees for your beneficiaries, including a level of protection from investment loss



MARKET RISK

Tax deferral — the potential for your investment to grow faster than taxable investments because you don’t pay taxes on gains until you take a withdrawal



MARKET RISK



INCOME RISK

Investment choices — access to a wide range of professionally managed investment options only available with annuities



MARKET RISK



INFLATION RISK

Variable annuities were designed to be long-term investments. If you take early withdrawals, you’ll face early surrender charges and your death benefit and cash value will be reduced. You could also face a 10% tax penalty (in addition to ordinary income taxes) if you start taking withdrawals before age 59½. And if you take your money out early, you may not benefit from tax deferral, one of the key advantages of variable annuities.

Variable annuities don’t guarantee the performance of the investment options you pick, because investment performance is tied to the market. But they do offer a level of protection against investment loss.

NOW, IMAGINE YOU HAD INCOME FOR LIFE.

The Nationwide Lifetime Income Rider® (L.inc) is designed to give you income you can't outlive, even if your contract value falls to zero. At the same time, it gives you unlimited potential for growth when the market is up.

Nationwide L.inc is an optional rider available for an additional cost with certain Nationwide® variable annuities.

WITH NATIONWIDE L.INC, YOU CAN ...

Enjoy 10% growth that is guaranteed

The amount used to calculate your income (your income benefit base) will go up 10% every year for the first 10 years or until you take your first withdrawal. It won't go down, no matter how the market performs.

Get income you can't outlive

You can start taking yearly withdrawals whenever you want. Your income is guaranteed for the rest of your life, even if the contract value falls to \$0.

Have the option of guaranteed lifetime income for your spouse

After you're gone, your spouse can continue to get the same level of income you received ... uninterrupted and for life. It's called spousal continuation, and it's available for an additional cost of 0.20%.

Build a portfolio that's right for you

You and your investment professional can choose from a range of model investment portfolios. Or you can build a custom portfolio from more than 50 different underlying investment options.

ARE YOUR INVESTMENTS TAKING A BEATING IN THE MARKET?

If your investment professional says a variable annuity (VA) makes sense in your situation, this is a way to fight for your investments. By adding The Nationwide Lifetime Income Rider® (L.inc) to certain Nationwide® variable annuities for an additional cost, you can get guarantees that:

- Help protect you from future shifts in the market
- Give you a competitive growth rate no matter how low your portfolio value falls

NATIONWIDE L.INC AT A GLANCE

10% roll-up per year for 10 years, or until you take your first withdrawal

Available age 45 to 85*

Cost: • 1.00%**
• 1.20%** with the spousal continuation option

Loans aren't available with Nationwide L.inc

* Some firms have an age restriction.

** Assessed annually on the income benefit base.

A roll-up is the guaranteed annual increase in your income benefit base. This increase will continue for 10 years or until you take a withdrawal.

SEE WHY OTHERS MADE THEIR DECISION.

A Nationwide® VA with Nationwide L.inc can help meet the diverse needs of investors like these. These case studies are examples only, and you shouldn't interpret them as advice.



Cost: 1.20%

Dave and Melissa

Age 63 and 65

Their wish list:

- Guaranteed growth
- Market participation
- Consistent income, even if one of them passes away

Dave and Melissa have been conservative with their investments, but aren't happy with their returns. Plus, they want income that won't fluctuate and that will continue at the same level even if one of them passes away.

With Nationwide L.inc with spousal continuation, their income benefit base will increase at least 10% per year over 10 years (assuming they don't take withdrawals early). They can also build a custom portfolio from more than 50 investment choices so that their investment options are just what they are comfortable with.



Cost: 1.00%

Brad

Age 62

What he needs:

- Lifetime income
- Guaranteed growth
- Potential for future growth

Brad just watched his retirement portfolio lose 50% of its value. He's thinking seriously about moving the rest of his money into a CD. But he wants to be in a position to take advantage of any significant market rebound or growth.

Since Brad has other sources of income, he won't need to take withdrawals for at least 10 years. With a Nationwide® variable annuity and Nationwide L.inc, he knows that no matter what the market does:

- His income benefit base will increase by 10% simple interest every year
- It will never decrease
- There's no limit to how much his investment can grow

[Turn the page to see how to calculate your income >>](#)

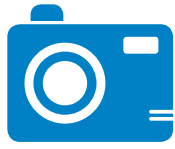
CALCULATE THE INCOME.

>> Let's say you're 65 and have \$100,000 to invest in L.inc 10. Here's how you'd figure out what your income would be.

INCOME BENEFIT BASE	X	LIFETIME INCOME PERCENTAGE	=											
<p>Your income benefit base is the amount on which your income is calculated. It is the greater of the:</p> <ul style="list-style-type: none"> Highest contract value (on any rider anniversary) Guaranteed minimum value (purchase payments increased by 10% simple interest per year) <p>The income benefit base will never decrease due to market performance, even if your contract value does.</p> <p>If your contract value falls to \$0 after the first 10 years and before your first withdrawal, there will be no further adjustments to your income benefit base.</p>		<p>Your lifetime income percentage is based on the contract owner's age (usually you) when withdrawals begin.</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="padding: 5px;">Age</th> <th style="padding: 5px;">Lifetime income percentage (maximum)</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">45 up to 59½</td> <td style="padding: 5px;">3%</td> </tr> <tr> <td style="padding: 5px;">59½ – 64</td> <td style="padding: 5px;">4%</td> </tr> <tr> <td style="padding: 5px;">65 – 80</td> <td style="padding: 5px;">5%</td> </tr> <tr> <td style="padding: 5px;">81+</td> <td style="padding: 5px;">6%</td> </tr> </tbody> </table> <p>This table shows the maximum withdrawal percentage that will be guaranteed for life. You can withdraw less or more. If you take more than the maximum, however, future withdrawal amounts may be reduced.</p>	Age	Lifetime income percentage (maximum)	45 up to 59½	3%	59½ – 64	4%	65 – 80	5%	81+	6%		
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GUIDE TO THE CHART ON PAGE 9 >>

WHEN YOU SEE THIS TERM ...	REMEMBER THAT ...
Guaranteed minimum value	This equals your purchase payment amounts increased by 10% simple interest each year for 10 years or until you take a withdrawal.
Income benefit base	This equals whichever is greater: a) the guaranteed minimum value or b) the highest contract value on any rider anniversary.
Lifetime withdrawal amount	This will be your yearly income unless you reset it when the market is up. This amount is based on your age when you start taking withdrawals.



Want a quick snapshot of your situation?

Ask your investment professional to run a Nationwide L.inc illustration.

LIFETIME WITHDRAWAL AMOUNT

AGE*	NET ANNUAL RETURN	CONTRACT VALUE (On any rider anniversary)	GUARANTEED MINIMUM VALUE	INCOME BENEFIT BASE	×	LIFETIME INCOME PERCENTAGE	=	LIFETIME WITHDRAWAL AMOUNT*
65	—	\$100,000	\$100,000	\$100,000		5%		\$5,000
66	-8.80%	\$91,202	\$110,000	\$110,000		5%		\$5,500
67	17.11%	\$106,810	\$120,000	\$120,000		5%		\$6,000
68	6.86%	\$114,140	\$130,000	\$130,000		5%		\$6,500
69	9.03%	\$124,448	\$140,000	\$140,000		5%		\$7,000
70	-0.55%	\$123,764	\$150,000	\$150,000		5%		\$7,500
71	12.66%	\$139,428	\$160,000	\$160,000		5%		\$8,000
72	10.00%	\$153,375	\$170,000	\$170,000		5%		\$8,500
73	21.80%	\$186,807	\$180,000	\$186,807		5%		\$9,340
74	-0.38%	\$186,098	\$190,000	\$190,000		5%		\$9,500
75	16.92%	\$217,579	\$200,000	\$217,579		5%		\$10,879

* Assumes income begins at this age; the withdrawal amount will remain level.

The Nationwide Lifetime Income Rider® (L.inc) wasn't available before March 1, 2006. This illustration demonstrates how Nationwide L.inc would have worked had it been available before that time. **The American Funds NVIT Asset Allocation Fund** — Class II inception date was 08-01-1989 and is one of the investment options available with a Nationwide® variable annuity with Nationwide L.inc. Performance information for the other investment options is available online or through fund prospectuses.

This illustration assumes a \$100,000 single-premium purchase payment, 1.75% mortality and expense (M&E) charge and a 1.02% investment charge (the actual cost of the **American Funds NVIT Asset Allocation Fund**). For illustrative purposes, we've also assumed a 1.20% Nationwide L.inc cost, although the current rider cost is only 1.00%. Your rider cost may be higher than 1.00%, but only if you choose to reset your income benefit base during withdrawals. Resetting your income benefit base could increase your lifetime withdrawal amount after you've started taking withdrawals. Other fees and charges may apply. They include, but aren't limited to, an annual contract charge of up to \$30.

This illustration isn't intended to reflect the performance of the available investment options or to predict or project future investment results. Your performance could be significantly different than the investment option shown depending on the investment option(s) you pick. Contingent deferred sales charges (CDSCs) may be charged if you take a withdrawal greater than your annual lifetime withdrawal amount. CDSCs range from 0.00% to 8.00% over a maximum of eight years.

The results shown represent past performance and shouldn't be considered a representation of performance or investor experience of the funds in the future. Past performance cannot guarantee future results. Current performance may be lower or higher than the performance data quoted. The principal value and investment return of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Performance data current to the most recent month-end may be obtained at nationwide.com or 1-800-848-6331.

Non-standardized average annual total returns since inception

(net of all asset-based fees and charges) These returns are measured from the inception date (8/1/1989) of the investment option and will predate the offering of the fund in the Nationwide separate account.

1 year	5 year	10 year	Since inception
03/01/08 – 02/28/09	03/01/04 – 02/28/09	03/01/99 – 01/31/09	03/01/99 – 02/28/09
-38.43%	-4.55%	-1.31%	3.83%

Standardized average annual total returns since inception

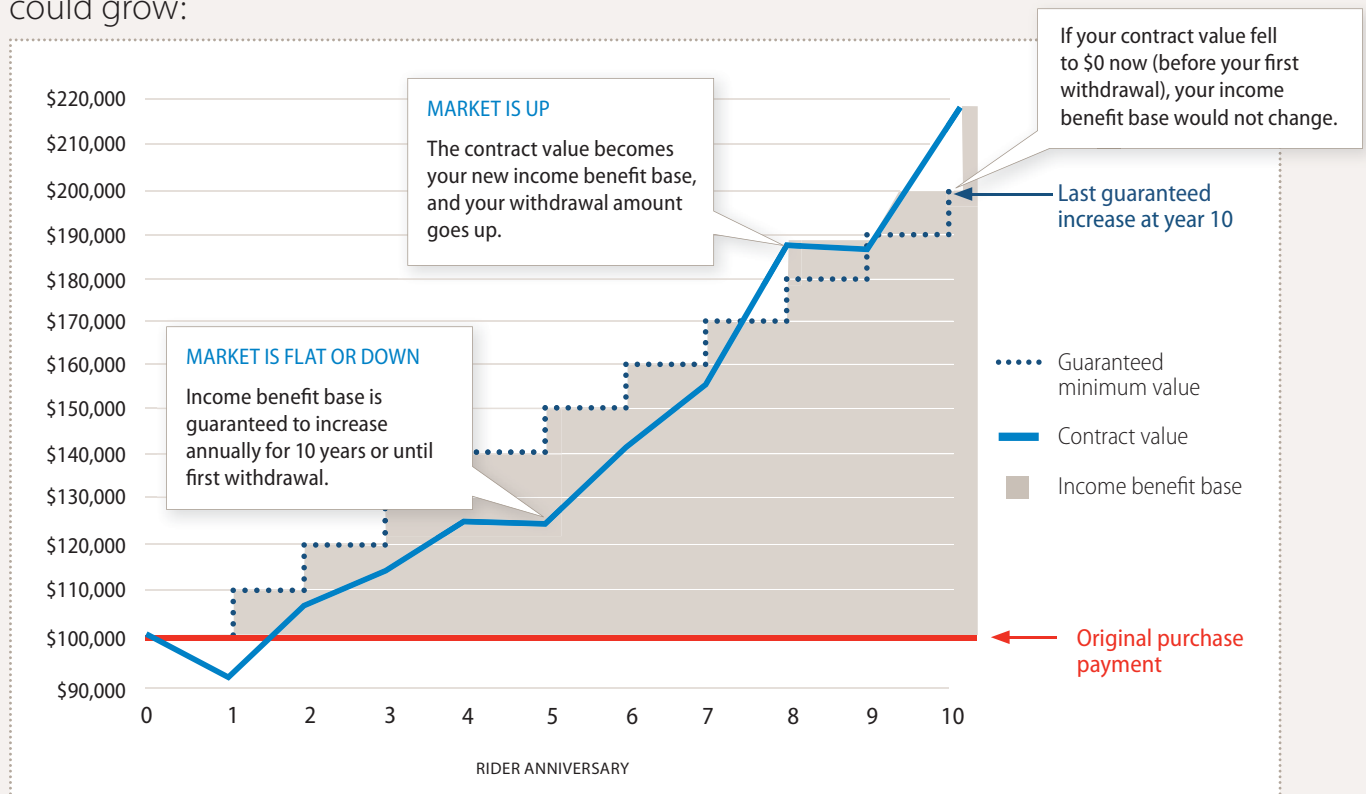
(net of all asset-based fees and charges) These returns are measured from the date the investment option was included in the Nationwide separate account (5/1/2006).

1 year	5 year	10 year	Since inception
01/01/08 – 12/31/08	NA	NA	05/01/06 – 12/31/08
-34.79%	NA	NA	-11.83%

DIG INTO THE DETAILS.

GUARANTEED GROWTH

On each rider anniversary, the income benefit base is calculated from the higher of two values, either contract value or guaranteed minimum value. Here's how your income could grow:



The illustration is hypothetical and not intended to serve as a projection or prediction.

SPOUSAL CONTINUATION (OPTIONAL)

You can guarantee your surviving spouse the same level of income you received — uninterrupted and for the rest of his or her life. This optional benefit covers either spouse.

- You can only add this benefit at the time you purchase Nationwide L.inc
- You can remove this benefit only if your marriage ends in divorce, dissolution or annulment
- Both you and your spouse must be between 45 and 85 at the time of purchase
- Cost: an additional 0.20% on the income benefit base
- Your lifetime income percentage is based on the younger spouse's age

LIFETIME INCOME



Nationwide L.inc gives you a stream of income that's guaranteed for the rest of your life.

- Your withdrawal amount is guaranteed based on your income benefit base and how old you are when you take your first withdrawal; if spousal continuation is purchased, it is based on the younger spouse's age
- You'll receive this level of income even if the contract value falls to \$0 (as long as you don't take more than your guaranteed withdrawal amount in any year, which would reduce future withdrawal amounts)
- You can start taking withdrawals whenever you want
- When you begin to take withdrawals, your minimum guaranteed income amount will stay constant for the rest of your life (and your spouse's, too, if you purchased that option)
- Tax penalties may apply if you take withdrawals before you reach age 59½, and withdrawals are also subject to ordinary income tax

YOUR INCOME CAN INCREASE

On every rider anniversary, Nationwide® will look at your contract value and compare it to your income benefit base. If your contract value grows to be higher, you have the option to reset your income benefit base to the higher amount. This allows you to take advantage of market booms and potentially increase your income annually. If you do reset, it will be at the current terms and conditions of the rider.

Learn more about building your retirement income potential
at nationwide.com/investment-basics.

TAKE ACTION.

Ask your investment professional if a Nationwide[®] variable annuity with Nationwide L.inc could help you live more confidently in retirement.



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This brochure is only authorized for client use when preceded or accompanied by a variable annuity product prospectus. The prospectus describes the investment objectives, risk factors, expenses, fees and surrender charges that may apply to you. You should read it carefully before purchasing a variable annuity.

Variable products are sold by prospectus. Both the product prospectus and underlying fund prospectuses can be obtained from your investment professional or by writing to Nationwide Life Insurance Company, P.O. Box 182021, Columbus, OH 43218-2021. Before investing, carefully consider the fund's investment objectives, risks, charges and expenses. The product prospectus and underlying fund prospectuses contain this and other important information. Read the prospectuses carefully before investing.

Living benefits riders are optional and may not be available with all Nationwide[®] variable annuities or in all states. Any annuity purchase should be based on the annuity contract and not on optional riders or features.

Nationwide variable annuities are issued by Nationwide Life Insurance Company, Columbus, Ohio. The general distributor is Nationwide Investment Services Corporation, member FINRA. In MI only: Nationwide Investment Svcs. Corporation.

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Rider: VAR-0144AO

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