



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

INCOME  
Promise Select<sup>®</sup>

Client guide



# Your retirement, your way

Customize your retirement income with INCOME Promise Select<sup>®</sup>

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

# Why an immediate annuity?

Market, income and inflation risks can interrupt your retirement plans. Adding a guaranteed income solution, like a fixed immediate annuity, to your retirement portfolio helps manage these risks by:

- Creating a competitive amount of immediate guaranteed income
- Offering the ability to provide guaranteed fixed income for as long as you need it, including several lifetime income options
- Helping protect your retirement income

A fixed immediate annuity is a contract you purchase from an insurance company and is designed for long-term retirement goals. It offers guaranteed fixed income payments for a specific period of time or for life. As you're reading, please keep in mind that all guarantees and protections are subject to the claims-paying ability of Nationwide Life Insurance Company.

It's important to note that fixed annuities are subject to investment risks such as inflation risk and interest rate risk.

# Why INCOME Promise Select<sup>®</sup>?

## **INCOME Promise Select gives you the power to choose**

This fixed, single-premium immediate annuity from Nationwide allows you to create guaranteed income that meets your specific needs and timeline with these payment options and features:

- **Customized guaranteed income** — create income for an individual or two people (joint annuitants), for a specific period of time or for life — whatever best meets your needs
- **Cost-of-living adjustment (COLA)** — provides future income increases that help protect against inflation
- **Liquidity feature** — allows you to take lump-sum withdrawals in the event of a financial emergency at an additional cost; available with any term-certain or cash-refund payment option

# What do I need to know about INCOME Promise Select?

## Who can own it?

Owners can be any age, but annuitants must be age 95<sup>3</sup> or younger; there is no minimum age.

## What are the minimum and maximum initial purchase amounts?

- Minimum: \$10,000
- Maximum: \$3,000,000<sup>4</sup>

## When will I begin to receive guaranteed income payments?

You can begin guaranteed income payments anytime between 30 days and 365 days after the contract is issued. You choose a start date when you sign your application.

## How often can I receive income payments?

You can choose to receive income:

- Monthly
- Semiannually
- Quarterly
- Annually

Payments can be deposited directly into your bank or brokerage account, or automatically directed to pay ongoing bills like utilities, mortgage or insurance premiums.

## How are my income payments calculated?

Income payments are based on several factors. Most of these factors are determined by the choices you make when you customize your contract to match your needs:

- Total amount purchased (premium)
- Income start date
- Payment frequency (monthly, quarterly, semiannually or annually)
- Income payment option

The remaining factors are based on the annuitant's age and sex.

## What is the minimum amount I will receive?

The minimum amount is \$100. If any payment would be less than \$100, Nationwide has the right to reduce the frequency of payments to meet the minimum requirement.

## Are there tax advantages?

If you fund INCOME Promise Select with money you've already paid taxes on, then you'll have a source of income that is partially tax-free.

Federal income tax laws are complex and subject to change. The information in this brochure is based on current interpretations of the law and is not guaranteed. Nationwide and its representatives do not give legal or tax advice. Please consult your attorney or tax advisor for answers to specific questions.

<sup>3</sup> Certain restrictions may apply to income options available.

<sup>4</sup> If you choose to purchase more than the maximum, it is subject to Nationwide's approval. Subsequent payments into the contract aren't permitted.

# Customizing your income

## Create an income plan to match your needs

Nationwide designed INCOME Promise Select to give you the power to create a customized, guaranteed income stream that matches your specific needs. Here are some choices to consider:

- **How long the guaranteed payments will last** — you choose how long you want to receive guaranteed income payments as well as the number of lives the payments will cover
- **How often you will receive payments** — you choose when you will start receiving income payments and how often you want to receive them
- **If you want your payments to increase annually** — you can choose to add an annual cost-of-living adjustment (COLA) to your payments to help protect your future income against inflation
- **If you want access to your money** — term-certain or cash-refund options allow you to take lump-sum withdrawals<sup>5</sup> in the event of a financial emergency, as long as the purchase payment doesn't exceed \$1 million
- **Who your beneficiary will be** — based on the payment option you selected, you choose who will receive any remaining guaranteed payments upon your passing

<sup>5</sup> Withdrawals are subject to income tax, and withdrawals before age 59½ may be subject to a 10% early withdrawal federal tax penalty.



# INCOME Promise Select puts you in control

INCOME Promise Select is designed with several payment options to create your own payment plan. Whether you're single or married, have beneficiaries or not, or want guaranteed income for life or just a specific period of time — we have an option for you. Choose one of these income options to meet your specific needs:

- Single Life
- Single Life with Cash Refund
- Single Life with Five- to 30-year Term Certain
- Joint and (20 to 100)% Survivor
- Joint and (100)% Survivor with Cash Refund
- Joint and (20 to 100)% Survivor with Five- to 30-year Term Certain
- Joint and (20 to 100)% Last Survivor
- Joint and (100)% Last Survivor with Cash Refund
- Joint and (20 to 100)% Last Survivor with Five- to 30-year Term Certain
- Three- to 30-year Term Certain<sup>6</sup>

<sup>6</sup> Not all term-certain options may be available at all times; check with Nationwide for rates and availability.

## Cost-of-living adjustment (COLA)

### Adjust your income for inflation

INCOME Promise Select offers a cost-of-living adjustment (COLA) that allows you to increase your payments annually to help offset inflation. This optional feature will increase your payments by 1%, 2%, 3%, 4% or 5% compounded annually. Your COLA percentage cannot be changed or removed once the contract has been issued.

Here's how:

- Every year, on the anniversary date of when you started receiving income, the previous year's guaranteed payment amount will increase by the percentage you chose
- Once chosen, the COLA increases will continue until the end of the contract

# Liquidity feature

## Access to your money if you need it

With the Liquidity feature, INCOME Promise Select allows you to create guaranteed income, with the option to take lump-sum withdrawals in the event you need extra cash for an emergency.

Here are the key details:

- Available only with cash-refund or term-certain payment options as long as the purchase payment is no more than \$1 million
- Lump-sum withdrawals are allowed during the Liquidity period only; you can withdraw up to 100% of the Liquidity value

### Liquidity period

- **Term-certain contract:** Liquidity period is during the term-certain period
  - **Cash-refund contract:** Liquidity period is calculated on an individual basis using factors including, but not limited to, payment frequency, annuitant's age and initial contribution
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- Multiple withdrawals are allowed during the Liquidity period; withdrawals must be \$2,000 or more unless the remaining Liquidity value is less than \$2,000; in that case, the withdrawal must be 100% of the remaining Liquidity value
  - Withdrawals will affect your policy; after the withdrawal, future income payments during the remaining Liquidity period will be reduced in direct proportion to the percentage of the withdrawal to the Liquidity value
  - If lifetime payments continue after the end of the Liquidity period, those payments will return to the amount guaranteed prior to the withdrawal
  - \$50 will be deducted for each withdrawal taken (the fee is \$100 in New York)
  - The Liquidity Feature terminates at the earliest of when:
    - 100% of the Liquidity Value has been withdrawn
    - The date the Liquidity Period ends
    - The date of the last surviving Annuitant's death

## How the Liquidity feature works for a hypothetical person

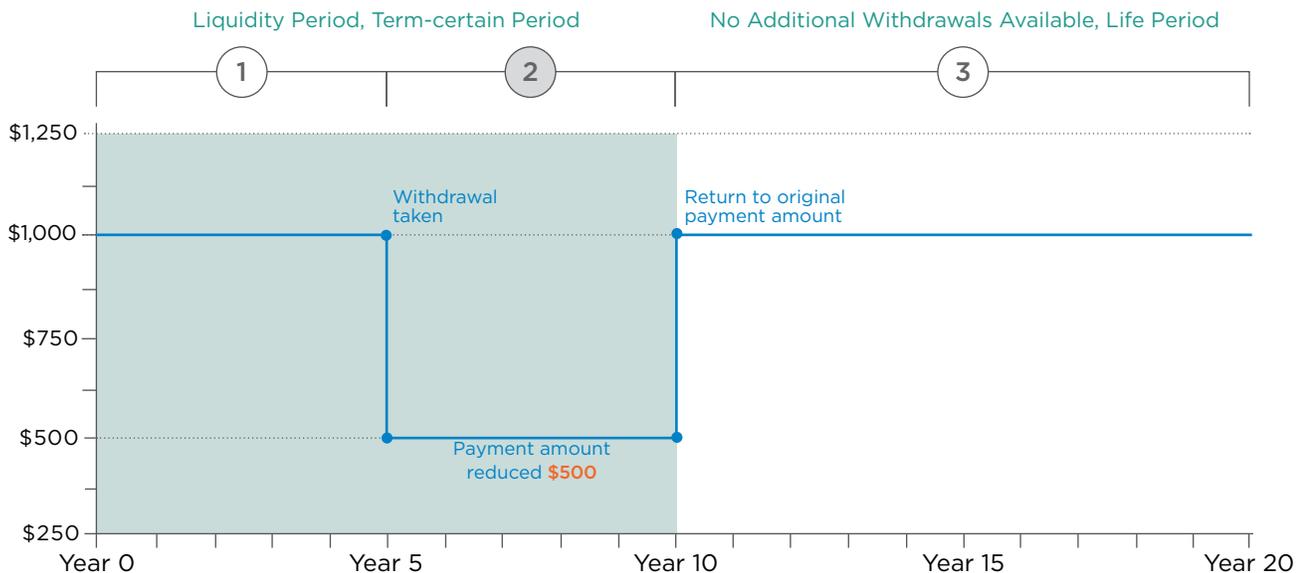
### Meet Charlie

Charlie retires and discovers that he needs an additional \$1,000 a month for expenses. He purchases an INCOME Promise Select contract and selects a single life with 10-year term-certain payment option. His purchase payment results in a monthly income amount of \$1,000, providing him the additional income he needs.

Five years later, Charlie's basement floods, and the water damage is not covered under his homeowners insurance policy. Because he purchased a single life with term-certain payment option and is still within the Liquidity period, Charlie is able to withdraw the money he needs to make the necessary repairs in his basement.

## How the Liquidity feature works

- 1 Charlie has been receiving **\$1,000** per month for five years. To pay for flood damage, he withdraws **50%** of his available Liquidity value, minus a \$50 withdrawal fee.
- 2 Due to his withdrawal, Charlie's monthly income payments will now continue at **\$500**, a reduction of 50%. Charlie doesn't make any additional withdrawals, so his income payments remain at **\$500** through the end of his Liquidity period.
- 3 Beginning in year 11, Charlie's income payment automatically returns to **\$1,000** (the original amount) for the rest of his life, and he is no longer able to take withdrawals.



This illustration is hypothetical and meant for illustrative purposes only. It assumes a Single Life with 10-year term-certain payment option and it is based on income beginning within 30 days of contract issuance. Please note, there is a \$50 charge for each liquidity withdrawal (\$100 in NY). All guarantees and protections are subject to the claims-paying ability of Nationwide Life Insurance Company. All withdrawals are subject to tax. Please talk with your tax advisor for answers to your specific questions.

# Why Nationwide?

## The company you keep matters

Immediate annuities can be an integral part of a retirement income plan. And therefore, the company you choose to provide the guarantees associated with the annuity matters. That's why Nationwide has worked hard for more than 85 years to maintain our financial stability so that we can continue to protect our clients.

### FINANCIAL STRENGTH RATINGS



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.

While ratings can be objective indicators of an insurance company's financial strength and can provide a relative measure to help select among insurance companies, they are not guarantees of the future financial strength and/or claims-paying ability of a company. The broker/dealer from which an annuity is purchased, the insurance agency from which an annuity is purchased and any affiliates of those entities make no representations regarding the quality of the analysis conducted by the rating agencies. The rating agencies are not affiliated with the above-mentioned entities, nor were they involved in any rating agency's analysis of the insurance companies.

## Tap into your retirement income power



Customize your income plan today. Talk with your insurance or investment professional for more information about INCOME Promise Select®.



For a product prospectus, please visit [nationwide.com/prospectus](http://nationwide.com/prospectus) or call to request one at 1-800-848-6331.

All annuity contract and rider guarantees, or annuity payout rates, are backed by the claims-paying ability of the issuing insurance company. They are not backed by the broker/dealer from which this annuity is purchased, by the insurance agency from which this annuity is purchased or any affiliates of those entities and none makes any representations or guarantees regarding the claims-paying ability of Nationwide Life Insurance Company. INCOME Promise Select, a single-premium immediate fixed annuity, is issued by Nationwide Life Insurance Company, Columbus, Ohio.

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

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