

Lifetime Income (L.Inc) Withdrawal Administrative Form



Not for one-time withdrawals or transfers

Mail to: Nationwide Financial^{®*}, Individual Annuities, PO Box 182021, Columbus, Ohio, 43218-2021, 1-800-848-6331

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1. Owner Information *(Please print)*

Existing Contract Number (If known)

Owner First/Last Name

Social Security Number (Required) Telephone Number ()

Reason for Submission Initial Setup (complete all applicable sections)
 Change Existing Withdrawal (complete all applicable sections)
 Terminate Existing Withdrawal (complete sections 1 & 8 only)

! **Important Note for Non-Qualified annuity contracts:** If your contract was issued as part of a **partial 1035 exchange** after June 30, 2008, and a distribution or surrender is made from either contract within 12 months after the exchange, all or a portion of the amount transferred from the original contract may be treated as a taxable distribution, subject to both income taxation and the 10% early distribution penalty, unless, the distribution or surrender meets certain defined exceptions. Please consult your prospectus for more information and discuss any tax consequences concerning any contemplated transactions with a professional tax advisor.

2. L.Inc Scheduled Withdrawal Options *(Please select one option)*

Maximum Allowable Amount per option year¹

This option will recalculate the scheduled amount with any additional deposits or withdrawals processed outside of this L.Inc scheduled withdrawal. The election of this option is designed to protect your benefit base in most scenarios.

!
If no option is selected, Nationwide defaults to the L.Inc maximum allowable amount option.

- If the start date is not the beginning of your L.Inc option anniversary, your maximum amount will be divided by the remaining elected frequency periods. This may result in a change of your scheduled amount on your next option anniversary
- If a deposit is made after scheduled withdrawals begin, the amount will be adjusted for the next scheduled withdrawal(s)
- If an additional withdrawal is taken outside of the scheduled withdrawal, the amount will be adjusted for the next scheduled withdrawal(s)
- If an additional withdrawal results in exceeding your maximum allowable amount, your scheduled withdrawal amount will stop until the first scheduled withdrawal after your next option anniversary

Level Amount¹

This option allows your scheduled withdrawal to remain the same through your L.Inc option year. This may result in a change to your benefit base.

- The level amount is calculated by taking the benefit base times the withdrawal percent, divided by the number of periods in the selected frequency (12 for monthly, 4 for quarterly, 2 for semi annual, and 1 for annual), regardless of when withdrawals are scheduled to begin
- Any additional withdrawals or deposits outside of your scheduled withdrawal made within your L.Inc option year will not change this amount
- Nationwide can recalculate the withdrawal amount upon written request
- The scheduled withdrawal amount will automatically adjust after each L.Inc option anniversary if your benefit base amount has changed

Specific Amount: *(May result in a reduction of your L.Inc Benefit Base)*

This amount will not be changed unless Nationwide is notified in writing.

- Amount after taxes and charges
 Amount before taxes and charges (Default)

¹Calculated by Nationwide

*Nationwide Financial annuities are issued by Nationwide Life Insurance Company and Nationwide Life and Annuity Insurance Company.



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3. Satisfying Your Required Minimum Distribution (RMD)



Proceed to Section 4 for Non-Qualified annuity and Roth IRA contracts. This section is applicable for IRA, 403(b), 401 contracts and when the contract owner(s) has reached 70 1/2 years or older.

- The Nationwide L.Inc option offers the greater of the RMD amount for the calendar year at the beginning of the option anniversary year or L.Inc annual income amount
- **To take advantage of the greater benefit amount, your withdrawal needs to be set up to run annually, the day after your L.Inc option anniversary**
- **The withdrawal will be set up with L.Inc Level Option. Please refer to section 2 for details**
- Since the RMD amount can change annually, Nationwide can only ensure the RMD amount will be satisfied using the above setup arrangement
- The RMD amount for subsequent calendar years will not be available without decreasing the L.Inc benefit base, until after a new L.Inc Option anniversary has been reached for your contract
- Any amounts withdrawn that exceed this calculation may result in a reduction of the benefit base
- The RMD amount available is calculated from this contract only; additional policies at Nationwide or other carriers will not be figured into the RMD amount
- For contracts with a L.Inc Option Anniversary beginning on December 31st, the scheduled withdrawal will run for the annual amount on December 31st each subsequent year or the last business day of the year
- Other withdrawal frequencies are available but Nationwide does not guarantee that the L.Inc Benefit Base will not be reduced or RMD amount will be satisfied. For any other frequency that is not annual, you must also select L.Inc Maximum Allowable or Level Amount in section 2

3a. Satisfy my RMD using L.Inc



This section is required only for Nationwide contracts newly established this year.

Prior year balance: 403(b) balance as of 12/31/86:

Taxable withdrawals prior to transfer:

(Please select only one option.)

My RMD has already been satisfied for the current year, please process future years only



Process my L.Inc withdrawal to satisfy my current year RMD on: / /
MM DD YYYY

RMD withdrawals will occur annually, the day after your L.Inc option anniversary.

Date must be prior to 12/31 of the current year

You must also complete Sections 5a and 5b.

3b. Satisfy my RMD outside of L.Inc

Note: If satisfying your RMD outside of the L.Inc Option, Nationwide does not guarantee that your L.Inc Benefit Base will not be reduced.

Please continue to Page 3, Section 4.



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7. Important Information

7a. General Information

- Your check will be sent the next business day after the withdrawal date. It typically takes 4-5 business days to receive your check and 2-3 business days for direct deposit. Please take this into consideration when selecting your withdrawal date
- If direct deposit is selected a voided check or letter from the financial institution that shows your ABA (i.e. Transit routing number) and account numbers will be required
- This request will remain in effect until cancelled in writing
- For contracts with the Extra Value Option, a forfeiture may occur if the penalty free amount is exceeded
- You are liable for all federal and state income tax withholdings on the taxable portion of the withdrawal. You may also be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax withholding, if any, are not sufficient
- A 10% federal tax penalty may be assessed to withdrawals on the annuity contract if the contract owner is under 59 1/2
- **Important Note for Non-Qualified annuity contracts:** If your contract was issued as part of a **partial 1035 exchange** after June 30, 2008, and a distribution or surrender is made from either contract within 12 months after the exchange, all or a portion of the amount transferred from the original contract may be treated as a taxable distribution, subject to both income taxation and the 10% early distribution penalty, unless, the distribution or surrender meets certain defined exceptions. Please consult your prospectus for more information and discuss any tax consequences concerning any contemplated transactions with a professional tax advisor
- Generally, withdrawals from 403(b) and Qualified Plans will be subject to a 20% Federal Income Tax withholding unless the withdrawal is not eligible for a rollover
- Withholding with respect to 403(b) and qualified plans is 20%, if the distribution is an eligible rollover distribution (ERD). If the distribution is not an ERD, then withholding is elective. If no election is stated, the default withholding will be 10%
- Please consult with your tax advisor on these matters
- Contingent Deferred Sales Charges may be deducted from these distributions as outlined in the Contract
- Withdrawals in excess of the guaranteed withdrawal amount, called "excess withdrawals," may result in a permanent reduction in future guaranteed withdrawal amounts. Please refer to your product prospectus for additional information. If you would like to make an excess withdrawal and are uncertain how an excess withdrawal will reduce your future withdrawal amounts, you may contact Nationwide prior to requesting the withdrawal to obtain a personalized, transaction-specific calculation showing the effect of the excess withdrawal

7b. Living Benefit Scheduled Withdrawal

Nationwide Lifetime Income (L.Inc)

- Any withdrawals taken lock in the withdrawal percentage available
- At the time of first withdrawal the benefit base is calculated and will not change unless excess withdrawals, deposits, or a reset is elected
- Excess withdrawals that reduce the income benefit base to zero will cause Nationwide to discontinue any scheduled withdrawals
- The available withdrawal amount is based on the anniversary date of the option, not the calendar year
- Due to anniversary processing the start date for L.Inc scheduled withdrawals can not be set up to process on the option anniversary. Any requests selecting this date will be set up to run on the next business day
- Once you become subject to RMD, you may need to change your L.Inc scheduled withdrawal in order to satisfy IRS guidelines regarding RMD

7c. Required Minimum Distribution

- I understand that a Contingent Deferred Sales charge may be deducted for withdrawals in excess of RMD for this contract
- A mandatory 20% withholding on any distribution amount in EXCESS of your RMD will apply if the excess qualifies as an eligible rollover distribution (ERD) on qualified 401 and 403(b) contracts. Once withholding has been taken on a distribution, it cannot be reversed; future distributions can be changed
- The contract owner is responsible to make sure all RMD amounts are withdrawn timely to comply with IRS guidelines each year

8. Signature (Required)



By signing below I certify that the Social Security number listed on this form is my correct taxpayer identification number.

Signature: X
Contract Owner

Date: / /

Signature: X
Joint Owner (if applicable)

Date: / /

