



Nationwide[®]
is on your side

Nationwide YourLife
CareMatters[®]

Advisor guide

Help clients address the costs of
long-term care

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Nationwide YourLife **CareMatters**[®]
is a fixed premium universal life insurance
policy that provides long-term care (LTC)
coverage along with a death benefit.
It's been carefully designed to include
the features that financial professionals
prefer, and to meet the needs and
wants of clients.



What sets Nationwide YourLife CareMatters apart?



The freedom of a cash indemnity structure

With Nationwide YourLife CareMatters, the elected portion of the available monthly benefit is paid directly to the policyowner. Nationwide places no restrictions on how benefit payments are used.



The option to save excess benefits for future use

If a client doesn't need the full monthly benefit, the unused money can be saved for future LTC needs or other uses.



Return of premium feature

The return of premium feature assures clients they can get a portion of their money back at some point in the future should they find they no longer need the policy.²

¹ Cash value and death benefits are guaranteed only if all premiums have been paid and no loans or withdrawals have been taken.

² The return of premium value is equal to all premium paid minus any withdrawals multiplied by the applicable percentage. Starting day one, 80% of the return of premium value is available. Starting day one of year 11, 95% of the return of premium value is available. The surrender value actually paid will be reduced by any outstanding loans, unpaid monthly deductions and LTC benefits paid.

Having a conversation about Nationwide YourLife CareMatters

Important Nationwide YourLife CareMatters features	How you might address it with clients
<p>The need for LTC insurance</p>	<p>» Purchasing Nationwide YourLife CareMatters means you're able to reposition an asset to create more value, whether LTC coverage is needed or not</p>
<p>Money doesn't go to waste</p>	<p>» Most of the premiums paid into the policy are recovered, even if you never need care</p> <ul style="list-style-type: none"> • If you don't need LTC benefits, your beneficiaries will receive the policy's death benefit • If you need some LTC benefits, a death benefit will pass to your loved ones, minus the benefits that were used • If you surrender your policy, you'll receive a guaranteed return of premium value³
<p>The death benefit</p>	<p>» There are a few ways Nationwide YourLife CareMatters can pay your death benefit, including:</p> <ul style="list-style-type: none"> • Your beneficiaries get the full death benefit if LTC benefits are not needed • Even if all LTC benefits are used, your beneficiaries still get a death benefit, called the minimum guaranteed death benefit⁴
<p>Cash indemnity structure</p>	<p>» One key feature of Nationwide YourLife CareMatters is its cash indemnity benefits — you simply get a check each month for up to the full monthly benefit amount to cover whatever you need</p>
<p>Unused benefits can be saved for future use</p>	<p>» If you don't need the full benefit amount each month, you can put the excess funds into a bank or other account for future use</p>

³ The return of premium value is equal to all premium paid minus any withdrawals multiplied by the applicable percentage. Starting day one, 80% of the return of premium value is available. Starting day one of year 11, 95% of the return of premium value is available. The surrender value actually paid will be reduced by any outstanding loans, unpaid monthly deductions and LTC benefits paid.

⁴ The guaranteed minimum death benefit amount is the lesser of 10% of the specified amount or \$25,000.



How clients are thinking about LTC benefits

What they're apprehensive about

The "use it or lose it" aspect of stand-alone LTC coverage

Rising premiums due to potential rate increases on LTC policies

How Nationwide YourLife CareMatters alleviates those fears

Clients will recover at least a portion of the cost of premium, either through LTC benefits, a death benefit, a combination of the two or return of premium.⁵

Nationwide YourLife CareMatters has guaranteed premiums that will never increase.

What appeals to them

Choice, control and flexibility.

Clients want to know they have a say in their future, and Nationwide YourLife CareMatters provides it.

Clients have the option of care at home, a full-service facility or anything in between, including informal care by family or friends. They often like the idea of staying in their own home.

Nationwide YourLife CareMatters has the ability to cover services that exist today and those that will evolve in the future.

Policyowners can elect to receive a monthly LTC benefit, up to the maximum available, paid directly to them so they stay in control of their benefits. Nationwide places no restrictions on how the benefits are used.

Let clients know that the linked-benefit structure of Nationwide YourLife CareMatters fills a gap that other LTC options currently can't. It provides substantial LTC coverage and, if LTC is not needed, it provides a death benefit.

Even though clients like options, LTC provided by a family member can be a sensitive issue. Remember to present it as just one of the options for LTC.

⁵ The return of premium value is equal to all premium paid minus any withdrawals multiplied by the applicable percentage. Starting day one, 80% of the return of premium value is available. Starting day one of year 11, 95% of the return of premium value is available. The surrender value actually paid will be reduced by any outstanding loans, unpaid monthly deductions and LTC benefits paid.

Having a conversation about Nationwide YourLife CareMatters

What's important to clients

How you might address it with clients

Keeping control of finances

- » I know you want to stay in control of where your money goes
- » That's why I like Nationwide YourLife CareMatters: whether or not you use the LTC benefit, you can surrender the policy for its cash value or your loved ones receive the death benefit
- » And premiums are guaranteed never to increase, so you always know what you'll pay

Care options

- » Nationwide YourLife CareMatters gives you a wide range of options for care, which includes helping you stay in your home as long as possible
- » Other options are assisted living, adult day care, nursing home care and even alternative LTC
- » And it even covers care services that will be developed in the future
- » You have the ability to use 100% of the LTC benefit for informal care, including care provided by family members or friends, providing more choice and flexibility^{6,7}

Having a plan in place

- » Because you're making these decisions now, your family won't have to worry about how to help you pay for LTC later
- » This relieves your family from making difficult decisions and carrying the physical or financial load if you should need care

⁶ The client's plan of care must state that informal care (which includes care provided by family or friends) is appropriate in the plan of care.

⁷ Under certain circumstances, LTC benefits received may be taxable. Please consult with your tax advisor.

Here's a quick glance at the clients
Nationwide YourLife **CareMatters**
may work best for, and how it
might be used.



The ideal clients for Nationwide YourLife CareMatters

Things to look for:

- » Target ages **50 to 70** (available for ages 40 to 75, depending on sex, payment option and benefit period)
- » Assets or income that can be repositioned for LTC coverage
- » Would prefer premiums and benefits that are guaranteed
- » May have experienced physical or financial challenges with a loved one's LTC needs
- » Clients who hedge risk — own life insurance, conservative investments, umbrella policies

Assessing the situation

Michael

Age 60



Robert & Lisa

Age 55

Age 50



The background

Michael has a certificate of deposit (CD) that he's renewed several times. He doesn't need the money for retirement income, so he's earmarked it for unexpected costs, like LTC expenses.

His worry

The CD might not grow at the rate required to help pay for LTC.

His Nationwide YourLife CareMatters policy

Michael uses the money he currently has in the CD to buy a Nationwide YourLife CareMatters policy, thus leveraging the assets to buy a larger LTC benefit. And if he never needs care, the death benefit will still be in place for his beneficiaries upon his death.

The background

Robert and Lisa are married, and they've been managing Lisa's mother's LTC needs for the last several years. Her mother did not plan for those costs, which has put both financial and emotional stress on the couple.

Their worry

Robert and Lisa don't want their own children to go through the same anxiety and stress, so having a plan for their LTC needs is important to them.

Their Nationwide YourLife CareMatters policy

Lisa is younger than Robert, and she's likely to have a longer life expectancy and to be without a spouse to care for her in later years. They decide to put more money into her Nationwide YourLife CareMatters policy to plan for these circumstances while still getting Robert a policy that will provide funds if he needs LTC.

Having a conversation about Nationwide YourLife CareMatters

Here are examples of ways you might speak with clients about how Nationwide YourLife CareMatters works, using the case studies from the client brochure.⁸

Michael

Age 60



Robert & Lisa

Age 55

Age 50



Logical sale

» Things to look for:

- Michael has assets that are not being optimized
- He believes he has planned for retirement expenses, but he may not have included possible LTC costs and its impact on his retirement plan
- He does not believe he's likely to need LTC and hesitates to put funds into something on which he won't get a return
- He's careful with his money and wants to be sure he purchases products that give him the best value

» How to speak with Michael (or someone like him):

- Show him that by purchasing Nationwide YourLife CareMatters, those underutilized assets can be repositioned more efficiently to provide more benefits
- Discuss how Nationwide YourLife CareMatters can help fund an LTC plan so that he and his family are better protected if he needs LTC

» His motivations for purchasing:

- He's comfortable putting assets into Nationwide YourLife CareMatters because he sees the value in the large benefit pool and knows he's getting a lot for his money
- Repositioning his assets allows him to access a larger amount of LTC benefits to cover many of his LTC expenses
- He feels comfortable with his decision because the cash value is guaranteed if no LTC is needed

Emotional sale

» Things to look for:

- People often don't think about LTC until they experience it with a family member or a loved one; in Robert and Lisa's case, her mother has needed LTC for several years
- Because her mother had not planned for these needs, Lisa and Robert are physically and emotionally burdened
- They fear that their children will one day be in the same situation

» How to speak with Robert and Lisa (or people like them):

- Discuss their current situation caring for Lisa's mother
- Ask them what they wish Lisa's mother had done differently, and what type of plan they want to have
- Ask if they have a LTC plan, and if so, whether they have discussed it with their children; if not, discuss how Nationwide YourLife CareMatters can provide them the plan they need

» Their motivation for purchasing:

- They want to protect their family by having the finances in place to cover their LTC needs
- They do not want their family to go through the emotional and financial stress that they have experienced
- They like the additional death benefit that Nationwide YourLife CareMatters offers

⁸ These are hypothetical examples meant to illustrate how Nationwide YourLife CareMatters works. LTC benefits can be subject to taxation, so your clients should consult with their legal or tax advisor about their specific situation.

Because **Nationwide**[®] is a mutual company, acting as an advocate for members' needs is our first priority. So, we make thoughtful decisions that are focused on long-term success. That makes us the partner you and your clients can rely on, now and in the future.



Nationwide is a strong and stable mutual company with a 90-year heritage.

Nationwide focuses on helping clients prepare for and live in retirement.

U.S.-based
**Fortune 100
company**⁹

\$26.9 billion

in operating revenue in 2016¹⁰



These ratings and rankings reflect rating agency assessment of the financial strength and claims-paying ability of Nationwide Life Insurance Company. 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 updated only when there's a change in the rating, the dates above reflect the most recent ratings we have received. They are subject to change at any time.

⁹ Based on revenue, Fortune magazine (06/16).

¹⁰ Nationwide 2016 Annual Report (03/17).

Having a conversation about Nationwide

What's important
to clients

How you might address
it with clients

Nationwide
is a mutual

- » **Nationwide** is a mutual company, so it doesn't have shareholders to try to impress in the short term. It focuses on investments that will be successful in the long run.

Nationwide
is financially
strong and stable

- » It's rated highly in the industry year after year, and its financial strength means it'll be able to deliver your coverage when it's time. Not every company has the stability that **Nationwide** does.

Whether you need one-on-one support or marketing and educational materials, we're here to help you support your clients and grow your business.



We're here to help you sell



Sales support

This is your first place to go for support. Dedicated wholesalers provide case consultation and field support, and internal sales consultants provide illustrations, case consultations, product information, marketing materials and other assistance.

Contact us at:

National Sales Desk
1-800-321-6064

Nationwide Financial Network®
1-877-223-0795

Brokerage General Agents (BGAs)
1-888-767-7373



Underwriting experience

LTCG is a market leader in LTC insurance underwriting and will work with Nationwide to underwrite Nationwide YourLife CareMatters applications. It currently manages over 1.3 million LTC insurance policies and provides the market experience that will help set Nationwide YourLife CareMatters apart. You will continue to have access to your Nationwide underwriter.



The Advanced Consulting Group is a team of JDs, CPAs and highly educated and credentialed financial service professionals who provide advanced case consultation, speak at industry conferences and events, and provide ongoing legislative and regulatory monitoring and communication. This group is widely published in the financial services industry.



The Nationwide Retirement Institute combines insights and best practices from Nationwide thought leaders, leading academic institutions and industry experts to educate and enable actionable strategies and solutions for firms, advisors, agents, plan sponsors and investors.



Nationwide®

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

When choosing a product, make sure that life insurance and long-term care insurance needs are met. Nationwide YourLife CareMatters is not intended to be a primary source of life insurance protection, so make sure life insurance needs are covered by appropriate products. Be sure to choose a product that meets long-term life insurance needs, especially if personal situations change — for example, marriage, birth of a child or job promotion. Weigh the costs of the policy, and understand that life insurance, and long-term care coverage linked to life insurance, has fees and charges that vary with sex, health, age and tobacco use. Riders that customize a policy to fit individual needs usually carry an additional charge.

Keep in mind that the payment of 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 reduce both the cash value 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 benefit to the policyowner; there is no guarantee the policyowner will use the benefit for long-term care expenses if the policy is owned by someone other than the insured.

The extent to which a benefit payment is received tax-free is limited, on an annual basis, to the greater of the actual qualifying LTC expenses incurred or the HIPAA per diem amount or its equivalent. Nationwide YourLife CareMatters is a cash indemnity policy that pays benefits upon showing that the insured has been certified as having the triggers required to qualify a claim. After a claim is approved, submission and review of bills and receipts supporting actual expenses incurred is not required for payment of benefits. ADBQS and LTCEB rider benefits may be taxable under certain circumstances. Clients should consult their tax advisor.

For contracts that meet the MEC definitions of IRC Section 7702A, most distributions are taxed on a first-in/first-out basis. However, benefit payments can be received tax-free under IRC Section 7702B. Partial surrenders and loans from a MEC will generally be taxable.

Approval for coverage under the policy and attached riders is subject to underwriting and may require a medical exam.

Guarantees are subject to the claims-paying ability of the issuing company.

Products issued by Nationwide Life Insurance Company, Columbus, Ohio.

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