



An *apple a day* might keep the doctor away...

But you'll need something a little stronger for the IRS

Having established your basic need for life coverage, being able to use your life insurance policy for both protection and income is one benefit of variable universal life insurance. But, if you take loans on your policy and it lapses,¹ you may have to pay taxes on a portion of the loan balance. Just think what that one bill could do to your financial plan!

That's why we offer the **Policy Guard** feature. It lets you keep your policy from lapsing if you borrow too much of your cash value.

How it works

- The Policy Guard feature is added to your policy — this feature is automatically added to the base policy on some products, so check your product prospectus for details
- Your investment professional can provide you with the cost, should you ever need the feature
- Proceed with the policy as planned
- Look for notification that the Policy Guard is needed
- Elect to invoke the feature
- Make no more premium payments and take no more loans
- Relax — your policy now has a paid-up death benefit

That's not all!

Protecting your heavily loaned policy from lapsing is just one benefit offered by the Policy Guard feature. It also lets you:

- Pass a small death benefit on to your family, even if you use most of the cash value
- Pay only for the feature when you need it, no sooner!

There are certain conditions your policy must meet to use the feature. You can see a complete list in your product's prospectus.

Talk to your investment professional today to see if the Policy Guard feature from Nationwide® is a good fit for your financial needs.

The Nationwide® Policy Guard Feature



Nationwide®
On Your Side™

Investments Retirement Insurance

¹ Throughout this brochure, we discuss access to money via loans and partial withdrawals. This assumes the contract qualifies as life insurance under section 7702 of the Internal Revenue Code (IRC) and is not a modified endowment contract (MEC) under section 7702A. As long as the contract meets non-MEC definitions under section 7702A, most distributions are taxed on a first-in/first-out basis. Loans and partial withdrawals from a MEC will generally be taxable and, if taken prior to age 59½, may be subject to a 10% tax penalty. *Neither Nationwide nor its representatives give legal or tax advice. Please see your legal or tax advisors for answers to your specific tax questions.*

Before the rider can be invoked:

- The insured must have attained age 75 or older
- The policy must be in force for at least 15 years
- The policy's cash value must be at least \$100,000
- The policy must qualify as life insurance under the guideline premium/cash value corridor tax test at issue
- The policy's entire cost basis (as calculated for tax purposes) must have been withdrawn

Before investing, carefully consider the investment objectives, risks, charges and expenses that may apply. The prospectus contains this and other important information about the investment company. To request a copy, contact your investment professional or write to Nationwide Life Insurance Company, P.O. Box 182150, Columbus, OH 43218-2150. Please read the product and underlying fund prospectuses carefully before investing.



Nationwide[®]
On Your Side[™]

Investments Retirement Insurance

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

All individuals selling this product must be licensed insurance agents and registered representatives.

Variable life products are underwritten by Nationwide Life Insurance Company, Columbus, Ohio, member of Nationwide Financial[®]. The general distributor is Nationwide Investment Services Corporation, member NASD. In Michigan only: Nationwide Investment Svcs. Corporation. Nationwide Life Insurance Company is a subsidiary of Nationwide Financial Services, Inc., a publicly traded holding company.

Nationwide, the Nationwide Framemark and Nationwide Financial are federally registered service marks of Nationwide Mutual Insurance Company. *On Your Side* is a service mark of Nationwide Mutual Insurance Company.

Riders/Endorsements: VLO-0743

© 2005, Nationwide Financial Services, Inc. All rights reserved.

VLM-0159AO.3 (10/05)