

Product update



Nationwide® IUL and VUL

Increased spread rate on uncapped S&P 500® strategies

Effective January 15, 2023

At Nationwide, we carefully monitor the economic environment to manage our portfolio of indexed and variable universal life insurance products. Throughout a long period of persistently high hedging costs for uncapped S&P 500® strategies, we've kept our spread rates lower than similar strategies offered by many other carriers. Now, given the increasing cost pressure, we must raise them. Please see the list below for the new spread and maximum illustrative rates for our uncapped S&P 500® strategies.

No change to our capped strategies. We are glad to assure you the cap rates we increased on the capped S&P 500® strategies, effective Sept 15, 2022, are still in effect.

Important dates

- **December 9, 2022:** Life illustration software will be updated with new spread rates and new maximum illustrative rates for the uncapped S&P 500® strategies only. Please make sure you are using version 4.40 or higher.
- **December 15, 2022:** Segments created on this date will receive the old spread rates. Policies must be in force and premium and/or transfer instructions received at Nationwide no later than this date to receive the old spread rates.

Please keep in mind

1. The spread rate changes apply to all in-force policies and new business, as well as new premium transfers (including DCA) and reallocations of matured segments.
2. Illustrations run on prior software versions (4.39 or earlier) could be impacted by the change to the Maximum Illustrated Rate if allocations include the uncapped S&P 500 index interest strategy. If this is the case, we recommend providing a revised illustration to the customer.
3. Policyholders will see the revised spread rates by January 15, 2023, if they access their policy information online.

Spread rates changing in our [currently marketed products](#)

	Old spread rate	New spread rate	Maximum illus. rate
Nationwide IUL Accumulator II 2020, Nationwide IUL Protector II 2020 and Survivorship IUL 2020			
Uncapped S&P 500® Point-to-Point	7.5%	10.0%	5.43%
Nationwide YourLife IUL Accumulator and Nationwide YourLife IUL Protector (New York only)			
Uncapped S&P 500® Point-to-Point	7.5%	10.0%	5.43%
Nationwide VUL Accumulator and Nationwide VUL Protector			
Uncapped S&P 500® Point-to-Point	8.0%	10.0%	5.56%

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Spread rates changing in products closed to new sales

	Old spread rate	New spread rate	Maximum illus. rate
Nationwide IUL Accumulator II and Nationwide IUL Protector II (2018)			
Uncapped S&P 500® Point-to-Point	8.0%	10.0%	4.12%
Nationwide YourLife IUL Accumulator (2015) Sold outside of New York			
Uncapped S&P 500® Point-to-Point	7.5%	10.0%	4.99%
Nationwide Survivorship IUL (2018)			
Uncapped S&P 500® Point-to-Point	8.0%	10.0%	4.12%

The duration of all indexed interest strategy segments is one year.

What is not changing

- **No change** to any cap, participation or floor rates
- **No change** to our low-cost structure
- **No change** to cost of insurance (COI) rates on in-force policies
- **No change** to our guaranteed Multipliers, available in our IUL products introduced in 2015 and 2018
- **No change** to our guaranteed Nationwide IUL Rewards Program® or Nationwide VUL Rewards Program®
- **No change** to our cash indemnity Long-term Care Rider II with benefits that can be used for home care

Nationwide's history of strong IUL solutions

For our first IUL, launched in 2011, the annual average crediting rate for the Multi-index Monthly Average strategy is 8.27%; for our core S&P 500® strategy it's 7.92%.¹ Both are well above the maximum illustrative rate of any of our IUL products. While past performance is no guarantee of future performance, these rates help demonstrate the value of our IUL solutions.

Why indexed strategies now

Indexed interest strategies in IUL and VUL offer growth potential through participation in the market without being in the market, and protection against negative crediting rates with a guaranteed 0% floor rate.

Your partnership is very much appreciated

We've considered this spread rate change very carefully — and appreciate your understanding our need to make it. If you have questions, please contact your Nationwide representative.



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

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Indexed universal life insurance policies are not stock market investments, do not directly participate in any stock or equity investments, and do not receive dividends or capital gains. Past performance of an index is not an indicator of future crediting rates.

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¹ Arithmetic averages of the crediting rates. They are calculated by adding all rates applied to maturing segments in the product then divided by the number of segments.