



NATIONWIDE Contracting Checklist

Agent/ Agency: _____

Direct Upline: American Brokerage Services Agent #: HO2058058

Documents To Be Completed & Returned:

- ☐ Independent Agent Information Form [LAFF-0151AO.2]
- ☐ Independent Agent Agreement
- ☐ Business Associate Agreement
- ☐ Release Authorization and Fair Credit Reporting Act Disclosure [NAF-0453AO.1]
- ☐ VectorOne Debit-Check Agent/ Agency Authorization Form
- ☐ LIMRA Anti-Money Laundering Nationwide Verification Form [NAF-0440AO]
- ☐ W-9 Form
- ☐ Individual State License(s)
- ☐ Proof of E&O
- ☐ Producer Recurring Electronic Funds Deposit Authorization (OPTIONAL)
- ☐ IF SETTING UP AN AGENCY:
 - ☐ Agency Information Form [LAF-0405AO.2]
 - ☐ Agency Agreement
 - ☐ Entity ACH Payment Authorization (OPTIONAL)
 - ☐ Corporate State License(s)

SEND TO:

Mail: Attention: Life Licensing
American Brokerage Services
803 East Willow Grove Avenue
Wyndmoor, PA 19038
Email: lifesubmission@absgo.com



805 E. Willow Grove Avenue-Suite 2B
Wyndmoor, PA 19038
WWW.ABSGO.COM
Phone: 215.233.9410
Fax: 215.233.9416

States Requiring Income Tax Withholding for Non-Resident Commissions

- California – 7 percent applies to Individuals and Corporations
- Nebraska – 6 percent applies to Individuals and Entities where at least 80% of shareholders are performing the services
- Pennsylvania – 3.07 percent applies to individuals only

Three states currently require withholding of income taxes on non-resident commissions paid for sales in those states. This pertains to Life business.

Withheld state taxes for the current tax year will be reflected at year-end on the agent's IRS Form 1099.

The tax applies to producers who are not residents of those states but receive commissions for sales within the state. We recommend that you consult with your tax advisor if you have any questions. Non-resident agents are responsible for reporting all commissions for business in these states in accordance with respective state laws.

Please refer to the individual state revenue department websites for further advice.

California Franchise Tax Board
<https://www.ftb.ca.gov/>

Nebraska Department of Revenue
<https://revenue.nebraska.gov/>

Pennsylvania Department of Revenue
<https://www.revenue.pa.gov/>



Debit-Check Agent/Agency Authorization Form

Vector One Operations, LLC dba Vector One (collectively with its affiliates, "Vector One") manages the secured web portal interactive computer service provided by Debit-Check.com, LLC a ("Debit-Check"). This Debit-Check Agent/Agency Authorization Form is by and among the undersigned ("you", "me", "I" or "my"), Vector One, and the Company (as defined below) and is used by Debit-Check subscribers who desire to be granted authorization from you for the submission and/or receipt of your personal information to the Debit-Check service as necessary to conduct a commission related debit balance screening. The undersigned company and its affiliates and authorized third parties (collectively, the "Company") is a Debit-Check subscriber. Accordingly, as part of the contracting and appointment process or determination of eligibility for advancement of commissions, the Company may conduct a commission related debit balance screening via Debit-Check in order to determine your eligibility and may continue to conduct periodic commission related debit balance screenings as determined in the Company's sole discretion following the engagement of any employment, appointment, contract, tenure, or other relationship with the Company.

Access to Debit-Check Information: You can obtain your commission related debit balance information by contacting the Vector One Agent Hotline at (800) 860-6546.

AGENT/AGENCY'S STATEMENT – READ CAREFULLY

The Company is hereby authorized to obtain and conduct a commission related debit balance screening through Vector One's Debit-Check secured web portal to determine if another Debit-Check subscriber has posted that I have an outstanding commission related debit balance. I understand that the Company may consider the results of the commission related debit balance screening in order to determine my eligibility to be contracted and appointed or determine my eligibility for advancement of commissions as an insurance producer and may continue to conduct periodic commission related debit balance screenings as determined in the Company's sole discretion following the engagement of any employment, appointment, contract, tenure, or other relationship with the Company. I understand and acknowledge that the Company may obtain commission related debit balance information through Debit-Check as state law allows. I understand that my information, including my name and social security number ("My Information") may be used for the purpose of obtaining and conducting a commission related debit balance screening. I further understand that in the event of termination or expiration of my employment, appointment, contract, tenure, or other relationship with the Company, whether voluntary or involuntary, if a commission related debit balance is owed to the Company, the Company may post My Information to the Debit-Check service which may be accessed by Debit-Check subscribers until such time the debit balance is satisfied or otherwise removed.

BY SIGNING BELOW, I HEREBY (PLEASE INITIAL ALL STATEMENTS):

(A) _____ Authorize the Company to use My Information for purposes of conducting a commission related debit balance screening, and periodic commission related debit balance screenings as determined in the Company's sole discretion following the engagement of any employment, appointment, contract, tenure, or other relationship with the Company, utilizing Debit-Check.

(B) _____ Authorize the Company to consider the results of the commission related debit balance screening in order to determine my eligibility to be contracted and appointed or determine my eligibility for advancement of commissions as an insurance producer.

(C) _____ Authorize and direct Vector One to receive and process My Information as necessary to intentionally disclose and furnish the results of my commission related debt verification screening, whether directly or indirectly, to the Company.

(D) _____ Authorize the Company to submit My Information to the Debit-Check service in the event of termination or expiration of my engagement with the Company, whether voluntary or involuntary, to the extent a commission related debit balance is owed to the Company.

(E) _____ Authorize and direct Vector One to receive and process My Information and intentionally disclose to any Debit-Check subscriber who submits an inquiry utilizing My Information the results of my commission related debit balance screening, which will contain My Information, to the extent a debit balance is owed.

Agent/Agency Printed Name: _____

Signature: _____ **Date:** _____

FOR COMPANY USE ONLY

AGREED AND ACKNOWLEDGED BY COMPANY:

Name of Company: _____

Signature: _____

Name and Title: _____



Nationwide®

Nationwide Financial
Independent Agent Information Form
 Nationwide Life Insurance Company
 Nationwide Life and Annuity Insurance Company
 PO Box 182835, Columbus, OH 43218-2835
 Phone: 800-321-6064 • Fax: 877-634-5264 • nationwide.com

ALL INFORMATION IS REQUIRED UNLESS NOTED AS "If Applicable" • Please print legibly or type

1. Demographic Information

Full Name (exactly as shown on insurance license): _____

SSN: _____ Date of Birth: _____ Residential Phone: _____

Residential Address: _____

City: _____ State: _____ ZIP: _____

State(s) where business will be sold: _____

NOTE: Broker/Dealer/Firm must be licensed/appointed in the state(s)

Producer's Office Address: _____

City: _____ State: _____ ZIP: _____

Business Phone: _____ Business Fax: _____

Business Cell: _____ Business Email: _____

2. Background Information - MUST BE COMPLETED BY PRODUCER

Please attach a detailed letter of explanation and provide supporting documents for any "Yes" answer to the following questions:

Question	YES	NO
1. Have you ever been convicted of, pled no contest to, or are currently under indictment or have a case pending for any felony or misdemeanor excluding minor traffic violations?	<input type="checkbox"/>	<input type="checkbox"/>
2. Are you currently indebted to any insurance company? Do you, or any company you control, currently have or ever had a bankruptcy, unsatisfied judgments, liens, or garnishments against you?	<input type="checkbox"/>	<input type="checkbox"/>
3. Have you, or any company you control, ever been the subject of any litigation, arbitration, or E&O claim, had a complaint filed against you, or have any of the above pending?	<input type="checkbox"/>	<input type="checkbox"/>
4. Have you ever had an appointment cancelled by an insurance company for reasons other than a lack of production?	<input type="checkbox"/>	<input type="checkbox"/>
5. Has any Broker/Dealer, Investment Advisory firm or financial institution (bank, etc.) ever terminated your registrations or employment for any reason other than lack of production?	<input type="checkbox"/>	<input type="checkbox"/>
6. Have you, or any company you control, ever been suspended, barred, investigated, disqualified or disciplined by any state or federal agency or any self regulatory organization?	<input type="checkbox"/>	<input type="checkbox"/>

3. Signature (required)

I hereby authorize Nationwide, its affiliates and subsidiaries including its agents, to make an independent investigation of my background, references, character, past employment, education, criminal or police records, disciplinary matters including those mandated by public and private organizations, the central registration depository ("CRD"), the investment adviser registration depository ("IARD"), and all public records for the purpose of confirming the information contained on my application and/or obtaining other information which may be material to my qualifications for appointment.

I release Nationwide and/or its agents and any person or entity, which provides information pursuant to this authorization, from any and all liabilities, claims or lawsuits in regard to the information obtained from any and all of the above referenced sources used.

I affirm that all of the information provided on the foregoing statement is true, accurate and complete to the best of my knowledge. Should any of the information change, I will promptly notify Nationwide in writing.

Producer's Name (Please Print): _____

Producer's Signature: _____ Date: _____

NOTE: All calls to our Sales and Service Center may be recorded to ensure excellent service.

Business Associate Agreement

Effective Date: _____

This Business Associate Agreement (this “Agreement”) is entered into on the “Effective Date” indicated above by and between the Business Associate and Nationwide Life Insurance Company and Nationwide Life and Annuity Insurance Company (together the “Covered Entity”), each individually referred to herein as a “Party” or collectively the “Parties.” The Parties have entered into this Agreement for purposes of complying with the federal Health Insurance Portability and Accountability Act of 1996 and its implementing Privacy, Security, Breach Notification, and Enforcement Rules found at 45 C.F.R. Parts 160 and 164, as adopted by HHS and as they may be amended from time to time (the “HIPAA Rules” or “HIPAA”).

RECITALS

WHEREAS, Business Associate provides insurance product distribution and sales services on behalf of Covered Entity (“Services”);

WHEREAS, in connection with Services, Covered Entity discloses to Business Associate, or Business Associate collects on behalf of Covered Entity, PHI that is subject to protection under the HIPAA Rules; and

WHEREAS, the HIPAA Rules require that Covered Entity receive adequate assurances that Business Associate will comply with certain obligations with respect to the PHI received in the course of providing services to or on behalf of Covered Entity.

NOW THEREFORE, in consideration to the mutual promises and covenants herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

- I. Definitions.** For purposes of this Agreement, the terms below shall have the meanings given to them in this Section. The terms used in the Agreement that are not otherwise defined shall have the meaning assigned to those terms in HIPAA, including its statute, regulations, and other official government guidance. To the extent HIPAA or a regulation is amended, this Agreement shall be modified automatically with regard to the Agreement’s defined terms and undefined terms to correspond to the meaning of the terms as defined in HIPAA and/or applicable regulations.
 - A. Breach Notification Rule** shall mean the regulations and applicable subparts found at 45 C.F.R. Part 164.
 - B. Breach of Unsecured PHI** shall have the meaning given to the terms “Breach” and “Unsecured Protected Health Information” at 45 C.F.R. § 164.402.
 - C. Business Associate** shall have the same meaning as the term “business associate” at 45 C.F.R. 160.103, and in reference to the Party to this Agreement, as defined above.
 - D. Covered Entity** shall have the same meaning as the term “covered entity” at 45 C.F.R. 160.103, and in reference to the Party to this Agreement, as defined above.
 - E. Data Aggregation** shall have the meaning given to that term at 45 C.F.R. § 164.501.
 - F. Electronic Transactions Rule** shall mean the final regulations issued by HHS concerning standard transactions and code sets under 45 C.F.R. Parts 160 and 162.
 - G. Electronic Protected Health Information (“Electronic PHI”)** shall have the meaning given to that term at 45 C.F.R. § 160.103.
 - H. HHS** shall mean the U.S. Department of Health and Human Services.
 - I. HIPAA Privacy Rule** shall mean the regulations and applicable subparts found at 45 C.F.R. Parts 160 and 164, as may be amended from time to time.
 - J. HIPAA Security Rule** shall mean the regulations and applicable subparts found at 45 C.F.R. Parts 160 and 164, as may be amended from time to time.

- K. Protected Health Information (“PHI”)** shall have the same meaning given such term in 45 C.F.R. § 160.103 and is limited to information created, received, maintained, or transmitted by Business Associate from or on behalf of the Covered Entity pursuant to this Agreement.
- L. Required by Law** have the meaning given to that term at 45 C.F.R. § 164.103.
- M. Security Incident** shall have the meaning given to that term at 45 C.F.R. § 164.304. For the avoidance of doubt, “material Security Incident” shall not include any pings, port scans or other routine, non-material attempts at accessing Business Associate’s systems that in Business Associate’s reasonable determination do not compromise the security or privacy of the Covered Entity’s PHI.

II. Privacy and Security of Protected Health Information.

- A. Permitted Uses and Disclosures.** Business Associate is permitted to use and disclose PHI only as set forth below:
 - 1. Except as otherwise provided in this Agreement, Business Associate may create, maintain, receive, transmit, store, use or disclose PHI as reasonably necessary to carry out its duties under the Agreement, or to provide Services described herein, or as Required by Law.
 - 2. In connection with the Services provided by Business Associate to or on behalf of Covered Entity, Business Associate shall make reasonable efforts to use, disclose, and request of Covered Entity only the minimum amount of PHI reasonably necessary to accomplish the intended purpose of the use, disclosure, or request. Business Associate agrees to comply with HIPAA minimum necessary requirements at 45 C.F.R. § 164.502(b).
 - 3. Except as otherwise limited by this Agreement, Business Associate may also:
 - a. Use PHI in its possession for the proper management and administration of Business Associate or to carry out its legal responsibilities.
 - b. Disclose PHI in its possession for the proper management and administration of Business Associate or to carry out its legal responsibilities, provided that (i) such disclosures are Required by Law; or (ii) Business Associate obtains in writing and prior to making any disclosure to a third party (a) reasonable assurances from such third party that PHI will be held confidential as provided under this Agreement and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to such third party; and (b) an agreement from such third party to promptly notify Business Associate of potential breaches of the confidentiality of PHI or Breach of Unsecured PHI.
 - 4. Except as otherwise limited by this Agreement, Business Associate may perform Data Aggregation services to Covered Entity relating to its health care operations.
- B. Prohibition on Unauthorized Use or Disclosure.** Business Associate shall not use or disclose PHI in a manner other than as provided in the Agreement or as Required by Law. Business Associate will not use or disclose PHI in a manner that would violate applicable laws or regulations, including without limitation Subpart E of 45 C.F.R. Part 164, if such use or disclosure were to be done by Covered Entity.
- C. Prohibition on Use or Disclosure of Genetic Information.** Business Associate shall not use or disclose Genetic Information for underwriting purposes in violation of the HIPAA Rules.
- D. Prohibition on Sale of PHI.** Business Associate agrees to comply with 45 C.F.R. § 164.502 and agrees not to sell PHI.
- E. Marketing and Fundraising.** Business Associate shall be strictly prohibited from using any of Covered Entity’s PHI for marketing or fundraising purposes, except with Covered Entity’s prior written consent in each instance and in accordance with the HIPAA Rules applicable to covered

entities regarding marketing and fundraising, including any opt-out, notice and authorization requirements.

F. Information Safeguards.

- 1. Privacy of PHI.** Business Associate will develop, implement, maintain, and use appropriate administrative, technical, and physical safeguards to protect the privacy of PHI. The safeguards must reasonably protect PHI from any intentional or unintentional use or disclosure in violation of the HIPAA Privacy Rule and limit incidental uses or disclosures made pursuant to use or disclosure otherwise permitted by this Agreement. Business Associate agrees to provide Covered Entity with information concerning such safeguards, as the Covered Entity may from time to time reasonably request. To the extent the parties agree that Business Associate will carry out directly one or more of Covered Entity's obligations under the HIPAA Privacy Rule, Business Associate will comply with the requirements of the HIPAA Privacy Rule that apply to the Covered Entity in the performance of such obligations.
- 2. Security of Covered Entity's Electronic PHI.** Business Associate will comply with the HIPAA Security Rule and will use appropriate administrative, technical, and physical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic PHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity.
- 3. No Transfer of PHI Outside the United States.** Business Associate will not transfer PHI outside of the United States without the prior written consent of the Covered Entity. In this context, a "transfer" outside the United States occurs if Business Associate's workforce members, agents, or subcontractors physically located outside the United States are about to access, use, or disclose PHI.

G. Agreements with Agents or Subcontractors. In accordance with 45 C.F.R. § 164.502(e)(1)(ii) and § 164.308(b)(2), Business Associate shall ensure that any of its agents or subcontractors to whom it provides PHI under this Agreement agree in writing to comply with the provisions of the HIPAA Security Rule; to appropriately safeguard PHI created, received, maintained, or transmitted on behalf of the Business Associate; and to apply the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such PHI prior to use or disclosure of PHI to such agent or subcontractor.

H. Penalties for Noncompliance. Business Associate acknowledges that it is subject to civil and criminal enforcement for failure to comply with the HIPAA Privacy Rule, Security Rule and Breach Notification Rule, to the extent provided by the HIPAA Enforcement Rule.

III. Compliance with Electronic Transactions Rules. If Business Associate conducts in whole or part electronic Transactions on behalf of Covered Entity for which HHS has established standards, the Business Associate will comply, and will require any subcontractor it involves with the conduct of such Transactions to comply, with each applicable requirement of the Electronic Transactions Rule and of any operating rules adopted by HHS with respect to Transactions.

IV. Individual Rights.

A. Access to Records by the Subject of the Records. Business Associate agrees that if it maintains a Designated Record Set for Covered Entity that is not maintained by Covered Entity, it will permit an Individual to inspect or copy PHI about the Individual in that set as directed by the Covered Entity to meet the requirements of 45 C.F.R. § 164.524. Business Associate agrees that if it maintains PHI in an Electronic Health Record, it shall provide such access in electronic format if so requested by Individual.

B. Amendment of PHI. Business Associate agrees, if it maintains PHI in a Designated Record Set, to promptly make amendments to PHI at the request and direction of Covered Entity pursuant to 45

C.F.R. § 164.526. In the event any Individual (or Individual's personal representative) requests that Business Associate amend such Individual's PHI in a Designated Record Set, Business Associate shall forward such request to Covered Entity within ten (10) business days of receipt. Any amendment of, or decision not to amend, the PHI as requested by the Individual shall be determined by Covered Entity.

- C. Accounting of Disclosures.** Business Associate agrees to document such disclosures of PHI made by it and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI under 45 C.F.R. § 164.528. Upon request by Covered Entity, and in a reasonable time, manner and format (including an electronic copy), Business Associate agrees to provide to Covered Entity the following information:

1. The date of the disclosure.
2. The name and, if known, the address of the recipient of the PHI.
3. A copy of the request for disclosure, accompanied by any necessary consents or authorizations.
4. A brief description of the PHI disclosed.
5. A statement that would reasonably inform Covered Entity of the purpose of the disclosure.

In the event an Individual delivers a request for an accounting directly to Business Associate, Business Associate shall within ten (10) business days forward such request to Covered Entity. Covered Entity shall receive request and shall determine the manner for preparing and delivering any accounting requested.

- D. Restriction Agreements and Confidential Communications.** Covered Entity shall notify Business Associate of any limitations in the notice of privacy practices of Covered Entity under 45 C.F.R. § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI. Business Associate will comply with any notice from Covered Entity to (1) restrict use or disclosure of PHI pursuant to 45 C.F.R. § 164.522(a), or (2) provide for confidential communications of PHI pursuant to 45 C.F.R. § 164.522(b), provided that Covered Entity notifies Business Associate in writing of the restriction or confidential communications obligations that Business Associate must follow. Covered Entity will promptly notify Business Associate in writing of the termination of any such restriction or confidential communications requirement and, with respect to termination of any such restriction, instruct Business Associate whether any of the PHI will remain subject to the terms of the restriction agreement.
- E. Availability of Books and Records.** Business Associate shall make its internal practices, books, and records relating to uses and disclosures of PHI available to the Secretary of HHS for purposes of determining compliance with this Agreement and the HIPAA Rules.

V. Breaches and Security Incidents

- A. Reasonable Diligence.** Business Associate agrees that it shall exercise reasonable diligence to detect a Breach of Unsecured PHI, and provide training and procedures through which its employees, agents and representative are encouraged to detect and report any Breach of Unsecured PHI to Business Associate.
- B. Breach of Unsecured PHI.** Business Associate will report to Covered Entity by email at privacy@nationwide.com any Breach of Unsecured PHI without unreasonable delay, but no case more than fifteen (15) calendar days, after discovery of such Breach. Business Associate agrees to provide such report in the manner and with the content required by 45 C.F.R. § 164.410. Business Associate agrees that it shall be the sole decision of Covered Entity to correspond with or notify Individuals regarding potential or actual Breaches of Unsecured PHI, unless Covered Entity directs Business Associate to make such correspondences or notices. Covered Entity reserves the right to direct Business Associate to notify Individuals, HHS and/or the media at Business Associate's expense, of a Breach of Unsecured PHI that occurs as the result of Business Associate's actions or omissions.

- C. Impermissible Use/Disclosure and Security Incidents.** Business Associate will report to Covered Entity (i) any use or disclosure of PHI not permitted by this Agreement of which Business Associate becomes aware and (ii) any material Security Incident of which Business Associate becomes aware in accordance with 45 C.F.R. § 164.314(a)(2)(C). Such report will be made without unreasonable delay, but in no case shall be provided more than fifteen (15) calendar days after Business Associate discovers such non-permitted use or disclosure.
- D. Mitigation of Disclosures of PHI.** Business Associate shall mitigate, to the greatest extent practicable and at its own cost and expense, any harmful effect that is known to Business Associate of any use or disclosure of PHI by Business Associate or its agents or subcontractors in violation of the requirements of this Agreement.

VI. Term and Termination

- A. Term.** This Agreement shall be effective as of the Effective Date, and shall continue in effect until all obligations of the Parties have been met under this Agreement unless this Agreement is terminated earlier due to the violation of a material term as provide for in Section VI (B) below.
- B. Right to Terminate for Cause.** Each Party may terminate this Agreement if it determines that the other Party has violated a material term of this Agreement, and after written notice to the breaching Party of the violation, the breaching Party has failed to cure the violation within 30 calendar days after receipt of the notice. In addition, each Party may terminate this Agreement immediately if the other Party breached a material term of this Agreement and the non-breaching Party reasonably determines that cure is not possible. Any such termination will be effective immediately or at such other date specified in the non-breaching Party's notice of termination.
- C. Treatment of PHI on Termination.** Upon termination of this Agreement for any reason, all PHI maintained by Business Associate shall be destroyed or returned to Covered Entity (or other Party upon Covered Entity's direction) by Business Associate in the manner and format required by Covered Entity at no additional cost to Covered Entity. Business Associate shall not retain any copies of such information, unless instructed by Covered Entity or Required by Law. This provision shall also apply to PHI in the possession of Business Associate's agents and subcontractors. If return of the PHI is not feasible, Business Associate shall furnish Covered Entity notification in writing of the conditions that make return infeasible. Business Associate agrees to extend the protections of this Agreement and rights/obligations under this Agreement at no additional cost for as long as Business Associate retains such information and agrees to limit further uses and disclosures. This Section shall survive any termination of this Agreement.

VII. Indemnity

Each Party shall indemnify, defend, and hold the other Party harmless, as well as their respective officers, directors, employees, agents, attorneys, affiliates, and subsidiaries, and their successors and assigns, from any loss, claim, damage, cost, or expense, including but not limited to reasonable attorney's fees and costs, that arise out of or result from the indemnifying Party's or the indemnifying Party's agents' or subcontractors' uses and/or disclosures of PHI in violation of 45 C.F.R. parts 160 and 164.

The indemnifying Party obligations under this Section are conditioned upon the following:

- A.** The indemnified Party giving the indemnifying Party prompt written notice of any claim, action, suit, or proceeding for which the indemnified Party is seeking indemnity;
- B.** The indemnified Party granting control of the defense to the indemnifying Party; and
- C.** The indemnified Party reasonably cooperating with the indemnifying Party at the indemnifying Party's expense.

VIII. General Provisions.

- A. Amendment to Agreement.** This Agreement may be amended only by written instrument signed by the parties. In case of a change in applicable law, the parties agree to negotiate in good faith to adopt such amendments as are necessary to comply with the change in law.
- B. Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile or Portable Document Format (PDF) copies shall be deemed to be originals.
- C. Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to its subject matter and constitutes and supersedes all prior agreements, representations and understandings of the parties, written or oral, with regard to this same subject matter.
- D. Interpretation.** Any ambiguity in the Agreement shall be resolved to permit Covered Entity and Business Associate to comply with the applicable requirements under the HIPAA Rules.
- E. Notices.** Unless otherwise stated herein, all notices to be given by Business Associate under this Agreement shall be made to the address and/or telephone number below:

Nationwide Mutual Insurance Company
One Nationwide Plaza, 1-32-202
Attention: Office of Privacy
Columbus, OH 43215
(866) 289-2323

- F. No Agency Relationship.** Parties expressly agree and assert that no agency relationship is created by this Agreement with regard to Business Associate's HIPAA obligations. Parties agree that each individual Party shall maintain its own independent HIPAA compliance obligations. Parties will be providing their services as separate legal entities and independent contractors.
- G. No third-party beneficiaries.** Nothing in this Agreement shall be construed as creating any rights or benefits to any third parties.
- H. Regulatory References.** A reference in this Agreement to a section in HIPAA shall mean a reference to the provision as in effect or as amended.
- I. Severability.** The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.
- J. Governing Law.** This Agreement shall be construed and the provisions hereof interpreted under and in accordance with the laws of the State of Ohio, without regard to its conflict of laws provisions or principles.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Business Associate and the Covered Entity have executed this Agreement as of the Effective Date.

_____	Nationwide Life Insurance Company and Nationwide Life and Annuity Insurance Company
Business Associate	
BY: _____	BY: _____
NAME: _____	NAME: _____
TITLE: _____	TITLE: _____
DATE: _____	DATE: _____

INDEPENDENT AGENT AGREEMENT

FIXED FINANCIAL SERVICES PRODUCTS

This Independent Agent Agreement (“Agreement”) is effective this ____ day of _____, _____, by and among Nationwide Life Insurance Company, Nationwide Life and Annuity Insurance Company (collectively, “Company”), and _____ (“Agent”, together with Company “Parties”).

BACKGROUND

The parties to this Agreement agree to the following terms and conditions:

Distributor Required. For purposes of this Agreement, the Distributor is the person, partnership, or organization performing pursuant to a distributor, sub-distributor or general agent selling agreement (“Distributor Agreement”) with Company which recommends the Agent for appointment with Company, and which may provide assistance to the Agent for sales, management, support and service related to life and annuity insurance products issued by Company (“Insurance Products”). This Agreement, which is independent of the Distributor Agreement, is not effective unless the Distributor has an active Distributor Agreement in good standing with Company.

Expectations for Agents. Company expects the sales activities of Agent to result in the placement of insurance products with customers. Agents are expected and hereby required to market and offer the Insurance Products in a professional and ethical manner, observing high standards of commercial honor and just and equitable principles of trade. Agent represents that it will conduct itself, and that its employees, contractors, agents and representatives will conduct themselves, in an ethical, legal, and socially acceptable manner in all dealings with Company and its employees, contractors, agents and representatives.

1. AUTHORIZATION

1.1 Appointment.

- a. Company authorizes the Agent who is properly licensed under state law and appointed under existing Company guidelines, to solicit applications for Insurance Products on behalf of Company using forms, rates and guidelines provided by Company
- b. Company requires the Agent to ensure all Insurance Products are sold in compliance with the standards established by state and federal laws and regulations, for each individual insured/owner and contract holder, and to provide information to Company related to the compliance with such standards as required by Insurance Product applications, processing instructions and upon request;
- c. Company requires the Agent to promptly deliver contracts and policies when the conditions governing such delivery have been met;
- d. Company authorizes the Agent to collect the initial contract payment or modal premium necessary to place in force or to reinstate a policy in the form of a check payable to Company, or another form of payment agreed to by Company, following all applicable state and/or federal laws and regulations; and
- e. Company authorizes the Agent to service the contract holder or policy owner.

- 1.2 **Company Independence.** Each life insurance company’s life and annuity products are separately underwritten and are the sole obligation of the issuing insurer.

- 1.3 Status.** The Agent is an independent contractor and not an employee of Company. Company represents that it will conduct itself, and that its employees, contractors, agents and representatives will conduct themselves, in an ethical, legal, and socially acceptable manner in all dealings with Agent and its employees, contractors, agents and representatives.
- 1.4 Instructions.** In performing its obligations under this Agreement, Agent shall comply with all lawful rules, practices, instructions, regulations, procedures and guidelines (collectively, the "Instructions"), to include the **Company's Business Practices & Compliance Guide ("BPCG")**, as may be established by Company from time to time. Company will provide notice to Agent of Instructions and any changes thereto by the same method Company communicates with its field force and not in accordance with the notice provisions set forth in Section 11.6 of this Agreement.
- 1.5 Limitations.** Unless otherwise authorized in writing by Company, Agent shall have no authority on behalf of Company to:
- a. make, waive, or change any questions, statements, or answers on any application for an Agent agreement or any application for Insurance Products, the terms of any receipt given thereon, or the terms of any policy or contract itself;
 - b. extend or waive any provision of any policy or contract or the time for contract payments or payment of premiums;
 - c. deliver any policy unless the health of the insured(s) is substantially unchanged from the date of the application;
 - d. incur any debts or liability for or against Company;
 - e. receive any money for Company except premiums as authorized in this Agreement, in the form of a check payable to Company;
 - f. misrepresent, or fail to disclose accurately, the terms or nature of Company's contracts and policies;
 - g. pay any premiums on contracts or policies other than the Agent's own, the Agent's immediate family members, or for which the Agent is a fiduciary;
 - h. solicit business in a state where the contract/policy isn't approved for sale;
 - i. violate any published Company policy or Instructions on viatical sales and/or stranger-originated or terminally-ill owner or annuitant life policy or annuity contract sales;
 - j. violate any applicable federal or state laws and/or regulations;
 - k. violate any Company Instructions.
- 1.6 No Rebating.** The Agent shall not, whether or not permitted by law, pay or allow any rebate of premiums or commissions in any manner, directly or indirectly.

2. AGENT RESPONSIBILITIES

- 2.1 Advertising.** No advertising or sales material referencing the Company Insurance Products or Company itself, may be used without Company's prior written consent.
- 2.2 Insurance.** The Agent shall obtain and maintain a professional errors and omissions liability policy with minimum limits as published from time to time by Company. To the extent not covered by liability insurance, the Agent shall hold harmless and indemnify Company, its subsidiaries and affiliates, from any and all expenses, costs, causes of action, penalties and damages resulting from or growing out of acts or omissions by the

Agent that results in a loss in accordance with the Indemnification Section contained herein.

- 2.3 Legal Compliance and Licensing.** The Agent shall at all times hold, maintain and keep in good standing all licenses, registrations and appointments necessary to perform its duties hereunder. Agent also agrees to abide by all applicable local, state and federal laws and regulations, and Company Instructions, related to sales practices and suitability of life and annuity insurance products, and agrees to provide to Company all information related to suitability as required by Insurance Product applications, processing instructions and upon request.
- 2.4 Suitability and Training.** Agent agrees to participate in, timely complete and provide evidence of completion upon request of all training and education required by applicable local, state and federal laws and regulations and the Company Instructions, particularly training related to life and annuity suitability. Company shall be under no obligation to permit an Agent to offer or sell Insurance Products or to issue a particular Insurance Product unless and until Company's suitability and training requirements and Instructions have been satisfied.
- 2.5 Property.** Agent shall return to Company upon termination of this Agreement or on demand, all property of Company, including but not limited to all records, manuals, supplies, policy forms and applications.
- 2.6 Security Codes.** Agent and designated staff shall be responsible for the confidentiality of any access number(s), password(s) and account number(s) (collectively referred to as "Security Codes") provided to Agent by Company. Agent shall be liable for all transactions entered through the use of Agent's Security Codes. All transactions received by Company through the use of Agent's Security Codes will be deemed to have been executed by Agent. Agent shall immediately notify Company upon becoming aware of any unauthorized use, loss or theft of Agent's Security Codes.
- 2.7 Use of Electronic Documents and Signatures.** Agent may submit documents to Company that have been electronically signed, provided that Agent complies with all applicable laws and regulations including without limitation the Electronic Signatures in Global and National Commerce Act ("ESIGN") and the Uniform Electronic Transactions Act ("UETA"), as enacted by the states. Agent shall maintain electronic records and an appropriate audit trail of all processes and documents utilized in obtaining electronic signatures. If Agent has the capability, such electronic records and audit trail shall be provided in its submission of electronically signed documents to Company. Agent shall only use documents approved by Company. Upon Company's reasonable request, Agent shall furnish records to evidence compliance with relevant laws and regulations and shall provide assistance as needed to defend the electronic documents and signatures if contested. Company reserves the right to audit Agent's electronic signature process.

3. RECORDS AND REPORTING

- 3.1 Records.** The Agent shall maintain, and Company shall have the right to inspect and audit, all records and documents relating to the business of Company conducted by the Agent, or the Agent's employees. This provision shall survive any termination of this Agreement.
- 3.2 Cooperation.** Agent shall cooperate and use its best efforts to provide such other records and reports as Company may require in connection with this Agreement and the services contemplated hereunder.
- 3.3 Territory.** This Agreement does not confer any exclusive right or territory upon the Agent.

- 3.4 Crimes of Dishonesty.** The Agent represents and warrants to Company that neither the Agent, nor any Agent's employee or the Agent's representative providing services according to the terms of this Agreement has been convicted in any jurisdiction of any crime involving dishonesty or breach of trust.
- 3.5 Investigations; Customer Complaints.** The Agent agrees to cooperate fully in any insurance or other regulatory or judicial investigation or proceeding arising in connection with the Insurance Products, Company, or the Agent. The Agent shall permit appropriate federal and state insurance and other regulatory authorities to audit the Agent's records and shall furnish the foregoing authorities with any information which such authorities may request in order to ascertain whether the Agent is complying with all applicable laws and/or regulations. As described in the BPCG, the Agent hereby agrees to and shall (a) promptly notify and report to Company all customer complaints and regulatory inquiries ("Complaints") with respect to the Insurance Products, and/or Company and/or the Agent related to the offer, sale or servicing of Insurance Products (b) fully cooperate with Company in resolving all such Complaints, and (c) provide all records and information related to such Complaints to Company upon request. This provision shall survive any termination of this Agreement.

4. COMPENSATION

Payment of Compensation. Generally, Company agrees to pay compensation with respect to the Insurance Products as set forth on Exhibit A of the compensation schedules attached to this Agreement ("Compensation Schedule"), subject to any chargebacks, as further described in this Agreement and the Compensation Schedules.

- 4.1 Modifications.** The Compensation Schedule may be modified or amended by Company at any time. Company may, in its sole discretion, determine commissions to be paid on products not provided for in the Commission Schedule. Notice of changes to the Compensation Schedule may be made through US Mail, email, internet, or any other form of electronic communication. Company agrees to use its best efforts to provide advance written notice of such changes, if any.
- 4.2 Payment Procedure.** Compensation shall be made payable directly to the Agent on behalf of the Distributor. For the avoidance of doubt, Company shall not be responsible for such payments and shall not be liable for the fulfillment of any obligation of the Distributor to the Agent. Company will provide to the Agent, as an independent contractor, a Form 1099, but Company will not be responsible to Agent for any income tax withholding. Agent agrees to accept all compensation payments via electronic means agreed to by the Parties, including but not limited to transmission through wire or Automated Clearing House ("ACH") to the account specified by the Agent.
- 4.3 Compensation Not Vested.** Compensation is not vested. All commissions, if any, shall be paid by Company to Agent with respect to the Insurance Products where Agent is listed as the agent of record on or before the date of termination of this Agreement. In the event Company receives notification to transfer a contract or policy paying trail commissions to a new agent, all subsequent commissions whether trail commissions or premium-based, as of the calendar quarter in which the transfer becomes effective, will be paid to the new agent of record. In the event a contract or policy paying trail commissions is surrendered, rescinded or otherwise canceled ("Terminated"), no trail commissions will be paid for the calendar quarter in which the contract or policy is terminated and for every quarter thereafter. This section (d) shall not be superseded by any right of offset or other remedy Company may have with respect to monies owed by Agent or by the new agent of record.

- 4.4 Chargebacks.** The Agent is personally responsible for funds due to Company, including but not limited to, chargebacks as described in the Compensation Schedule.
- 4.5 Right of Set-Off.** With respect to any compensation owed by Company to the Agent, Company shall have the right to set off against and deduct from such compensation (i) any monies or indebtedness due and owing by the Agent to Company, and (ii) any damages, costs or expenses incurred by Company arising out of a breach of this Agreement by the Agent.
- 4.6 Other Restrictions.** The following additional restrictions shall apply:
- a. No applications will be accepted on Insurance Products which are not approved in the state where written.
 - b. Company reserves the right to reject any applications submitted under this Agreement.
 - c. Company may in its discretion settle any claim of applicants, contract holders, policy owners or others in connection with any consumer complaint or any threatened or pending lawsuit as a result of any claimed improper or unauthorized action or statement in the marketing of the contract or policy.
 - d. In order to receive any compensation, the Agent must be licensed and appointed with Company in the contract or policy's state of issue at the time of contract or policy issue.
 - e. The Agent is not eligible for any benefits provided by Company.
- 4.7 Distributor Compensation.** Compensation due to the Distributor shall be payable directly to the Distributor by Company, or as necessary to meet all applicable legal requirements, to the licensed Distributor affiliate. Payments shall be made in accordance with the Distributor Agreement and the Compensation Schedules attached thereto; subject to compensation payable to the Agent and/or Sub Distributor, as applicable.
- 4.8 Miscellaneous.** Notwithstanding any other provisions of this Agreement, Company shall not be obligated to pay any compensation which would be in violation of the applicable laws, rules or regulations of any jurisdiction.

5. PRIVACY AND DATA SECURITY/CONFIDENTIALITY OF INFORMATION

Confidential Information. For purposes of this Section, "Confidential Information" means any data or information regarding proprietary information, information identified as Confidential, Personal Information, or information that a reasonable business person would understand to be confidential.

Confidential Information does not include information that (i) was in the public domain prior to the date of this Agreement or subsequently came into the public domain through no fault of the receiving party or no violation of this Agreement; (ii) was lawfully received by the receiving party from a third party free of any obligation of confidence of such third party; (iii) was already in the possession of the receiving party prior to the receipt thereof directly or indirectly from the disclosing party as evidenced by written documentation, or; (iv) is subsequently and independently developed by employees, consultants, or agents of the receiving party without reference to or use of the Confidential Information disclosed under this Agreement as evidenced by written documentation.

Permitted Disclosure of Confidential Information. Any disclosure by the receiving party of any of the disclosing party's Confidential Information pursuant to applicable

federal, state, or local law, regulation, or a valid order, subpoena, discovery request, or other similar judicial or administrative process issued by a court or governmental agency of competent jurisdiction (a "Legal Order") shall be subject to the terms of this Section. Before making any such disclosure, the receiving party shall, to the extent permitted by applicable laws, provide the disclosing party with:

1. prompt written notice of such requirement so that the disclosing party may seek, at its sole cost and expense, a protective order or other remedy; and
2. reasonable assistance, at the disclosing party's sole cost and expense, in opposing such disclosure or seeking a protective order or other limitations on disclosure.

If, after providing such notice and assistance as required herein, the receiving party remains subject to a Legal Order to disclose Confidential Information, the receiving party shall disclose no more than that portion of the Confidential Information which, on the advice of the receiving party's legal counsel, such Legal Order requires the receiving party to disclose and, on the disclosing party's request, shall use commercially reasonable efforts to obtain assurances from the applicable court or agency that such Confidential Information will be afforded confidential treatment.

Personal Information. For purposes of this Section, "Personal Information" means: (1) personally identifying information that is expressly defined as a regulated category of data under applicable data privacy or data protection laws; (2) any "nonpublic personal information" as defined in Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. § 6801 et seq., and the rules and regulations promulgated thereunder as they may be amended from time to time, and; (3) information that relates to an identifiable person including without limitation an individual's Social Security number, driver's license number, payment account number, financial account number, medical or health information, and user name or email address information when used in combination with an access code that would permit access to an online account.

Personal Information shall not include information that is not personally identifiable, ("De-identified Information"). De-identified Information may be used by Company and/or its service providers for research, product development, and for other business purposes.

Data Security and Confidentiality. The parties acknowledge and agree that, in the course of performing their obligations under this Agreement, each may receive or have access to Personal Information. Both parties agree to comply with all applicable federal and state laws, rules, and regulations related to safeguarding Personal Information and reporting security breaches involving Personal Information. Each party represents and warrants that it has implemented and maintains appropriate systems and procedures, including administrative, physical and technical safeguards reasonably designed to (i) ensure the security and confidentiality of Personal Information, (ii) to protect against any anticipated hazards or threats to the security or integrity of such Personal Information, and (iii) to protect against any unauthorized access to or use of Personal Information which could result in a substantial harm or inconvenience to the parties to this Agreement or their affiliates, or to their mutual customers. Furthermore, both parties agree that they shall: (i) keep and maintain all Confidential Information in strict confidence, using such degree of care as is appropriate to avoid unauthorized access, use, or disclosure; (ii) use and disclose Confidential Information to perform its obligations under the Agreement, and/or in accordance with its privacy notice; and (iii) limit disclosure to those authorized parties who

have a need to know Confidential Information for purposes of performing services under this Agreement.

Agent acknowledges that data, including e-mail, electronic communications, and personal financial data, may be accessed by unauthorized third parties when communicated between Agent and Company. Agent hereby agrees to use industry acceptable data security practices for transmitting data across computer networks or telecommunications facilities. In addition, Agent agrees to use a commercially available virus detection/scanning program updated with the then available latest virus definitions and signature following its routine testing procedures prior to any attempt to access Company's computing systems and/or networks. Without limiting the foregoing, Agent shall use commercially reasonable efforts to avoid the transmission of any virus from its own systems to Company's systems.

In the event that the Agent learns or has reason to believe that Personal Information provided to it by Company has been accessed or acquired by an unauthorized party compromising the security, confidentiality, or integrity of such Personal Information ("Security Breach"), the Agent shall: (a) promptly investigate the Security Breach, (b) use commercially reasonable efforts, at its own cost and expense, to remedy consumer harm done as a result of such Security Breach, and (c) notify Company of the Security Breach concurrent with notification to affected individuals, such notice to include (i) the nature of the Security Breach, (ii) the specific Personal Information involved in the Security Breach, (iii) the identity, if known, of the persons or entities who received, or are anticipated to receive Personal Information as a result of the Security Breach, and (iv) the corrective action that has been or will be taken to mitigate the harm done as a result of the Security Breach.

(a) **Security Codes.** Agent shall keep confidential any login credentials including but not limited to user names, access numbers, and passwords (collectively referred to as "Security Codes") provided to Agent by Company. Agent shall be liable for all transactions entered through the use of Security Codes. All transactions received by Company through the use of Security Codes will be deemed to have been executed by Agent. Agent shall immediately notify Company upon becoming aware of any unauthorized use, loss, or theft of Security Codes.

(b) **Company Network** means all networks or systems owned or operated by Company or on behalf of Company, including public cloud-based systems and networks, leased networks and circuits, co-located datacenter facilities, system components, and all connections and authorized accesses to such components.

(i) In the event that Agent uses accesses, or connects to the Company Network, Agent's information security program must comply with the National Institute of Standards and Technology's Framework for Improving Critical Infrastructure Cybersecurity, the International Organization for Standardization and the International Electrotechnical Commission (ISO/IEC) 27000 family of standards, or other applicable industry standards for information security.

(ii) Except as otherwise approved by Company in writing, Agent shall logically separate its access or connection to the Company Network from Agent's access or connection to any network of Agent's other customers. Agent shall only allow users who have been authorized by Company to use, access, or connect to the Company Network.

(iii) If Agent uses devices that are not provided by Company to access or connect to

the Company Network, Agent shall appropriately secure such devices, including by routinely checking such devices for computer viruses or malware using up-to-date anti-virus software and anti-spyware in accordance with industry standard practices. Unless otherwise agreed in writing by the Parties, Agent shall not use its security devices, utilities, scripts, or other hardware or software to scan the Company Network or attempt to circumvent Company's security controls.

(iv) If Agent obtains Access Codes (means the codes, including account codes, passwords, user identifications, or such other means, to control or permit access to the Company Network) to the Company Network, Agent shall keep confidential and be responsible for such Access Codes.

This Section shall survive and continue in full force and effect notwithstanding the expiration or termination of this Agreement.

6. TCPA COMPLIANCE

Agent agrees that it shall comply with all material aspects and requirements of the Telephone Consumer Protection Act ("TCPA") when conducting any telemarketing activities to consumers in connection to this Agreement. Agent agrees to maintain records of their TCPA compliance processes and procedures, including, but not limited to, records of obtaining a consumer's prior express written consent in connection with any telemarketing activities (collectively "Records"). Upon request, Agent shall promptly provide to Company a copy of these Records.

Agent agrees to defend, indemnify, and hold harmless the Company, its Affiliates, and their respective officers, directors, employees, agents, contractors, successors, and assigns, from and against any and all damages, losses, fines, penalties, costs, expenses, liabilities, and other fees (including reasonable attorneys' fees), arising from or relating to any actual, alleged, or threatened claims, demands, investigations, or causes of action related or in connection to Agent's TCPA obligations and telemarketing activities.

7. ANTI-MONEY LAUNDERING

Agent shall comply with all applicable and effective anti-money laundering (AML) laws, regulations, and rules including, but not limited to, the Bank Secrecy Act, its implementing regulations, and related rules promulgated by applicable regulators. Agent shall also comply with the laws and regulations administered by the Office of Foreign Assets Control ("OFAC"). Agent shall read and abide by all AML requirements as communicated in the BPCG Section 12 (or as may be amended) "Anti-Money Laundering", as well as Section 6.1 "Prohibited Forms of Payments and Transfers." Agent acknowledges that Company shall rely on Agent's understanding of these provisions in discharging its responsibilities under the BPCG.

Agent shall obtain and provide complete and accurate information as required by all Contract applications, other documentation, or as requested by Company. Agent agrees to accept only specified methods of payment. These acceptable payment methods will be provided to the Agent separately and may be updated from time to time without amending the Agent Agreement.

Agent shall report to Company, without any undue delay, any unusual or suspicious activity

or transaction involving customers and/or potential customers and involving the Contracts. Notice shall be made to the AML/OFAC Contact by email, which may change from time to time, to the applicable email stated in the Notice Section of this Agreement. The Agent shall ensure that any activity reported to Company remains confidential and that any report submitted to Company and/or any information related to such report is not disclosed to the customer(s) involved in such report or to any third party. Providing notice to Company of any suspicious activity shall not relieve Agent of any duty it may independently have to report suspicious activities.

If any investigation arises under this Section involving Contracts, Agent agrees to fully cooperate with Company in the investigation. Agent will cooperate even if the investigation commences or continues after this Agreement is terminated. Agent further agrees to fully cooperate with Company's regular independent testing of the effectiveness of its AML program.

Agent agrees to complete initial and ongoing AML training. If Agent completes AML training from another insurance company or from a competent third party, then Agent agrees to provide Company sufficient information to verify the adequacy of the training program.

Agent shall provide a certification, upon request, to Company regarding Agent's compliance with the requirements of this Section. Company shall provide a certification, upon request, to Agent of its compliance with AML laws, regulations and rules. Agent's obligations under this Section will continue even after the termination of this agreement.

8. INDEMNIFICATION

Agent agrees to indemnify and hold Company, their officers, directors, employees and agents harmless from any and all losses, claims, damages, liabilities or expenses to which Company may become subject under any statute, regulation, common law or otherwise, insofar as such losses, claims, damages, liabilities or expenses relate directly to the sale of the Products and arise as a direct consequence of:

- a. any material misrepresentation or omission, or alleged misrepresentation or omission involving the sales subject to this Agreement, provided that such misrepresentations or omissions are not caused by Company;
- b. any failure by Agent, its Agents or affiliated agencies, whether negligent or intentional, to perform the duties and discharge the obligations contemplated in this Agreement;
- c. any fraudulent, unauthorized or wrongful act or omission by Agent, its Agents or affiliated agencies;
- d. Agent's misuse, modification and/or unauthorized use of the Marks or any claims that the Marks or materials provided to Company by Agent pursuant to this Agreement constitute an infringement of title, copyright, trademark or other intellectual property rights of a third party, or piracy, plagiarism, or unfair competition or idea misappropriation under implied or express contract or any other cause of action in any way related to the Marks or materials provided to Company by Agent pursuant to this Agreement; and
- e. Any and all actions conducted on the part of Agent resulting from a finding by any regulatory agency with jurisdiction over Company that a sale of a Contract was unsuitable.

In the event that Company is compelled or agrees to pay any amount in the settlement of any claim, judgment, arbitration or similar action pursuant this Section, Agent shall reimburse Company. Company, in the alternative, may deduct the amount of such reimbursement obligation from any sales compensation subsequently payable to Agent.

No party shall indemnify the other party to the extent that the losses, claims, damages, liabilities or legal expenses incurred by the indemnified party arise out of the indemnified party's willful misfeasance, bad faith, or gross negligence in the performance of its duties, or through the reckless disregard of the indemnified party's duties, under this Agreement.

Promptly after receipt by an indemnified party of written notice of the commencement of any complaint, investigation, proceeding, or action which the indemnified party knows or reasonably, from the written notice received should know, might give rise to a right on its behalf to be indemnified, in whole or in part, pursuant to this section, such indemnified party shall, if a claim is to be made against the indemnifying party, notify the indemnifying party in writing of the commencement thereof; but the omission to so notify the indemnifying party shall not relieve it from any liability which it may otherwise have to the indemnified party, except to the extent the indemnifying party is actually harmed by such failure or delay to so notify. The indemnified party may, at its own expense, elect to participate in the defense or settlement of any such claim with counsel of its choice. No compromise or settlement may be committed to without the indemnified party's prior written approval (which shall not be unreasonably withheld, conditioned, or delayed).

Nothing in this Section shall preclude the parties from exercising any other rights and remedies that may be available to them at law or in equity.

9. AMENDMENT

- 9.1 Amendment.** Company may at any time and from time to time: change or modify this Agreement, including the Compensation Schedule, as set forth in section 4 of this Agreement; modify or amend any contract or policy form; fix minimum and maximum limits on the amount for which any contract or policy form may be issued; modify or alter the conditions or terms under which any contract or policy forms may be sold; discontinue or withdraw any contract or policy from any state, without prejudice to continue such form elsewhere; and cease doing business in any state.

10. TERMINATION

10.1 Termination.

- a. Without Cause. Any party to this Agreement may terminate the Agreement without cause upon 30 days' written notice to the other parties.
- b. For Cause. Company may terminate this Agreement for cause at any time, without prior written notice, if the Agent:
 - (1) fails to comply with the laws or regulations of any state or other governmental agency or body having jurisdiction over the sale of insurance or securities;
 - (2) misappropriates or commingles any money or property belonging to Company or a contract holder or policy owner;
 - (3) subjects Company to any actual or potential liability due to misfeasance, malfeasance, or nonfeasance;
 - (4) commits any fraud upon Company or a contract holder or policy owner, or misrepresents contract or policy benefits, provisions or premiums, or

- misrepresents any information on a Company application or required form;
- (5) has an assignment for the benefit of creditors;
 - (6) files a voluntary petition in bankruptcy or for reorganization or is adjudicated as bankrupt or insolvent;
 - (7) has a liquidator or trustee appointed over its affairs and such appointment shall not have been terminated and discharged within sixty (60) days of such appointment;
 - (8) fails to reimburse Company for monies owed; or
 - (9) commits a material breach of this Agreement, Company Instructions or Company contract or policy provisions relating to Agent conduct.

In the event of termination of an Agent for cause, no commission, fees or other compensation accruing on or after the date of the violation or act giving rise to the termination for cause shall be paid to the Agent.

- c. Automatic Termination. This Agreement automatically terminates upon:
 - (1) the Agent's death or inability to perform the Agent's responsibilities under this Agreement;
 - (2) failing to maintain in force specified amounts of a professional errors and omissions liability policy;
 - (3) a determination by Company that the Agent induced or attempted to induce Company contract holders and policy owners to relinquish or replace Company contracts and policies with such frequency as to indicate a pattern of inappropriate activity; or
 - (4) failure to maintain all state and federal licenses, registrations, and/or appointments as required by the regulating entity or jurisdiction.
- d. Agent Access upon Termination. Upon termination of this Agreement, Company may, at its sole discretion, terminate Agent's access to contract holders and policy owners, including any records related thereto.
- e. Indebtedness. Termination will not dismiss or reduce any indebtedness the Agent owes Company, its subsidiaries or affiliates.
- f. Company Property. All Company supplied material, including but not limited to, manuals, forms, supplies, sales brochures, software, or lists of contract owners and policy holders or insured persons shall be and remain the property of Company and shall not be shared with, or made known to, any third party without the written consent of Company. Upon termination of this Agreement for any reason, the Agent agrees:
 - (1) to assemble and deliver promptly to Company all such material (including copies), whether in hard copy form or otherwise; and
 - (2) not to use any such material for the Agent's commercial purposes or for that of any other entity.

11. MISCELLANEOUS

- 11.1 Assignment.** This Agreement shall be binding upon the parties and their respective successors and assigns. Agent may not assign or pledge any rights under this Agreement

without the prior written consent of Company.

- 11.2 Non-Waiver.** Failure of Company to require strict compliance with any of the terms or conditions of this Agreement shall not constitute a waiver of such terms or conditions nor affect the right of Company thereafter to require such compliance.
- 11.3 Partnerships.** When the Agent is a partnership or corporation, any reference made to the Agent as an individual shall be deemed to mean the partners or the officers of the corporation who are licensed and appointed with Company.
- 11.4 Prior Contracts.** This Agreement shall supersede any and all prior contract(s) between the Agent and Company, however, any outstanding indebtedness shall survive.
- 11.5 Service of Process.** The Agent is not an authorized agent or representative of Company to accept service of legal process, and therefore, the Agent should not accept such service. If, however, any paper is served upon the Agent, the Agent shall send by certified mail the same to Company General Counsel within 24 hours after its receipt.
- 11.6 Notice.** Communications sent pursuant to provisions of this Agreement shall be in writing, shall be delivered personally or sent by U.S. mail, email, or commercial courier and shall be deemed given upon mailing. However, any notice of change of address shall be deemed given only upon receipt by the party to be notified.

If to Company:

Nationwide Life Insurance Company
and/or Nationwide Life and Annuity Insurance Company
Attn: NF Licensing, Registrations & Commissions,
Associate Vice President
1000 Yard Street, GH-3B-LCO1
Grandview Heights, OH 43212
Email: AskAgree@nationwide.com

If to Company (AML or OFAC reporting only):

Nationwide Life Insurance Company
and/or Nationwide Life and Annuity Insurance Company
Attn: Office of Compliance, FCSC 3-11-307
One Nationwide Plaza
Columbus, OH 43215
Telephone: 1-877-406-4747
E-mail (if OFAC): OFAC@nationwide.com
E-mail (if AML): AMLReview@nationwide.com

If to Agent: At the address set forth on the signature page hereto or to such other address as Agency may from time to time designate by written notice to Company.

- 11.7 Governing Law.** This Agreement shall be governed by the laws of the State of Ohio. It shall be construed in accordance with Ohio law applicable to contracts made and to be performed there.
- 11.8 Entire Contract.** This Agreement constitutes the entire agreement by and among the parties and no party shall be bound by any other promise, contract, understanding or

representation unless it is made by an instrument in writing, signed by an authorized officer of Company or in the case of the Agent a party who is authorized to bind the Agent.

- 11.9 Acknowledgment.** By executing this Agreement, the Agent acknowledges that he/she has read the Agreement in its entirety and is in agreement with the terms and conditions outlined therein which describe the rights of the parties under this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

**NATIONWIDE LIFE INSURANCE COMPANY
NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY**

By: _____

Title: Associate Vice President

AGENT

Printed Name of Agent: _____

Signature of Agent: _____

Effective Date: _____

Email: _____



Nationwide®

**Release Authorization and Fair Credit
Reporting Act Disclosure
(For Conducting Business Transactions)**

Nationwide Life Insurance Company
Nationwide Life and Annuity Insurance Company

PO Box 182021, Columbus, OH 43218-2021
Phone: 800-848-6331 • Fax: 877-634-5264 • nationwide.com

1. Important

I _____ am requesting an appointment with Nationwide and acknowledge Nationwide may now, or at any time while a business relationship exists, make an independent investigation, including an investigative consumer report, of my background, references, character, past employment, education, criminal or police records, including those mandated by both public and private organizations and all public records for the purpose of confirming the information contained on my application and/or obtaining other information which may be material to my qualifications for appointment.

Please be advised that you have the right to request, in writing, within a reasonable time, that Nationwide make a complete and accurate disclosure of the nature and scope of the information requested.

In the event that information from the report is utilized in whole or in part in making an adverse decision, before making the adverse decision, Nationwide will provide to you a copy of the consumer report and a description in writing of your rights under the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq.

Additional information concerning the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq., is available at the Consumer Financial Protection Bureau's web site (www.consumerfinance.gov/learnmore) or by writing to: Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20006.

By signing below, I hereby authorize all entities having information about me, including present and former employers, personal references, criminal justice agencies, departments of motor vehicles, schools, licensing agencies, and credit reporting agencies, to release such information to Nationwide or any of its affiliates. I acknowledge and agree that this Release and Authorization shall remain valid and in effect during the term of my business relationship.

2. For Maine and New York Applicants Only

Upon request, you will be informed whether or not a consumer report was requested, and if such a report was requested, the name and address of the consumer reporting agency furnishing the report.

NOTE: Maine residents will be provided a copy of your rights under the Maine Fair Credit Reporting Act.

3. For Washington Applicants Only

The consumer reporting agency which furnished the report is Business Information Group, P.O. Box 541, Southampton, PA, 18966; for consumer compliance officer contact 800-260-1680.

4. For California, Minnesota, and Oklahoma Applicants Only

A consumer credit report will be obtained through Business Information Group, P.O. Box 541, Southampton, PA, 18966.

- If a consumer credit report is obtained, I understand that I am entitled to receive a copy. I have indicated below whether I would like a copy. ☐ Yes (Initials: _____) ☐ No (Initials: _____)
- If an investigative consumer report and/or consumer report is processed, I understand that I am entitled to receive a copy. I have indicated below whether I would like a copy. ☐ Yes (Initials: _____) ☐ No (Initials: _____)

*California applicants: If you chose to receive a copy of the consumer report, it will be sent within three (3) days of the employer receiving a copy of the consumer report and you will receive a copy of the investigative consumer report within seven (7) days of the employer's receipt of the report (unless you elected not to get a copy of the report).

5. Signature (required)

Name (please print): _____

Signature: _____ Date: _____



Nationwide®

**LIMRA Anti-Money Laundering
Nationwide Verification Form**

Nationwide Life Insurance Company
Nationwide Life and Annuity Insurance Company

PO Box 182835, Columbus, OH 43218-2838
Phone: 800-848-6331 • Fax: 866-311-3898 • nationwide.com

1. Important Information

- LIMRA does not provide training certificates.
- AML training is a requirement for contracting.
- The AML training must be current within the past 2 years.

2. General Information (please print)

Agent's Information:

Name: _____ Last Four Digits of SSN: _____

Course Title Completed: _____

Course Date Completed: _____

3. Acknowledgment and Signature (required)

I am a duly licensed insurance agent and affirm that I have completed the above referenced training program, which to the best of my knowledge satisfies requirements imposed on insurance companies by regulations issued under USA Patriot Act Section 352 (US 31 CFR 103.137). I acknowledge that the insurance company to which this certification has been provided retains the right to review and approve the training program and its curriculum before accepting this certification.

I affirm that I have read and understand the above referenced training and that I am knowledgeable about my obligations under the regulations.

Agent:

Signature: _____ Date: _____

4. Contact Us

If you need assistance with the LIMRA website, please call their Help Desk at 866-364-2380.

If you have any additional questions, please call our General Agreements team at (614) 435-3047 or email ASKAGREE@nationwide.com.

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type.
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
2 Business name/disregarded entity name, if different from above	
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) ► _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>
5 Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional)
6 City, state, and ZIP code	
7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
or									
Employer identification number									

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign
Here

Signature of
U.S. person ►

Date ►

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.



Nationwide®

**Entity Automated Clearing House (ACH)
Payment Authorization**

Nationwide Life Insurance Company
Nationwide Life and Annuity Insurance Company

1. General Information (please print)

Entity Information:

Name: _____ IRS Taxpayer ID (FEIN): _____

Accounting/ ACH Contact (this individual must have authority over the account listed below):

Name: _____

Email: _____ Phone: _____

2. Important Information

What you need to do

Please fill out this form and return it along with a voided check or savings deposit form. We also suggest you keep a copy of this Authorization for your records.

NOTE: If payment date falls on a weekend or holiday, funds will be deposited the following business day.

3. Electronic Deposit (please print)

Banking Information

Annuity Commissions (if applicable):

Bank Name: _____ Routing Number: _____

Account Number: _____ Account Type: ☐ Checking ☐ Savings

Name on the Account: _____

Life Commissions (if applicable): ☐ Same as Annuity Commissions

Bank Name: _____ Routing Number: _____

Account Number: _____ Account Type: ☐ Checking ☐ Savings

Name on the Account: _____

Retirement Plan Commissions (if applicable): ☐ Same as Annuity and/or Life Commissions

Bank Name: _____ Routing Number: _____

Account Number: _____ Account Type: ☐ Checking ☐ Savings

Name on the Account: _____

Each of Nationwide and the Commercial Bank Account Owner identified on this form agree to be bound by Nacha Operating Rules and acknowledges that the origination of ACH transactions to this account must comply with applicable U.S. Law.

Stopping Electronic Deposits:

Please fill out this form carefully as we rely on this information to complete transactions. Any error arising from the data provided shall be your responsibility. You understand that your authorization allows us to initiate one or more ACH credits (deposits) to this account, unless you instruct us to stop. To terminate this authorization, notify us by calling 614-435-3047 or by sending a written request to the fax number, email, or mailing address above. Notify Nationwide at least five (5) business days before you want the termination to take effect to allow us and your bank to take action.

Notice to terminate this Authorization shall in no way affect credit or debit entries initiated prior to actual receipt and processing of termination notice. You understand that Nationwide may suspend this Authorization at any time

4. Signature

By signing this Authorization, you authorize Nationwide Life Insurance Company and/or Nationwide Life and Annuity Insurance Company to electronically credit (and/or correct by electronic debit) any payments due to you at any time to the bank account(s) listed above, as allowed by U.S. law. You authorize your bank to accept these transactions and credit or debit your account accordingly.

The bank account information is for depository purposes only. All earned commissions, and any resulting tax reporting documents, will be made solely in the name of the duly licensed and appointed Entity as specified in accordance with the Entity's contractual selling agreement with Nationwide.

Authorized Signature:

Name (please print): _____ Title: _____

Signature: _____ Date: _____

Submit to Nationwide



Return by email: bgalandc@nationwide.com



Submit by regular mail:

Nationwide Financial Licensing Services
P.O. Box 182021
Columbus, OH 43215



For More Information: Call 614-435-3047

Return by fax: 877-634-5264



Nationwide®

Producer Recurring Electronic Funds Deposit Authorization

Nationwide Life Insurance Company
Nationwide Life and Annuity Insurance Company

1. General Information (please print)

Producer Information:

Name: _____ Last 4 digits of SSN: _____

Email: _____ Phone: _____

2. Important Information

What you need to do

Please fill out this form and return it along with a voided check or savings deposit form. We also suggest you keep a copy of this Authorization for your records.

NOTE: If payment date falls on a weekend or holiday, funds will be deposited the following business day.

3. Electronic Deposit (please print)

Banking Information

Annuity Commissions (if applicable):

☐ Check here if this is a commercial bank account. A commercial bank account is one that is owned by an entity (company, trust, etc.) rather than an individual person.

Bank Name: _____ Routing Number: _____

Account Number: _____ Account Type: ☐ Checking ☐ Savings

Name on the Account: _____

(For commercial accounts, please provide the name of the commercial bank account holder as well as the party authorized to sign for this account)

Life Commissions (if applicable): ☐ Same as Annuity Commissions

☐ Check here if this is a commercial bank account. A commercial bank account is one that is owned by an entity (company, trust, etc.) rather than an individual person.

Bank Name: _____ Routing Number: _____

Account Number: _____ Account Type: ☐ Checking ☐ Savings

Name on the Account: _____

(For commercial accounts, please provide the name of the commercial bank account holder as well as the party authorized to sign for this account)

Retirement Plan Commissions (if applicable): ☐ Same as Annuity and/or Life Commissions

☐ Check here if this is a commercial bank account. A commercial bank account is one that is owned by an entity (company, trust, etc.) rather than an individual person.

Bank Name: _____ Routing Number: _____

Account Number: _____ Account Type: ☐ Checking ☐ Savings

Name on the Account: _____

(For commercial accounts, please provide the name of the commercial bank account holder as well as the party authorized to sign for this account)

3. Electronic Deposit (continued)

For Commercial Bank Account Owners Only: Each of Nationwide and the Commercial Bank Account Owner identified on this form agree to be bound by Nacha Operating Rules and acknowledges that the origination of ACH transactions to this account must comply with applicable U.S. Law.

Stopping Electronic Deposits: Please fill out this form carefully as we rely on this information to complete transactions. Any error arising from the data provided shall be your responsibility. You understand that your authorization allows us to initiate one or more ACH credits (deposits) to this account, unless you instruct us to stop. To terminate this authorization, notify us by calling 614-435-3047 or by sending a written request to the fax number, email, or mailing address below. Notify Nationwide at least five (5) business days before you want the termination to take effect to allow us and your bank to take action.

Notice to terminate this Authorization shall in no way affect credit or debit entries initiated prior to actual receipt and processing of termination notice. You understand that Nationwide may suspend this Authorization at any time.

Joint Account Owners: If this bank account is a joint account, authorization by one bank account owner constitutes authorization by all bank account owners - whether a current owner of this account or added after this authorization is signed.

4. Signature

By signing this Authorization, you authorize Nationwide Life Insurance Company and/or Nationwide Life and Annuity Insurance Company to electronically credit (and/or correct by electronic debit) any payments due to you at any time to the bank account(s) listed above, as allowed by U.S. law. You authorize your bank to accept these transactions and credit or debit your account accordingly. The bank account information is for depository purposes only. All earned commissions, and any resulting tax reporting documents, will be made solely in the name of the duly licensed and appointed Producer as specified in accordance with your contractual selling agreement with Nationwide.

Authorized Information:

Name (please print): _____ Title: _____

Signature: _____ Date: _____

Submit to Nationwide



Return by email: bgalandc@nationwide.com



Submit by regular mail:

Nationwide Financial Licensing Services
P.O. Box 182021
Columbus, OH 43215



For More Information: Call 614-435-3047
Return by fax: 877-634-5264



Nationwide®

Nationwide Financial Agency Information Form

Nationwide Life Insurance Company
Nationwide Life and Annuity Insurance Company

PO Box 182835, Columbus, OH 43218-2835

Phone: 800-321-6064 • Fax: 877-634-5264 • nationwide.com

ALL INFORMATION IS REQUIRED UNLESS NOTED AS "If Applicable" • Please print legibly or type

1. General Information

Firm Name: _____ TaxID#: _____

Does your firm conduct business under a different name? ☐ Yes ☐ No State of Incorporation: _____

If Yes, please provide that name: _____

Address: _____

City: _____ State: _____ ZIP: _____

Email: _____ Phone: _____ Fax: _____

2. Contact Information

Licensing and Commission contact details are only needed if the information differs from the General Information.

Licensing Contact:

Address: _____

City: _____ State: _____ ZIP: _____

Phone: _____ Email: _____

Commissions Contact:

Address: _____

City: _____ State: _____ ZIP: _____

Phone: _____ Email: _____

3. Background Information

For purposes of this section, "firm" includes its officers, principals and members of its board of directors. Please attach a detailed letter of explanation and provide supporting documents for any "Yes" answer to the following questions:

Question	YES	NO
1. Is your firm currently, or has it been in the past 5 years, the subject of any regulatory or disciplinary action, or investigation (SEC, FINRA, state securities division or state insurance department)?	<input type="checkbox"/>	<input type="checkbox"/>
2. Were any of the actions disclosed above concerning allegations of lack of appropriate supervision by the organization/agency or suitability violations (NASD Rule 2080, 2330 or the NAIC Suitability Model Act) regarding assessment and review of fixed annuities, equity indexed annuities, variable annuities, life insurance, and/or mutual funds?	<input type="checkbox"/>	<input type="checkbox"/>
If Yes, In your explanation letter, include: the name of the regulator who initiated the action, the date the action was initiated, the current status of the action, the amount of the fine or penalty, a detailed description of the circumstances which lead to the action and what steps the organization/agency have taken to remedy the regulatory action.		
3. Is your firm currently, or has it been in the past 5 years, the subject of any litigation?	<input type="checkbox"/>	<input type="checkbox"/>
4. Does your firm currently promote or engage in, or has it ever promoted or engaged in, life settlements, premium financing and/or rebating?	<input type="checkbox"/>	<input type="checkbox"/>
5. Has your firm conducted business under any other names in the past 5 years?	<input type="checkbox"/>	<input type="checkbox"/>
If Yes, In your explanation letter, include: the names and the details associated with those names, including answers to questions 1 - 4 above if not already answered earlier in this section.		
6. Officers, principals and members of its board of directors only: Have you ever been convicted of, pled guilty or pled no contest to any misdemeanor or felony charge?	<input type="checkbox"/>	<input type="checkbox"/>

4. Signature (required)

I affirm that all of the information provided on the foregoing statement is true, accurate and complete to the best of my knowledge. Should any of the information change, I will promptly notify Nationwide in writing.

Principal's Name (Please Print): _____

Principal's Signature: _____ Date: _____

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AGENCY AGREEMENT

FIXED FINANCIAL SERVICES PRODUCTS

THIS AGREEMENT (“Agreement”) is made this ____ day of _____, _____, by and between Nationwide Life Insurance Company and Nationwide Life and Annuity Insurance Company (collectively, “Company”) and _____ (“Agency” together with Company, “Parties”).

BACKGROUND

- A. Company develops and issues certain fixed annuity and life insurance products.
- B. Agency, which independently, and at times, in association with another Distributor(s) (“Master Distributor”) markets insurance products, and recruits agents to market insurance products (“Agents”).
- C. Company desires to enhance the marketing and sale of certain fixed annuities and fixed life insurance products issued by Company or any insurance company affiliate of Company (“Products”).
- D. Company desires to appoint Agency to market, distribute and administer the Products and to recruit and recommend Agents to Company and any insurance company affiliate of Company, to market Products, and Agency desires to act as an agent of Company and any insurance company affiliate of Company, and perform the services described in this Agreement, all upon the terms and subject to the conditions set forth more fully below.

REPRESENTATIONS

REPRESENTATIONS BY COMPANY

Company represents that it is duly licensed in accordance with all applicable laws and regulations and has the authority to issue Products in the states where Agency is authorized to conduct business, except as disclosed to Agency in writing. Company agrees to notify Agency promptly of any change in such authority.

Company will seek to have the Products approved by state insurance authorities in jurisdictions where those Products will be offered.

Company represents that the Products are designed to be treated as annuity contracts or life insurance policies under the appropriate provisions of the Internal Revenue Code of 1986, as Amended (the “Code”). Company shall make every effort to maintain such treatment, and will promptly notify Agency upon having a reasonable basis for believing that such annuity contracts or life insurance policies have ceased to be so treated or that they might not be so treated in the future.

Company represents that it will conduct its activities pertaining to this Agreement in material conformity with all applicable federal and state laws and/or regulations.

Company represents that all materials that Company makes available to Agency will comply in all material respects with any and all applicable federal and state securities laws.

Company represents that the entering into and performance of this Agreement does not and will not conflict with or cause a breach of any other agreement to which it is a party and that it has full power and authority to enter into this Agreement and to carry out its duties and obligations hereunder.

Company represents that it will conduct itself, and that its employees, contractors, agents and representatives will conduct themselves, in an ethical, legal, and socially acceptable manner in all dealings with Agency and its employees, contractors, agents and representatives.

REPRESENTATIONS BY AGENCY

Agency represents that it has the authority to execute this Agreement on its own behalf and on behalf of any of its affiliated agencies providing the services set forth in this Agreement.

Agency represents that it will conduct its activities pertaining to this Agreement in material conformity with all applicable federal and state laws and/or regulations.

Agency represents that it and its affiliated agencies will comply with all applicable state insurance requirements and have obtained and will maintain any security and/or insurance licenses required by the state insurance authorities for the types of Products it offers and services.

Agency represents that it has all necessary contractual arrangements in place to receive any payment for the sale of any Product on its behalf and on behalf of its affiliated agencies.

Agency represents that it will solicit applications for Company only in those states in which such Products are approved.

Agency represents that the entering into and performance of this Agreement does not and will not conflict with or cause a breach of any other agreement to which it is a party and that it has full power and authority to enter into this Agreement and to carry out its duties and obligations hereunder.

Agency represents that it shall maintain sufficient fidelity bond coverage (including coverage for larceny and embezzlement) and errors and omissions insurance coverage as may be required under applicable law or as it deems necessary.

Agency represents that it will conduct itself, and that its employees, contractors, agents and representatives will conduct themselves, in an ethical, legal, and socially acceptable manner in all dealings with Company and its employees, contractors, agents and representatives.

NOW THEREFORE, in consideration of the foregoing background recitals, representations and the mutual promises and undertakings set forth herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. AUTHORIZATION

- 1.1 Appointment and Exclusivity.** Company hereby appoints Agency on a non-exclusive basis as an agent to solicit applications for the Products in each jurisdiction in which the Company is authorized to transact business and to perform the other duties set forth in this Agreement. Agency hereby accepts such appointment.

1.2 Recruiting.

- a. Agency may recommend to Company duly licensed Agents to solicit Products, subject to the requirements of Company. Company, in its sole discretion, may refuse to appoint any Agent recommended pursuant to this Section.
- b. At Company's discretion, each Agent recommended to and acceptable to Company shall enter into a written agreement directly with Company (a "Independent Agent Agreement") in form and content acceptable to Company. In the event of any conflict between the provisions of this Agreement and the Independent Agent Agreement, the broader and/or higher standards of the applicable Agreement shall prevail and control.
- c. Compensation payable to Agents who have entered into an Independent Agent Agreement with Company shall be limited to and paid consistent with the commission schedules included as part of the Independent Agent Agreement. If applicable, Agency shall be responsible for the compensation payable to any Agent who is not required by Company to enter into a Independent Agent Agreement, subject to the terms of this Agreement.
- d. Company may terminate the appointment or Independent Agent Agreement with any Agent at any time and for any reason.

1.3 Agents. Each Agent shall be duly licensed and appointed at all times to offer, market, sell, distribute, and service the Products as required by law, this Agreement and the Independent Agent Agreement, as applicable.

1.4 Instructions. In performing its obligations under this Agreement, Agency shall comply with all lawful rules, practices, instructions, regulations, procedures and guidelines (collectively, the "Instructions"), to include the **Company's Business Practices & Compliance Guide ("BPCG")**, as may be established by Company from time to time. Company will provide notice to Agency of Instructions and any changes thereto by the same method Company communicates with its field force and not in accordance with the notice provisions set forth in Section 12.3 of this Agreement.

1.5 Reporting Violations. Agency shall promptly notify Company in writing if Agency obtains knowledge that any Agent recruited by Agency under this Agreement has failed to comply with (i) any applicable federal or state laws and/or regulations; or (ii) any Instructions.

1.6 Status. Agency and Agents shall each be deemed an independent contractor to Company for all purposes. Within the scope of the authority conferred hereby, Agency shall exercise its independent judgment in performing its duties and responsibilities hereunder. This Agreement shall not be construed to create the relationship of employer and employee between Company, on the one hand, and Agency or any Agent, or any of their respective officers, directors, employees, agents or representatives, on the other.

1.7 Limitations. Unless otherwise authorized in writing by Company, Agency shall have no authority on behalf of Company to:

- a. accept risks, determine insurability, or bind Company or any affiliate of company in any way;
- b. misrepresent any Products or services of Company or any affiliate of Company, make or modify Products or other Products on behalf of Company or any affiliate of Company, or waive any rights or requirements of Company or any affiliate of Company;
- c. extend the time of payment of any premium or accept the payment of past due premium;
- d. collect or receive deferred or renewal premiums;
- e. endorse, cash or deposit any check or draft made payable to Company or any affiliate of Company;
- f. accept or deposit any check or draft for premiums made payable to any person or entity other than Company;
- g. open any bank account or trust account on behalf of, for the benefit of, or containing the name of Company or any affiliate of Company;
- h. settle any claim or claims related to the Products;
- i. commence any suit or action before any court or authority relating to any of the Products;
- j. directly or indirectly rebate any portion of the premium to the insured or to any other party;
- k. directly or indirectly cause or attempt to cause any employee, agent or representative of Company or any affiliate of Company to terminate or alter his or her association with Company or such affiliate;
- l. induce or attempt to induce any policyholder of Company or any affiliate of Company to relinquish, surrender, replace or lapse their policies;
- m. incur any indebtedness on behalf of Company or any affiliate of Company;
- n. use, alter, amend or remove any trade name, brand, trademark or service mark of Company or any affiliate of Company (collectively, "Trademarks") from any Product or other property of the Company without prior written approval of Company;
- o. use any property of Company or any affiliate of Company, including but not limited to Trademarks, policy forms, applications, records, manuals, or supplies after termination of this Agreement; or
- p. do or perform any acts or things or exercise any authority on behalf of Company or any affiliate of Company other than as expressly authorized herein, without the prior written consent of Company.

2. AGENCY RESPONSIBILITIES

In addition to those duties set forth under Article 1 hereof, Agency represents, warrants and covenants as follows:

- 2.1 **Legal Compliance and Licensing.** Agency shall at all times (i) hold, maintain and keep in good standing all licenses, registrations and appointments necessary to perform its duties hereunder, and (ii) fully comply with all applicable laws and regulations.
- 2.2 **Investigations; Customer Complaints.** Agency agrees to cooperate fully in any insurance or other regulatory or judicial investigation or proceeding arising in connection with the Products, Company, Agency or any Agent recruited by Agency under this Agreement. Agency shall permit appropriate federal and state insurance and other regulatory authorities to audit Agency's records and shall furnish the foregoing authorities with any information which such authorities may request in order to ascertain whether any Agent recruited by Agency under this Agreement is complying with all applicable laws and/or regulations. Agency agrees to notify Company of any customer complaints with respect to the Products in accordance with the Nationwide **BPCG** and to cooperate with Company in resolving all customer complaints with respect to the Products, Agency or any Agent recruited by Agency under this Agreement.
- 2.3 **Advertising Materials.** All advertising material, including but not limited to internet websites and sales promotional material published by Agency, that specifically name Company or reference the Products shall be submitted to Company for its approval prior to its use by Agency. If required, Agency shall be responsible for filing such material with the appropriate regulatory or governmental authority.
- 2.4 **Quotes.** Agency shall provide accurate quotations on premiums and interest rates for the Products.
- 2.5 **Applications.** Agency shall promptly forward to Company all applications received in connection with the Products, regardless of the results of any medical examination. Company, in its sole discretion, may reject or require the amendment of any application for insurance policies or annuity contracts.
- 2.6 **Suitability.** Agency agrees to ensure it acts in accordance with the suitability standards required pursuant to any and all laws, rules or regulations adopted by any applicable state. At Company's periodic request, Agency agrees to certify to Company that it is complying with suitability laws.

Agency agrees to notify Company if any significant failures are discovered in the suitability of a sale of any of the Products sold under this Agreement. In the event a claim against Company is made with regard to the suitability of a sale of any of the Products sold under this Agreement, Agency will reasonably cooperate with Company and will provide written or other materials upon Company's request.

2.7 Collection of Premiums. Agency shall:

- a. Transmit to Company, within two business days of receipt, applications for a Product and all amounts received by Agency for or on behalf of Company. All premium payments shall be in the form of checks made payable to Company.
- b. Pay all premiums to Company without offset or deduction.
- c. Be responsible for instructing its Agents to remit the entire premium to Company immediately upon receipt thereof, together with all applications and related information.

2.8 Delivery of Products. Agency shall deliver Products as required by law. Notwithstanding the requirements of this section, Agency shall not deliver a Product unless: (a) the person to be insured is in good health and insurable condition at the time of delivery and (b) the first premium has been fully paid.

2.9 Maintenance of Products. Agency shall use best efforts to maintain in force the Products solicited by it or its Agents and shall render all reasonable assistance to the Company in connection therewith.

2.10 Property. Agency shall return to Company upon termination of this Agreement or on demand, all property of Company, including but not limited to all records, manuals, supplies, policy forms and applications.

2.11 Insurance. Agency shall at all times carry errors and omissions insurance in form and amount acceptable to Company and shall furnish proof of such coverage upon request by Company.

2.12 Expenses. Agency shall be solely liable for all costs and expenses relating to or arising from performance of its obligations under this Agreement.

2.13 Security Codes. Agency and designated staff shall be responsible for the confidentiality of any access number(s), password(s) and account number(s) (collectively referred to as "Security Codes") provided to Agency by Company. Agency shall be liable for all transactions entered through the use of Agency's Security Codes. All transactions received by Company through the use of Agency's Security Codes will be deemed to have been executed by Agency. Agency shall immediately notify Company upon becoming aware of any unauthorized use, loss or theft of Agency's Security Codes.

2.14 Data Security. Agency acknowledges that data, including e-mail, electronic communications and personal financial data, may be accessed by unauthorized third parties when communicated between Agency and Company. Agency hereby agrees to use software that supports a data security protocol compatible with the protocol used by Company. Company is not responsible for notifying Agency of any upgrades, fixes or enhancements to any such software or for any compromise of data transmitted across computer networks or telecommunications facilities, including, but not limited to, the internet. Agency shall immediately notify Company upon becoming aware of any breach of data security.

2.15 Training and Supervision of Agents. Agency shall have full responsibility for the acts, omissions, training, and supervision of Agents that offer, sell, and/or service the Products.

If an Agent fails or refuses to submit to the supervision of Agency with respect to the sale of the Products, or otherwise fails to meet the rules and standards imposed by Agency, Agency shall immediately notify such Agent that he is no longer authorized to sell the Products, and Agency shall take whatever additional action may be necessary to terminate the sales activities of such Agent relating to the Products, including immediate written notification to Company of such termination.

Agency represents that it shall exercise supervisory control over the training and conduct of its Agents and affiliated agencies and/or firms in a manner consistent with state insurance requirements with respect to fair, accurate and good faith representations of Product information in the solicitation process, with due regard to the financial status of individual consumers and the appropriateness and/or suitability of the Product as an insurance policy or annuity contract, as applicable, for such individual consumers. Any failure in this regard, by any Agent or affiliated agency and/or firm of Agency, shall require immediate termination of such Agent's or affiliated agency's ability to sell the Products and to immediately notify Company in writing of such termination.

2.16 Call Recording. For quality assurance and other business purposes, Company records and/or monitors inbound and outbound telephone calls between Agency and Company. Agency hereby consents to any and all call recording and monitoring performed by Company or its affiliates. Agency covenants that it will provide notice of this call recording practice to its employees, agents, or representatives who may be recorded or monitored in a call between Company and Agency. Agency acknowledges and accepts that calls with Company may be recorded (with or without explicit disclosure at each instance), reviewed, and retained for quality, training, and supervisory purposes, and agrees to waive all rights or claims related to call recording by Company and its employees and/or associates.

2.17 Internet and Systems Access – Single Sign On. Agency may establish a Single Sign On (“SSO”) access for eligible Agency users in order to access all applicable Company sites and services as mutually determined by the parties.

In the event that Agency and Company do agree to and do establish SSO access, Agency agrees to implement its own authentication, authorization, and identity management processes for users, based upon privacy laws and the concepts of least privileged and appropriate access. It is Agency's sole responsibility to manage the authentication, authorization, and identity management processes for all users.

Company will rely upon all transactions requested via the SSO functionality and will execute transactions as directed by users. Company assumes no liability whatsoever for management and use of Security Codes, (including passwords, tokens, or other authentication measures Agency may implement for this purpose) SSO access, or other actions taken by users. Additionally, Company assumes no liability for Security Codes as defined above which have been lost, stolen, or subject to unauthorized access or misuse.

The SSO is provided on an “as-is” basis. Company explicitly disclaims any and all warranties, express or implied, including the implied warranties of merchantability and fitness for a particular purpose.

- 2.18. Use of Electronic Documents and Signatures.** Agency may submit documents to Company that have been electronically signed, provided that Agency complies with all applicable laws and regulations including without limitation the Electronic Signatures in Global and National Commerce Act (“ESIGN”) and the Uniform Electronic Transactions Act (“UETA”), as enacted by the states. Agency shall maintain electronic records and an appropriate audit trail of all processes and documents utilized in obtaining electronic signatures. If Agency has the capability, such electronic records and audit trail shall be provided in its submission of electronically signed documents to Company. Agency shall only use documents approved by Company. Upon Company’s reasonable request, Agency shall furnish records to evidence compliance with relevant laws and regulations and shall provide assistance as needed to defend the electronic documents and signatures if contested. Company reserves the right to audit Agency’s electronic signature process.

3. RECORDS AND REPORTING

- 3.1 Records.** Agency will maintain full, complete and accurate books, files and records (collectively, the “Records”) as may be required to record and document the services provided under this Agreement. Company shall have the right during regular business hours to examine, inspect and copy the Records. The Records shall either (i) be maintained by Agency for a period of at least seven years following termination of this Agreement, or (ii) be delivered to Company for safe-keeping.
- 3.2 Cooperation.** Agency shall cooperate and use its best efforts to provide such other records and reports as Company may require in connection with this Agreement and the services contemplated hereunder.

4. FINANCIAL TERMS

- 4.1 Payment of Compensation.** In consideration for the services provided by the Agency under this Agreement, the Company agrees to pay Agency the compensation set forth on the commission schedule attached as Exhibit A (“Commission Schedule”); subject to compensation payable to any Master Distributor and/or Agent as set forth on separate commission schedules included as part of their respective Master Distributor Agreement or Independent Agent Agreement in connection with the sale of the Products, as applicable. Upon receipt of prior written notice from Agency and such other information as Company may require, Company shall pay on behalf of Agency the commissions due from Agency to each Agent, and if applicable, any other Master Distributor. Notwithstanding anything to the contrary in this Agreement, no Agent or other Master Distributor shall have any claim against the Company and shall not be an intended or unintended third-party beneficiary of this Agreement.

Notwithstanding any other provision of this Agreement, Company shall not be obligated to pay any compensation which would be in violation of the applicable laws, rules or regulations of any jurisdiction.

- 4.2 Payment Procedures.** Company shall pay compensation (a) in accordance with its usual and customary procedures, which the Company, in its sole discretion, may change from time to time, and (b) only on premiums paid to Company. No premium shall be considered paid until it has been actually received by Company. Agency agrees to accept all compensation payments via electronic means agreed to by the Parties, including but not limited to transmission through wire or Automated Clearing house (“ACH”) to the account specified by the Agency.
- 4.3 Changes in Commission Schedule; Unscheduled Commissions.** Company may, in its sole discretion (a) amend or modify the Commission Schedule and (b) determine commissions to be paid on products not provided for in the Commission Schedule.
- 4.4 Compensation Not Vested.** Compensation is not vested. All commissions, if any, shall be paid by Company to Agent with respect to the Insurance Products where Agent is listed as the agent of record on or before the date of termination of this Agreement. In the event Company receives notification to transfer a contract or policy paying trail commissions to a new agent, all subsequent commissions, whether trail commissions or premium-based, as of the calendar quarter in which the transfer becomes effective, will be paid to the new agent of record. In the event a contract or policy paying trail commissions is surrendered, rescinded or otherwise canceled (“Terminated”), no trail commissions will be paid for the calendar quarter in which the contract or policy is terminated and for every quarter thereafter. This section (d) shall not be superseded by any right of offset or other remedy Company may have with respect to monies owed by Agent or by the new agent of record.
- 4.5 Temporary Insurance.** Company shall not pay compensation in connection with any temporary insurance or binders.
- 4.6 Premium Refunds.** If Company refunds to a customer premium or purchase payments for any reason, the Agency who received any compensation or other payment calculated in connection with the refunded premium shall immediately repay to Company all such compensation or other payments.
- 4.7 Reassignment.** Company may, in its sole discretion, remove Agent as the servicing Agent of a Product and reassign another agent to service such Product.
- 4.8 Replacements.** Compensation arising in connection with any Product that replaces an existing policy, contract, or product issued by the Company or any affiliate thereof shall be subject to replacement rules of the Company. In certain instances, Company will not pay compensation on replacements.
- 4.9 Reinstatements.** If a Product written by Agency is terminated and subsequently reinstated solely as a result of the efforts of Agency, the Agency shall continue to receive any renewal compensation from the date of reinstatement. If a Product is terminated and subsequently reinstated for any other reason, Company may determine, in its sole discretion, which Agent is entitled to renewal compensation and the amount of such compensation.

4.10 State Law Restrictions. Notwithstanding anything else in this Agreement, Company will not make any compensation payments in violation of any law, including, but not limited to, state licensing requirements. If applicable, no party may pay any compensation (including but not limited to any compensation or expense allowance), or may cause the payment of any compensation, that would be in violation of Section 4228 of the Insurance Law of the State of New York ("Section 4228"), and no party may receive any compensation in violation of Section 4228. Agency represents, warrants, and covenants that it has not received any benefits, compensation, prizes or awards or take any other action set forth in Section 4228(e) (11) that would require Company to monitor any payments Agency may make or has made to any person for compliance with Section 4228.

4.11 Indebtedness. Any indebtedness which is now or may hereafter become due from Agency to Company or any of its subsidiaries shall be a first lien on all compensation payable under this Agreement until such indebtedness is fully paid, without limitation to any other rights of Company or its subsidiaries both prior to and after termination of this Agreement to recover such indebtedness. To the extent Company attempts to collect any indebtedness attributable to Agency or any affiliated agencies which sold any Products through or in connection with the Agency which shall remain outstanding longer than ninety (90) calendar days, the amount of such indebtedness attributable to only the Products commission chargeback may be assessed by Company against the Agency and treated by Company as the sole indebtedness of the Agency.

This provision shall not be construed in any way to limit the amount of any indebtedness of Agency to the value of the commissions payable under this Agreement. In addition to deduction from commissions, Company may take such other actions to recover or collect such indebtedness as it deems appropriate. To the extent Company takes legal action to recover such indebtedness, it may recover attorney's fees, costs, and expenses from Agency.

4.12 Right of Set-Off. With respect to any compensation owed by Company to the Agency, Company shall have a right to set off against and deduct from such compensation (i) any monies or indebtedness due and owing by Agency to Company, and (ii) any damages, costs or expenses incurred by the Company arising out of any breach of this Agreement by Agency.

4.12 Performance Guarantee. If Agency is a business entity operating as either a limited liability company, or form of corporation or partnership, the individual signing this Agreement on behalf of Agency guarantees the performance of all its terms and conditions, and hereby assumes personal liability and responsibility for any default in said terms and conditions, including personal responsibility and liability for repayment of any and all indebtedness owed to Company arising out of the terms of this Agreement without the necessity of Company first enforcing any default against Agency.

5. AMENDMENT

5.1 Amendment. Company may amend any portion of this Agreement by giving Agency written notice of the amendment.

6. TERMINATION

- 6.1 Termination.** Notwithstanding Section 5.1 hereof, any party to this Agreement may terminate the Agreement without cause upon 30 days' written notice to the other parties. Any party may terminate this Agreement for cause at any time, without prior written notice, if the other party: (1) fails to comply with the laws or regulations of any state or other governmental agency or body having jurisdiction over the sale of insurance or securities; (2) misappropriates any money or property belonging to another party, a contract owner or policyholder; (3) subjects another party to any actual or potential liability due to misfeasance, malfeasance, or nonfeasance; (4) commits any fraud upon another party, a contract owner or policyholder; (5) has an assignment for the benefit of creditors; (6) files a voluntary petition in bankruptcy or for reorganization or is adjudicated as bankrupt or insolvent; (7) has a liquidator or trustee appointed over its affairs and such appointment shall not have been terminated and discharged within sixty (60) days of such appointment; (8) fails to reimburse the other party for monies owed or, (9) commits a material breach of this Agreement.

In the event of termination of a Agency for cause, no commission, fees or other compensation accruing on or after the date of the violation or act giving rise to termination for cause shall be paid to the Agency.

Upon termination of this Agreement, Company may, at its sole discretion, terminate Agency and/or Agent's access to Contract owner or policyholder records.

- 6.2 No Recourse.** Agency agrees that it shall have no recourse for any injury that it may suffer by reason of termination of this Agreement, and hereby waives all direct, indirect, incidental or consequential damages against Company.

7. PRIVACY AND DATA SECURITY/CONFIDENTIALITY OF INFORMATION

Confidential Information. For purposes of this Section, "Confidential Information" means any data or information regarding proprietary information, information identified as Confidential, Personal Information, or information that a reasonable business person would understand to be confidential.

Confidential Information does not include information that (i) was in the public domain prior to the date of this Agreement or subsequently came into the public domain through no fault of the receiving party or no violation of this Agreement; (ii) was lawfully received by the receiving party from a third party free of any obligation of confidence of such third party; (iii) was already in the possession of the receiving party prior to the receipt thereof directly or indirectly from the disclosing party as evidenced by written documentation, or; (iv) is subsequently and independently developed by employees, consultants, or agents of the receiving party without reference to or use of the Confidential Information disclosed under this Agreement as evidenced by written documentation.

Permitted Disclosure of Confidential Information. Any disclosure by the receiving party of any of the disclosing party's Confidential Information pursuant to applicable federal, state, or local law, regulation, or a valid order, subpoena, discovery request, or other similar judicial or administrative process issued by a court or governmental agency of competent jurisdiction (a "Legal Order") shall be subject to the terms of this Section. Before making any such disclosure, the receiving party shall, to the extent permitted by applicable laws, provide the disclosing party with:

1. prompt written notice of such requirement so that the disclosing party may seek, at its sole cost and expense, a protective order or other remedy; and
2. reasonable assistance, at the disclosing party's sole cost and expense, in opposing such disclosure or seeking a protective order or other limitations on disclosure.

If, after providing such notice and assistance as required herein, the receiving party remains subject to a Legal Order to disclose Confidential Information, the receiving party shall disclose no more than that portion of the Confidential Information which, on the advice of the receiving party's legal counsel, such Legal Order requires the receiving party to disclose and, on the disclosing party's request, shall use commercially reasonable efforts to obtain assurances from the applicable court or agency that such Confidential Information will be afforded confidential treatment.

Personal Information. For purposes of this Section, “Personal Information” means: (1) personally identifying information that is expressly defined as a regulated category of data under applicable data privacy or data protection laws; (2) any “nonpublic personal information” as defined in Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. § 6801 et seq., and the rules and regulations promulgated thereunder as they may be amended from time to time, and; (3) information that relates to an identifiable person including without limitation an individual’s Social Security number, driver’s license number, payment account number, financial account number, medical or health information, and user name or email address information when used in combination with an access code that would permit access to an online account.

Personal Information shall not include information that is not personally identifiable, (“De-identified Information”). De-identified Information may be used by Company and/or its service providers for research, product development, and for other business purposes.

Data Security and Confidentiality. The parties acknowledge and agree that, in the course of performing their obligations under this Agreement, each may receive or have access to Personal Information. Both parties agree to comply with all applicable federal and state laws, rules, and regulations related to safeguarding Personal Information and reporting security breaches involving Personal Information. Each party represents and warrants that it has implemented and maintains appropriate systems and procedures, including administrative, physical and technical safeguards reasonably designed to (i) ensure the security and confidentiality of Personal Information, (ii) to protect against any anticipated hazards or threats to the security or integrity of such Personal Information, and (iii) to protect against any unauthorized access to or use of Personal Information which could result in a substantial harm or inconvenience to the parties to this Agreement or their affiliates, or to their mutual customers. Furthermore, both parties agree that they shall: (i) keep and maintain all Confidential Information in strict confidence, using such degree of care as is appropriate to avoid unauthorized access, use, or disclosure; (ii) use and disclose Confidential Information to perform its obligations under the Agreement, and/or in accordance with its privacy notice; and (iii) limit disclosure to those authorized parties who have a need to know Confidential Information for purposes of performing services under this Agreement.

Agency acknowledges that data, including e-mail, electronic communications, and personal financial data, may be accessed by unauthorized third parties when communicated

between Agency and Company. Agency hereby agrees to use industry acceptable data security practices for transmitting data across computer networks or telecommunications facilities. In addition, Agency agrees to use a commercially available virus detection/scanning program updated with the then available latest virus definitions and signature following its routine testing procedures prior to any attempt to access Company's computing systems and/or networks. Without limiting the foregoing, Agency shall use commercially reasonable efforts to avoid the transmission of any virus from its own systems to Company's systems.

In the event that the Agency learns or has reason to believe that Personal Information provided to it by Company has been accessed or acquired by an unauthorized party compromising the security, confidentiality, or integrity of such Personal Information ("Security Breach"), the Agency shall: (a) promptly investigate the Security Breach, (b) use commercially reasonable efforts, at its own cost and expense, to remedy consumer harm done as a result of such Security Breach, and (c) notify Company of the Security Breach concurrent with notification to affected individuals, such notice to include (i) the nature of the Security Breach, (ii) the specific Personal Information involved in the Security Breach, (iii) the identity, if known, of the persons or entities who received, or are anticipated to receive Personal Information as a result of the Security Breach, and (iv) the corrective action that has been or will be taken to mitigate the harm done as a result of the Security Breach.

(a) **Security Codes.** Agency shall keep confidential any login credentials including but not limited to user names, access numbers, and passwords (collectively referred to as "Security Codes") provided to Agency by Company. Agency shall be liable for all transactions entered through the use of Security Codes. All transactions received by Company through the use of Security Codes will be deemed to have been executed by Agency. Agency shall immediately notify Company upon becoming aware of any unauthorized use, loss, or theft of Security Codes.

(b) **Company Network** means all networks or systems owned or operated by Company or on behalf of Company, including public cloud-based systems and networks, leased networks and circuits, co-located datacenter facilities, system components, and all connections and authorized accesses to such components.

(i) In the event that Agency uses accesses, or connects to the Company Network, Agency's information security program must comply with the National Institute of Standards and Technology's Framework for Improving Critical Infrastructure Cybersecurity, the International Organization for Standardization and the International Electrotechnical Commission (ISO/IEC) 27000 family of standards, or other applicable industry standards for information security.

(ii) Except as otherwise approved by Company in writing, Agency shall logically separate its access or connection to the Company Network from Agency's access or connection to any network of Agency's other customers. Agency shall only allow users who have been authorized by Company to use, access, or connect to the Company Network.

(iii) If Agency uses devices that are not provided by Company to access or connect to the Company Network, Agency shall appropriately secure such devices, including by routinely checking such devices for computer viruses or malware using up-to-date anti-virus software and anti-spyware in accordance with industry standard practices. Unless

otherwise agreed in writing by the Parties, Agency shall not use its security devices, utilities, scripts, or other hardware or software to scan the Company Network or attempt to circumvent Company's security controls.

(iv) If Agency obtains Access Codes (means the codes, including account codes, passwords, user identifications, or such other means, to control or permit access to the Company Network) to the Company Network, Agency shall keep confidential and be responsible for such Access Codes.

This Section shall survive and continue in full force and effect notwithstanding the expiration or termination of this Agreement.

8. TCPA COMPLIANCE

Agency agrees that it shall comply with all material aspects and requirements of the Telephone Consumer Protection Act ("TCPA") when conducting any telemarketing activities to consumers in connection to this Agreement. Agency agrees to maintain records of their TCPA compliance processes and procedures, including, but not limited to, records of obtaining a consumer's prior express written consent in connection with any telemarketing activities (collectively "Records"). Upon request, Agency shall promptly provide to Company a copy of these Records.

Agency agrees to defend, indemnify, and hold harmless the Company, its Affiliates, and their respective officers, directors, employees, agents, contractors, successors, and assigns, from and against any and all damages, losses, fines, penalties, costs, expenses, liabilities, and other fees (including reasonable attorneys' fees), arising from or relating to any actual, alleged, or threatened claims, demands, investigations, or causes of action related or in connection to Agency's TCPA obligations and telemarketing activities.

9. ANTI-MONEY LAUNDERING

Agency shall comply with all applicable and effective anti-money laundering (AML) laws, regulations, and rules including, but not limited to, the Bank Secrecy Act, its implementing regulations, and related rules promulgated by applicable regulators. Agency shall also comply with the laws and regulations administered by the Office of Foreign Assets Control ("OFAC"), and as communicated in the BPCG Section 12 (or as may be amended) "Anti-Money Laundering", as well as Section 6.1 "Prohibited Forms of Payments and Transfers." Agent acknowledges that Company shall rely on Agent's understanding of these provisions in discharging its responsibilities under the BPCG.

Agency shall obtain and provide complete and accurate information as required by all Contract applications, other documentation, or as requested by Company. Agency agrees to accept only specified methods of payment. These acceptable payment methods will be provided to the Agency separately and may be updated from time to time without amending the Agency Agreement.

Agency shall report to Company, without any undue delay, any unusual or suspicious activity or transaction involving customers and/or potential customers and involving the Contracts. Notice shall be made to the AML/OFAC Contact by e-mail, which may change from time to time, to the applicable e-mail stated in the Notice Section of this Agreement. The Agency shall ensure that any activity reported to Company remains confidential and

that any report submitted to Company and/or any information related to such report is not disclosed to the customer(s) involved in such report or to any third party. Providing notice to Company of any suspicious activity shall not relieve Agency of any duty it may independently have to report suspicious activities.

If any investigation arises under this Section involving Contracts, Agency agrees to fully cooperate with Company in the investigation. Agency will cooperate even if the investigation commences or continues after this Agreement is terminated. Agency further agrees to fully cooperate with Company's regular independent testing of the effectiveness of its AML program.

Agency agrees to provide initial and ongoing AML training to its Agents. If Agency provides its personnel AML training from another insurance company or from a competent third party, then Agency agrees to provide Company sufficient information to verify the adequacy of the training program.

Agency shall provide a certification, upon request, to Company regarding Agency's compliance with the requirements of this Section. Company shall provide a certification, upon request, to Agency of its compliance with AML laws, regulations and rules. Agency's obligations under this Section will continue even after the termination of this agreement.

10. INDEMNIFICATION

Company agrees to indemnify and hold Agency harmless from any and all losses, claims, damages, liabilities or expenses to which Agency may become subject under any statute, regulation, common law or otherwise, insofar as such losses, claims, damages, liabilities or expenses relate directly to the sale of the Products and arise as a direct consequence of:

- a. any material misrepresentation or omission, or alleged misrepresentation or omission, contained in the Products;
- b. any failure by Company or its employees, whether negligent or intentional, to perform the duties and discharge the obligations contemplated in this Agreement;
- c. any fraudulent, unauthorized or wrongful act or omission by Company, its employees, contractors or representatives, excluding Agents entering into Independent Agent Agreements or otherwise recruited by Agency pursuant to this Agreement; and
- d. Company's misuse, modification and/or unauthorized use of the Marks (as defined in Section 8 of this Agreement) or any claims that the Marks or materials provided to Agency by Company pursuant to this Agreement constitute an infringement of title, copyright, trademark or other intellectual property rights of a third party, or piracy, plagiarism, or unfair competition or idea misappropriation under implied or express contract or any other cause of action in any way related to the Marks or materials provided to Agency by Company pursuant to this Agreement.
- e. Any and all actions conducted on the part of Agency, its Agents or affiliated agencies resulting from a finding by any regulatory body with jurisdiction over Company that the sale of the Product was unsuitable.

Agency agrees to indemnify and hold Company, their officers, directors, employees and agents harmless from any and all losses, claims, damages, liabilities or expenses to which Company may become subject under any statute, regulation, common law or otherwise, insofar as such losses, claims, damages, liabilities or expenses relate directly to the sale of the Products and arise as a direct consequence of:

- a. any material misrepresentation or omission, or alleged misrepresentation or omission involving the sales subject to this Agreement, provided that such misrepresentations or omissions are not caused by Company;
- b. any failure by Agency, its Agents or affiliated agencies, whether negligent or intentional, to perform the duties and discharge the obligations contemplated in this Agreement;
- c. any fraudulent, unauthorized or wrongful act or omission by Agency, its Agents or affiliated agencies;
- d. Agency's misuse, modification and/or unauthorized use of the Marks or any claims that the Marks or materials provided to Company by Agency pursuant to this Agreement constitute an infringement of title, copyright, trademark or other intellectual property rights of a third party, or piracy, plagiarism, or unfair competition or idea misappropriation under implied or express contract or any other cause of action in any way related to the Marks or materials provided to Company by Agency pursuant to this Agreement; and
- e. Any and all actions conducted on the part of Agency, its Agents or affiliated agencies resulting from a finding by any regulatory agency with jurisdiction over Company that a sale of a Contract was unsuitable.

In the event that Company is compelled or agrees to pay any amount in the settlement of any claim, judgment, arbitration or similar action pursuant this Section, Agency shall reimburse Company. Company, in the alternative, may deduct the amount of such reimbursement obligation from any sales compensation subsequently payable to Agency.

No party shall indemnify the other party to the extent that the losses, claims, damages, liabilities or legal expenses incurred by the indemnified party arise out of the indemnified party's willful misfeasance, bad faith, or gross negligence in the performance of its duties, or through the reckless disregard of the indemnified party's duties, under this Agreement.

Promptly after receipt by an indemnified party of written notice of the commencement of any complaint, investigation, proceeding, or action which the indemnified party knows or reasonably, from the written notice received should know, might give rise to a right on its behalf to be indemnified, in whole or in part, pursuant to this **Section 10**, such indemnified party shall, if a claim is to be made against the indemnifying party, notify the indemnifying party in writing of the commencement thereof; but the omission to so notify the indemnifying party shall not relieve it from any liability which it may otherwise have to the indemnified party, except to the extent the indemnifying party is actually harmed by such failure or delay to so notify. The indemnified party

may, at its own expense, elect to participate in the defense or settlement of any such claim with counsel of its choice. No compromise or settlement may be committed to without the indemnified party's prior written approval (which shall not be unreasonably withheld, conditioned, or delayed).

Nothing in this Section shall preclude the parties from exercising any other rights and remedies that may be available to them at law or in equity.

11. TRADEMARK CROSS-LICENSE

In connection with the performance of this Agreement, and subject to the other provisions contained herein, Agency grants Company a limited nonexclusive, nontransferable license to use Agency's trademarks, service marks, trade names and other intellectual property related thereto (hereinafter, "Marks"); and Company grants Agency and its affiliates a nonexclusive, nontransferable license to use Company's Marks; provided that each party (i) does not create a unitary composite mark involving a Mark of the other party without the prior written approval of such other party; and (ii) displays symbols and notices clearly and sufficiently indicating the trademark status and ownership of the other party's Marks in accordance with applicable trademark law and practice. Each party must obtain the written approval of the other party prior to using the other party's Marks for any purpose other than those set forth in this Agreement.

Each party acknowledges the ownership of the other party in the Marks of the other party and agrees that all use of the other party's Marks shall inure to the benefit, and be on behalf, of the other party. Each party acknowledges that its use of the other party's Marks will not create in it, nor will it represent it has, any right, title, or interest in or to such Marks other than the licenses expressly granted herein. Each party agrees not to do anything contesting or impairing the trademark rights of the other party.

Each party agrees that the nature and quality of its products and services supplied in connection with the other party's Marks shall conform to quality standards set by the other party. Each party agrees to supply the other party, upon request, with a reasonable number of samples of any materials publicly disseminated by such party that utilizes the other party's Marks. Each party agrees to promptly notify the other party in writing of any unauthorized use of the other party's marks of which it has actual knowledge.

Each party shall comply with all applicable laws, regulations, and customs and obtain any required government approvals pertaining to the use of the other party's Marks.

Each party shall have the sole right and discretion to bring proceedings against a third party alleging infringement of its Marks or unfair competition related thereto. However, each party agrees to provide the other party with its reasonable cooperation and assistance with respect to any such infringement proceedings.

Upon termination of this Agreement, each party may retain only those marketing and other materials bearing the other party's name or Marks needed for archival and reference purposes. Neither party may make reference in new marketing materials distributed to the general public as to its prior affiliation with the other party without that party's prior consent.

Failure to adhere to the standards of this cross-licensing agreement would result in immediate and irreparable damage to the owner of the Marks, for which there would be no adequate remedy at law, and would entitle the owner of the Marks to preliminary and injunctive relief in addition to all other available remedies in equity or law.

12. MISCELLANEOUS

- 12.1 Assignment.** This Agreement shall be binding upon the parties and their respective successors and assigns. Agency may not assign or pledge any rights under this Agreement without the prior written consent of Company.
- 12.2 Entire Agreement.** This Agreement (including Amendments, Exhibits, Addendums, and Compensation Schedules) constitutes the entire agreement among the parties and supersedes all prior agreements, understandings and arrangements, oral and written, among the parties with respect to the subject matter hereof.
- 12.3 Notice.** Except as provided in Section 1.4, communications sent pursuant to provisions of this Agreement shall be in writing, shall be delivered personally or sent by U.S. mail, or commercial courier and shall be deemed given upon mailing. However, any notice of change of address shall be deemed given only upon receipt by the party to be notified.

If to Company:

Nationwide Life Insurance Company
or Nationwide Life and Annuity Insurance Company
Attn: NF Licensing, Registrations & Commissions,
Associate Vice President
1000 Yard Street, GH-3B-LCO1
Grandview Heights, OH 43212

If to Company (AML or OFAC reporting only):

Nationwide Life Insurance Company
and/or Nationwide Life and Annuity Insurance Company
Attn: Office of Compliance, FCSC 3-11-307
One Nationwide Plaza
Columbus, OH 43215
Phone: 1-877-406-4747
E-mail (if OFAC): OFAC@nationwide.com
E-mail (if AML): AMLReview@nationwide.com

or to such other address as Company may from time to time designate by written notice to Agency.

If to Agency: At the address set forth on the signature page hereto or to such other address as Agency may from time to time designate by written notice to Company.

- 12.4 Notice of Legal Proceedings.** Agency shall promptly transmit to the home office of Company, by certified mail, any paper or other documents served upon or delivered to Agency or upon or to any of its respective directors, officers, employees, agents, or

representatives in connection with any proceedings against or involving in any way Company or any of its directors, officers, employees, agents, or representatives.

- 12.5 Waiver of Agreement.** The forbearance or neglect of Company or Agency to insist upon strict compliance by a party with any of the provisions of this Agreement, whether continuing or not, or to declare a forfeiture of termination against that party, shall not be construed as a waiver of any of the rights or privileges of the parties. No waiver of any right or privilege of Company or Agency arising from any default or failure of performance by a party shall affect the rights or privileges of the other parties in the event of a further default or failure of performance.
- 12.6 Enforceability.** In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired.
- 12.7 Survival of Provisions.** The following provisions shall survive termination of the Agreement: 2.7, 2.10, 2.11, 2.12, 3.1, 3.2, 4.6, 4.7, 4.10, 4.11, 4.12, 4.13, 6.2, 7, 9, and 11.
- 12.8 Laws of Ohio.** This Agreement shall be governed and construed in accordance with the laws of the State of Ohio.
- 12.9 Further Assurances.** The parties agree to execute and deliver, or cause to be executed and delivered, such other instruments, documents and undertakings as may reasonably be necessary to assure compliance with the terms of this Agreement.
- 12.10 Power and Authority.** Agency has full power and authority to enter into and perform this Agreement, and the person(s) signing this Agreement on behalf of Agency has been properly authorized and empowered to do so. Each party acknowledges that it has read this Agreement, understands it and agrees to be bound by its terms.
- 12.11 Paragraph Headings.** The paragraph headings are for reference purposes only and shall not be deemed to be a part of this Agreement or to affect the meaning or interpretation of this Agreement.
- 12.12 Counterparts.** This Agreement may be executed in two or more counterparts. All counterparts shall collectively constitute a single instrument. The parties may execute and exchange email counterparts of the signature page, and these email signatures shall be binding as original signatures.
- 12.13 Construction of Agreement.** Neither of the parties hereto or their respective counsel shall be deemed to have drafted this Agreement for purposes of construing the terms hereof. The language in all parts of this Agreement shall in all cases be construed according to its fair meaning, and not strictly for or against any party hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the effective date set forth below.

NATIONWIDE LIFE INSURANCE COMPANY
NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

By: _____
Associate Vice President

AGENCY NAME

Printed Name of Signor: _____

Authorized Signature: _____

Title: _____

Effective Date: _____

Name of AGENCY: _____

State of Incorporation: _____

Street Address:

Telephone: _____

Email: _____

Business Practices and Compliance Guide



Nationwide Life Insurance Company Nationwide Life and Annuity Insurance Company Jefferson National Life Insurance Company Jefferson National Life Insurance Company of New York

Updated March 2021

For Financial Professional Use Only

The rules, policies and procedures of this Guide apply only to the sale, solicitation and negotiation of Nationwide's life insurance and annuity products. For the purposes of this guide it includes products and services offered by Nationwide Life Insurance Company, Nationwide Life and Annuity Insurance Company, Jefferson National Life Insurance Company and Jefferson National Life Insurance Company of New York, collectively referred to as "Nationwide".

This Guide is not a contract and is not intended to create any contractual rights in favor of the Financial Professional or Nationwide. The Guide does not alter the current relationships between the Agent and Nationwide. Furthermore, Nationwide reserves the right to change, alter or amend any portion of this Guide at its discretion at any time.

The following content has been updated in this version of the Guide:

Updated Table of Contents

Section 3 – Licensing and Appointments – new subsection (d) was added for Background Issues and Appointment Concerns

Section 3.1 – Errors and Omissions Insurance – clarifying language was added regarding the amount of E&O insurance coverage required that states:

The amount of coverage must be consistent with reasonable commercial standards and proof of coverage must be provided upon request.

Section 7.3 – Prohibited Practices – the definition of Twisting has been modified:

*Twisting – the act of inducing or attempting to induce a policy owner to drop an existing life **insurance** policy and to take another policy that is substantially the same kind by using misrepresentations or incomplete comparisons of the advantages and disadvantages of the two policies for the purpose of inducing, or tending to induce, any person to lapse, forfeit, surrender, terminate, retain, pledge, assign, borrow on or convert any insurance policy or to take out a policy of insurance with another insurer.*

Section 10 Prohibited Activities section – content has been modified to include:

(k) – Failure to Furnish Information (added clarifying language):

Additionally, failure to furnish information or provide a response to Nationwide Compliance inquiries is also prohibited

(s) – Product Specific Incentive Programs and Sales Contests (added policy):

Incentive programs, sales contests, bonuses, sales quotas, and cash and non-cash compensation based on the sale of specific insurance products with a limited time period are prohibited.

(aa) – Twisting – as noted above in Section 7.3 – definition was modified

Section 11 – Nationwide Due Diligence & Sales Conduct Committee (DDC) – this is a new section

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- Section 12** **Anti-Money Laundering**
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1. Definitions

Agent of Record – the Financial Professional currently listed on the life insurance or annuity contract and/or authorized to service the contract

Applicant – an individual applying for an insurance product

Business Associate Agreement – the agreement between Nationwide and the Financial Professional that is required when selling a long-term care insurance contract with some of its life insurance products (e.g., CareMatters)

Client – an existing customer of a Financial Professional

Consumer – a broad term to describe an individual that may be an insurance prospect, an applicant for an insurance product, or an existing contract owner or policy owner of Nationwide or another insurance company

Contract Owner – the owner of an annuity contract issued by Nationwide

Financial Professional – Financial Professional is used broadly and includes a general agent and/or a licensed Insurance agent

Insurance Product(s) – an unregistered (a.k.a. fixed) annuity contract and/or life insurance policy

Jefferson National Life Companies – Jefferson National Life Insurance Company and Jefferson National Life Insurance Company of New York, or their successors and assigns

Nationwide Life Companies – Nationwide Life Insurance Company and Nationwide Life and Annuity Insurance Company, or their successors and assigns

Nationwide[®] – refers broadly to Nationwide the organization and not any particular underwriting company

Policy Owner – the owner of a life insurance policy issued by Nationwide

Rules and Regulations – state and federal insurance laws, rules and regulations that are applicable to insurance activities

Selling Agreement – the Master Distributor Agreement, Master Sub-Distributor Agreement, Marketing Agreement, General Agent Agreement or Independent Agent Agreement between the Nationwide and the Insurance / Financial Professional

2. Overview and Purpose

The objective of this Business Practices and Compliance Guide (collectively referred to as the “guide”) is to establish policies designed to achieve compliance with state and federal rules and regulations and to detect and prevent violations of those rules and regulations and the internal policies and procedures of Nationwide Life Insurance Company, Nationwide Life and Annuity Insurance Company, , Jefferson National Life Insurance Company and Jefferson National Life Insurance Company of New York, collectively referred to as “Nationwide”.

The policies and procedures in this guide govern the activities of Financial Professionals. All Financial Professionals are required to comply with the policies and procedures set forth in this guide, state laws, rules and regulations, and any other applicable Nationwide policies and procedures.

This guide is not to be construed as inclusive of all laws, rules, regulations, and policies of the various regulatory agencies, but rather as a guide to conduct daily insurance business. This guide does not replace, or supersede, any language contained in the Selling Agreement. Additionally, if the Financial Professional maintains a securities license, it is the responsibility of the Financial Professional to also follow the policies and procedures set forth by his/her member firm.

Nationwide's commitment to compliance with applicable laws, rules, regulations and our policies and procedures begins with Financial Professionals who are committed to observing high standards of behavior. Nationwide expects quality life insurance business with excellent persistency from the Financial Professionals who sell Nationwide's products. This can be achieved by soliciting business in a professional and ethical manner, by providing consumers with an assessment of the need for Nationwide products and by timely servicing contract or policy owners.

When necessary, Nationwide may publish revisions to this guide by issuing a Compliance Bulletin. All Financial Professionals who receive a communication from Nationwide must review the document and comply with any revisions to the guide. Information regarding any updates or policy changes can be found at nationwidefinancial.com in Sales and Service Center under the Advisor Support Services section of the website. Failure to comply with changes to policies and procedures communicated in Compliance Bulletins is prohibited and may result in disciplinary action, up to and including the cancellation/termination of the Financial Professional's appointment and contract with Nationwide. You can access this guide at any time online at nationwidefinancial.com.

3. Licensing and Appointments

Soliciting or conducting insurance business includes speaking generally about a company or product, providing quotes and/or proposals and illustrations, taking applications and receiving premium payments, or explaining policy provisions to an applicant or consumer.

In order to solicit insurance business, including receiving subsequent premium payments from contract or policy owners to fund existing contracts or policies, Financial Professionals must be:

- Licensed in the state where solicitation occurs
- Licensed in the state where the application is completed and executed
- Licensed in the consumer's resident state even if the Financial Professional does not reside there
- Licensed in the state where the Trust is domiciled
- Appointed with the applicable Nationwide company

Financial Professionals may not meet with prospective clients to discuss Nationwide products or services prior to being appointed by the Company. Additionally, the Financial Professional may not discuss our products or services even if attending a meeting with a properly licensed and appointed Financial Professional.

NOTE – If a Financial Professional is not properly licensed and appointed with Nationwide, commissions on the sale of insurance products cannot be paid to the Financial Professional.

a. Licensing Requirements

Rules and regulations require that Financial Professionals have a valid state insurance license, and be properly appointed with an insurance company, to offer, market, sell, and distribute, insurance business in a state and receive a commission either directly or indirectly from that sale. If a Financial Professional is in the business of advising clients on replacing any securities or variable products, Nationwide requires that Financial Professionals have the appropriate securities license. Nationwide reserves the right to request that the Financial Professional provide additional information and existing account documentation to validate the recommendation to purchase Nationwide life and annuity products.

Each state issues its own insurance licenses, which are valid only in that state for specified line(s) of business, such as life, accident and health, variable contracts, and long-term care insurance. States typically require Financial Professionals to successfully complete pre-licensing requirements, pass a state insurance licensing exam, complete a license application, and receive the physical license from the state before soliciting.

b. Maintaining a License

Financial Professionals must maintain a valid insurance license in their resident state. To solicit insurance business outside of the Financial Professional's resident licensed state, Insurance

Professionals must also possess the appropriate non-resident license(s). Financial Professionals must renew their resident and non-resident licenses periodically as required by each state's regulations.

It is the Financial Professional's responsibility to ensure that he/she takes all necessary action to obtain and keep the license effective. Financial Professionals must complete any state required continuing education to keep their license active. Financial Professionals are responsible for knowing, understanding, and complying with the applicable rules and regulations of the state in which he/she does business.

Financial Professionals shall not solicit the purchase of an annuity or insurance product unless the Financial Professional has the appropriate license, adequate knowledge of the product to recommend the annuity or insurance product and the Financial Professional is in compliance with Nationwide's standards.

c. Appointment and Notification Requirements

An appointment is an authorization given by an insurance company to a Financial Professional to represent that company for a particular line of business in a specific state. These authorizations are usually filed with the state department of insurance. Therefore, each insurance company, in each state where the Financial Professional solicits business must generally appoint the Financial Professional. Appointments through previous employers/entities are no longer valid once a Financial Professional terminates the relationship. Financial Professionals must obtain new appointments through Nationwide.

Financial Professionals must be licensed to sell insurance products offered by Nationwide. Financial Professionals who do not have an existing state license will be directed to procure the state license before completing any pre-appointment paperwork.

Upon request for appointment, the Financial Professional must complete a Background Check, so Nationwide can ascertain his or her good character, business qualifications, and experience.

Nationwide, at its sole discretion, may choose to accept or deny any appointment request.

d. Background Issues and Appointment Concerns

Prior to appointment, Nationwide may identify concerns with financial Professionals who have disclosures or regulatory actions or events which may warrant review by the Nationwide Due Diligence and Sales Conduct Committee. Some of the specific concerns are noted below:

- History of customer complaints / litigation / arbitration;
- Disciplinary actions taken by federal or state regulators;
- Disciplinary histories or actions issued by regulatory agencies, including but not limited to the SEC, FINRA, state insurance departments or state securities departments;
- Any criminal history in which the agent was charged or convicted of a felony, or a misdemeanor when such misconduct is related to the activity involving the financial services industry;

3.1. Errors and Omissions Insurance

Financial Professionals shall maintain sufficient fidelity bond coverage (including coverage for larceny and embezzlement) and errors and omissions insurance coverage as may be required under applicable law. The amount of coverage must be consistent with reasonable commercial standards and proof of coverage must be provided upon request.

3.2. Contracting

Financial Professionals must have the proper authority to execute a Selling Agreement as well as have the necessary contractual agreements in place to receive payment for the sale of any insurance product. To receive any compensation, the Financial Professional must be licensed and appointed with the applicable Nationwide company in the policy issue state at the time of policy issue.

A Financial Professional's authority shall not extend further than stated in the executed Selling Agreement, nor shall the Financial Professional:

1. Create, waive, or change any question, statement, or answer on any application during the appointment process, the Selling Agreement, any application for an insurance product, the terms of any receipt given thereon, or the terms of any policy or contract
2. Extend or waive any provision of any policy or the time for payment or premiums
3. Deliver any policy unless the health of the insured or annuitant is substantially unchanged from the date of the application
4. Incur any debts or liability for or against Nationwide
5. Receive any money for Nationwide except premiums as authorized in the Selling Agreement
6. Misrepresent, or fail to disclose accurately, the terms or nature of the insurance products offered by Nationwide
7. Solicit business in a state where the policy is not approved for sale
8. Violate any published policy of Nationwide regarding viatical sales

3.3. Recruiting

A general agent may recommend duly licensed Financial Professionals to solicit insurance products offered by Nationwide, and Nationwide, at its sole discretion, may choose to approve or deny any appointment request. Nationwide may terminate a relationship with a Financial Professional at any time and for any reason.

3.4. Termination

Any party to the Selling Agreement may terminate the Selling Agreement in accordance with the terms of the Selling Agreement.

Financial Professionals must immediately notify a licensing representative of Nationwide in writing when voluntarily terminating his/her association with Nationwide. Upon receipt of notification, Nationwide will promptly terminate the Financial Professional's appointment(s).

Prohibited conduct, as outlined in Section 10 of this guide, by a Financial Professional may result in Nationwide terminating the Selling Agreement, submitting a termination for cause recommendation to a state department of insurance, reporting the conduct to a state and/or federal agency governing insurance, initiating legal action, and/or rescinding an existing annuity contract or life insurance policy.

a. Termination for Cause

The Selling Agreement with Nationwide provides full details regarding automatic termination of the Selling Agreement or the ability for any involved party to terminate the Selling Agreement with cause. Any conduct by a Financial Professional that Nationwide identifies as warranting termination for cause will be decided by Nationwide. Additionally, Nationwide will refer to each individual state Statute to determine when termination for cause is applicable.

4. Professional Designations

Financial Professionals must comply with the applicable state laws and regulations regarding professional designations in the state(s) in which the Financial Professional is licensed. Financial Professionals who have satisfied designation requirements and are current with the designations' continuing requirements may utilize professional designations. The Financial Professional may not use professional designations in a false or misleading manner. If the Financial Professional uses a professional designation in violation of a state regulation, the Financial Professional may be subject to disciplinary action by Nationwide including, but not limited to, termination of the Selling Agreement.

5. Marketing and Solicitation

a. Marketing, Advertising, and Communication

To maintain the highest level of trust and integrity, it is imperative that all sales efforts are conducted with the highest ethical standard and deal fairly with the public. Financial Professionals must represent completely and truthfully the terms, conditions, features, benefits, costs, charges, and risks associated with the insurance products offered by Nationwide. Financial Professionals are prohibited from making false, exaggerated, or misleading statements. To ensure communications are not misleading, the following guidelines should be followed:

- Statements must not be misleading within the context which they are made
- Consider the nature of the audience to which the communication is directed
- Communications must be clear and must not contain material omissions
- Communications must provide an accurate and complete presentation of tax implications or investments characterized as tax-free or tax-exempt, including disclosure of any applicable fees
- Any marketing or advertising used to solicit insurance products must be provided by Nationwide or approved by Nationwide prior to use

Financial Professionals may only use the marketing, advertising, and sales literature that has been provided by Nationwide and approved. Any marketing, advertising, and sales literature, including but not limited to internet websites and/or social media outlets, which refer to Nationwide or any insurance product offered through Nationwide must be submitted for written approval prior to its use. To obtain approval, the Financial Professional should contact the Brokerage General Agency (BGA), Independent Marketing Organization (IMO) or agency whom he/she is affiliated with.

Distributing (or in any way sharing) internal materials to consumers, including materials marked “for internal use only,” “for Broker-Dealer use only,” “for Insurance Professional use only”, “Financial Professional use only,” or similar forms is prohibited.

Financial Professionals do not have the authority to use, alter, amend or remove any trade name, brand, trademark or service mark of Nationwide or any affiliate (collectively referred to as “trademarks”) from any product or other property of Nationwide without prior written approval.

Financial Professionals may not use any property of Nationwide or any affiliate, including but not limited to trademarks, policy forms, applications, marketing materials, records, manuals, or supplies after termination of the Selling Agreement.

b. Foreign Language Marketing Materials

Creating, using, or translating any foreign language marketing, advertising, sales literature, correspondence or electronic communications in association with the solicitation, sale or servicing of insurance products offered by Nationwide is prohibited.

Unless provided by Nationwide, all written communications with the public must be in the English language.

Financial Professionals should refer to the Life Underwriting Requirements Guide for the procedure to follow when he/she is not multi-lingual and is writing the occasional application on a non-English speaking applicant and the assistance of an interpreter is necessary.

5.1. Solicitation

Financial Professionals may only solicit applications for the insurance products offered by Nationwide in those states in which such products are approved and they are licensed to do so. Financial Professionals should contact their Brokerage General Agency (BGA), Independent Marketing Organization (IMO) or agency whom he/she is affiliated with to inquire about insurance products approved in their state.

Financial Professionals must have the appropriate credentials (insurance licenses and/or appointment in every state in which insurance business is solicited, as described in Section 3 of this guide). These credentials include the completion of any training that is required to maintain the license(s) and appointment(s). Individuals not appointed or licensed with Nationwide are prohibited from soliciting clients on behalf of a Financial Professional. Nationwide deems that insurance solicitation occurs when a specific insurance product is discussed:

- In a presentation
- In person
- During a telephone conversation
- In an e-mail message or text message
- In documents mailed to consumers
- In any marketing or advertising message
- In any other form of communication
- Any social medial format

In addition, Nationwide requires that Financial Professionals have a license in the consumer's resident state even if the Financial Professional does not reside there. Under no condition can an application be electronically signed outside of the state listed on the application. This includes situations in which the client may be traveling or residing in another state or country.

a. Selling to Seniors

With the aging U.S. population, it is increasingly important for a Financial Professional to make sure an annuity or life insurance sale is appropriate using due diligence and needs assessment practices as well as incorporating additional factors including, but not limited to the following:

- Can the consumer afford to pay the premiums on the policy for as long as the premiums are due?
- Is the consumer currently employed? If so, for how much longer?
- What are the consumer's primary expenses?

- Is the consumer living on a fixed income? Does the consumer anticipate doing so in the future?
- How important is the liquidity of income generating assets to the consumer?
- What type of health care insurance does the consumer have? Will the consumer be relying on investment assets for anticipated and unanticipated health costs?

Additionally, financial exploitation of elders and vulnerable adults is a rising concern. Financial exploitation and abuse mean “improper use of an adult’s funds, property or resources by another individual, including fraud, false pretenses, embezzlement, conspiracy, forgery, falsifying records, coerced property transfers or denial of access to assets.” This includes but is not limited to:

- Unusual financial decisions/banking activity by an elderly customer or caregiver
- Excessive interest in the elder’s finances by a caregiver or another individual
- An Elderly customer exhibiting fear in the presence of a caregiver or another individual

It is important to report any unusual or suspicious activity where financial exploitation or abuse includes consumers and/or potential consumers involving Nationwide products. Suspected financial exploitation should be reported to the Office of Anti-Money Laundering Compliance at 1-877-406-4747, by email at BDRQST@nationwide.com or by live mail to the Office of Compliance, FCSC 3-11-307.

It is the Financial Professional’s responsibility, if using a professional designation, to make sure the designation is approved in the state where the Financial Professional is licensed and be familiar with any words or phrases that should be avoided.

While seminars may be used as a legitimate marketing tool, there has been a growing regulatory concern about the increase of seminars targeting senior citizens. It is the Financial Professional’s responsibility to make sure any seminar is positioned appropriately with full transparency regarding the purpose of the event and that the marketing and sales tactics are ethical and compliant.

Financial Professionals should be aware of the impact a consumer’s diminished capacity (i.e., the decline of a consumer’s physical and cognitive functionality) can have on his/her ability to make financial decisions. Some practices to keep in mind are, but not limited to the following:

- Consulting with appropriate Professionals to prepare documents (e.g., Will, Power of Attorney, Health Care Proxy, Living Will).
- Designate a secondary or emergency contact for the account.
- Invite a friend or family member to accompany the consumer to appointments.

5.2. Record Keeping

It is the responsibility of the Financial Professional to maintain complete and accurate books, files, and records (collectively referred to as “records”). Nationwide has the right to examine, inspect, and copy these records. The records shall be (1) maintained by the Financial Professional, as

prescribed by all the states in which he/she does business or (2) delivered to the Nationwide for safe keeping.

If a Financial Professional's firm conducts suitability, it is the responsibility of the Financial Professional to follow their Firm's policies and procedures, including the Books and Records requirements. It is important to understand that Regulators can request this information from a Financial Professional as part of a complaint or regulatory inquiry.

The Financial Professional shall cooperate and use its best efforts to provide such records as Nationwide may require in connection with the Selling Agreement, as the result of a consumer complaint, or as the result of a regulatory examination or inquiry, civil litigation, and or arbitration.

a. Record Retention

Financial Professionals are required to retain all sales documentation used in making the recommendation, and anything else that may assist in supporting ANY recommendation to protect the Financial Professional from potential customer complaint or regulatory scrutiny. This includes but is not limited to:

- Training Completion Certifications
- Customer Profile/Need Analysis
- Product Comparisons
- Signed Carrier Application
- Signed Suitability Form
- Signed Illustrations
- Sales material
- Personal notes including steps taken and analysis performed leading up to the recommendation
- Any required post issue documents such as delivery receipts

It is important to maintain and make available upon request to the Company a record of client information collected and whether the client elected to purchase a life insurance policy or annuity contract. Certain documents should always be maintained:

- Original sales proposals;
- A copy of any needs' analysis completed during the solicitation;
- A copy of any sales material and advertisements used during the sales process;
- Suitability information provided by the applicant and the basis for the Financial Professional's recommendation;
- Any written correspondence to or from the applicants/contract owners regarding the solicitations, issuance of the contract or subsequent service of the contract;
- Documentation of phone calls to or from the applicants/contract owners addressing the above issues;
- Notes from meetings with the applicants/contract owners; and
- A copy of the signed delivery receipt (if applicable)

For each sales transaction in New York in which a Financial Professional submits a new business application, the following must be completed:

- Customer Profile/Need Analysis
- Product Comparisons
- Signed Carrier Application
- Signed Suitability & Best Interest Form

For each transaction in which a Financial Professional interacts with a client, the Financial Professional should document the type of interaction:

- New recommendation
- Post issue recommendation
- No recommendation made
- Client decision made against the producer recommendation

Where applicable, the Financial Professional's file must also contain evidence that the client was informed of the following:

- The basis for each recommendation
- Product advantages/disadvantages and non-guaranteed elements
- How compensation is paid for the sale and servicing of the annuity contract or life policy
- Any impact of replacing an existing product

For each transaction the Financial Professional must provide the client with:

- Applicable disclosures.
- Carrier product summary or guide
- Fee/commission-based disclosure (if applicable)
- Disclosure of product limitations (if applicable)
- NY Reg. 194 compensation disclosure
- NY Reg 60 paperwork for Replacements (if applicable)

State regulations vary regarding the length of time that client files are to be maintained. However, a general rule of thumb is to maintain all active client files indefinitely and all inactive client files for seven (7) years. Records should be maintained in accordance with prudent record keeping practices and in compliance with all federal and state privacy and security standards.

If the Financial Professional maintains a securities license, it is the responsibility of the Financial Professional to ensure the Books and Records requirements of his/her member firm are being followed.

6. New Business Submission

When engaging in a financial transaction on behalf of Nationwide, it is important to properly identify your client. During the application process, you are expected to collect the following information:

- Name
- Date of birth
- Address
- Identification number (acceptable documentation):
 - U.S. Citizen: social security number, employer identification number, or valid driver's license number.
 - Non-U.S. Citizen: taxpayer identification number; passport number and country of issuance; alien identification card number; or government-issued identification showing nationality, residence and a photograph.
 - Corporation, partnership, trust, or other legal entity: employer identification number, government-issued business license, a partnership agreement, or trust agreement.

Financial Professionals will find all the necessary information to underwrite a life insurance case in the Life Underwriting Requirements Guide. Financial Professionals shall promptly forward to Nationwide all applications received in connection with the insurance products offered by Nationwide, regardless of the results of any medical examination. Nationwide, in its sole discretion, may reject or require the amendment of any application for insurance.

Any new application forms or checks not transmitted by the end of the day must be stored in a locked and secure location.

Consumers may pay for new purchases by submitting a personal check drawn on the account of the appropriate party (i.e., the beneficial owner of the insurance product) from a U.S. bank or other acceptable financial institution. Checks should be made payable to Nationwide as indicated on the application. Additionally, credit card payments (both debit and traditional credit cards) will be accepted on an exception basis for fixed life insurance products offered by Nationwide.

Upon collection of premium the Financial Professional must:

- Transmit to Nationwide, within two business days of receipt, applications for a product and all amounts received for or on behalf of Nationwide
- Pay all premiums to Nationwide without offset or deduction
- Be responsible for instructing any associated person to remit the entire premium to Nationwide immediately upon receipt thereof, together with all applications and related information

When soliciting, submitting, or servicing insurance business, Financial Professionals:

- Must provide all information to which a consumer is entitled
- Must disclose to the client and Nationwide all potential and actual conflicts of interest when dealing with consumers. Furthermore, business or personal relationships with other professionals such as doctors, lawyers, tax professionals, etc. could potentially constitute a conflict of interest when these individuals are involved in the recommendation or sale of a contract or policy.

- May not engage in a fraudulent act or misrepresent contract/policy benefits, provisions, illustrations, or premiums
- May not misrepresent, or fail to disclose accurately, the terms or nature of any product or service offered by Nationwide or any affiliate, make or modify products on behalf of Nationwide or any affiliate, or waive any rights or requirements of Nationwide or any affiliate
- Must provide accurate quotations on premiums and interest rates for the proposed products. When required by product type, a complete, accurate, signed policy illustration or life insurance preliminary information (New York only) must be provided to Nationwide and maintained in the Financial Professional's client file
- Must use their own individual email address for signing electronic applications
- Are prohibited from warranting or guaranteeing the future value or price of any insurance product, or indicating that any company, sponsor or issuer will meet its promises, predictions or obligations
- May not pay the premium for any policy owner which is not for their own policy or that of an immediate family member
- May not directly or indirectly rebate any portion of the premium to the annuitant/insured or to any other party
- May not induce or attempt to induce any contract/policy owner of Nationwide or any affiliate to relinquish, surrender, replace or lapse their contract/policy
- May not intentionally omit answers to questions on applications or answer "no" to medical questions on applications without specifically asking the consumer
- May not accept risks, determine insurability, or bind Nationwide or any affiliate in any way
- May not endorse, cash or deposit any check or draft made payable to Nationwide or any affiliate
- May not accept or deposit any check or draft for premiums made payable to any person or entity other than Nationwide
- May not extend or waive any provision of any contract/policy, extend or waive the time for payment of premiums, or accept the payment of past due premium
- May not settle any claim or claims related to the products offered by Nationwide and must immediately forward any notice of claim received to Nationwide's administrative office
- May not perform any acts or exercise any authority on behalf of Nationwide or any affiliate other than as expressly authorized in the Selling Agreement, without prior written consent
- May not incur any indebtedness on behalf of Nationwide or any affiliate
- May not open any bank account or trust account on behalf of, for the benefit of, or containing the name of Nationwide or any affiliate
- May not list himself/herself as the beneficiary or a third-party payor as the primary contact on a contract or policy. This includes but is not limited to mailing address, phone number and email address
- May not commence any suit or action before any court or authority relating to any of the products offered by Nationwide
- May not directly or indirectly cause or attempt to cause any employee, agent or representative of Nationwide or any affiliate to terminate or alter his or her association with Nationwide or such affiliate
- May not, accept risks or contracts that bind Nationwide in any way, or initiate or respond to legal proceedings in the name of Nationwide.

6.1. Prohibited Forms of Payment and Transfers

Federal law requires reporting to FinCEN of all accumulated deposits of cash or currency in excess of \$10,000, or any transaction deemed suspicious. Financial Professionals should be aware of any situation involving multiple checks or money orders for any amount, especially those in amounts less than \$10,000, which, in the aggregate, would exceed \$10,000. A Financial Professional who becomes aware that the currency reporting requirements are being violated, or that anyone is assisting in evading such requirements, must report that information immediately by contacting the office of Financial Crimes and Sanction Compliance at 1-877-406-4747, by email at BDRQST@nationwide.com or by live mail to the Office of Compliance, FCSC 3-11-307.

Payment must be in U.S. funds drawn on a U.S. branch of the bank or financial institution. Foreign checks/currencies, or wires and ACH initiated from a foreign bank branch are not acceptable. Helping a customer structure a transaction to avoid reporting requirements is illegal and strictly forbidden. It is Nationwide's policy NOT to accept the following forms of payment:

- Cash or currency of any kind (including Bitcoin or any form of cryptocurrency/cybercurrency)
- More than two (2) money orders per policy billing period or annuity contract
- Checks made payable to the Financial Professional or the Financial Professional's "doing business as" name
- Checks drawn from the Financial Professional's account or any account over which the Financial Professional has control
- Starter checks –. Starter checks to fund a life insurance policy or annuity contract, the exception being starter checks used to repay overpayments by Nationwide. A starter check is a check without the preprinted name of the Applicant/Owner/Payee.
- Personal checks without a wet signature – digital signature or rubber stamp is not acceptable
 - Third-party checks* – (e.g., a check that is endorsed by one person (payee) to another person who becomes the holder and from which they can claim money)
- Checks, wires or ACH originating from non-U.S. banks or a U.S. branch of a foreign bank
- Checks from a business account to fund a personal account, with the exception of a check from an employer to fund a retirement contribution for an employee
- Endorsed checks** – a check that has been signed prior to receipt or is noted to be "For Deposit Only"
- Credit Card for annuities and variable insurance products

Exceptions to the policy are listed below:

*Third-party checks:

- Payment is from the owner/applicant/immediate family member

- Check is payable to the owner/applicant directly – rollover checks should be payable to “Nationwide FBO: Owner/Applicant
- A check from a Revocable Living Trust funding an individually owned contract/policy. The Grantor of the Trust must be the owner of the contract/policy.

****Endorsed checks:**

- The check is issued to a Trust from the annuitant/insured

6.2. Replacements

Insurance products are sometimes purchased with the proceeds from the sale or redemption of a previously purchased product. This practice is commonly known in the industry as a “replacement.” Financial Professionals may not recommend a replacement unless it will result in a benefit to the consumer. Factors to consider include, but are not limited to, affordability, insurability, sales charges and tax consequences, product features and general annuity contract death and annuity income benefits.

When a transaction involves a replacement, the Financial Professional must make full and complete disclosure to the consumer regarding the product being purchased and the product being replaced. The consumer must be provided with the necessary information to analyze not only the advantages of the proposed new product, but also to analyze the disadvantages of replacing the existing product. Specifically, if the Financial Professional is recommending an immediate annuity to replace a deferred annuity, the Financial Professional must understand and illustrate to the consumer, the annuity income benefits contained in the consumer’s deferred annuity that is the subject of replacement.

Financial Professionals are expected to be familiar with the rules and regulations regarding replacement in the state(s) he/she is licensed. When a replacement is deemed appropriate, Nationwide expects the Financial Professional to submit all required replacement documentation.

Upon discovery of questionable replacement activity, Nationwide may forward a letter to existing contract/policy owners alerting them that charges may be assessed upon surrendering their insurance product. As circumstances warrant, Nationwide may pursue additional action against a Financial Professional for potential violations of the Selling Agreement or by alerting the affiliated or unaffiliated company of the Financial Professional’s replacement activities.

Compensation arising in connection with any product that replaces an existing contract or policy issued by Nationwide or any affiliate thereof shall be subject to replacement rules of Nationwide. In certain instances, Nationwide will not pay compensation on replacements.

6.3. International Underwriting Guidelines

Nationwide is committed to being the best at helping Americans prepare for and live in retirement. This goal extends to citizens of other countries who are residents of the United States.

The insurance products offered by Nationwide are priced based on mortality experience, cultural factors, medical care, geography, demographic factors and other relevant assumptions for U.S. citizens living in the United States. Life exposure risks in other parts of the world may be different. Consequently, foreign nationals and resident aliens may present risk profiles not assumed in pricing.

If a foreign national has been identified, we will require additional documentation to verify their connection to the U.S. and that they have U.S. based income assets before the application can be approved. This documentation may include:

- Copy of permanent resident card/green card or acceptable VISA proving U.S. residence
- Copy of SSN or TIN card
- Valid government issued photo ID (passport or counselor ID)
- Documented earned U.S. income
- Proof of U.S. property ownership
- Proof of assets in a U.S. Bank (U.S. branch of a foreign bank is not acceptable)

6.4. Non-Resident (Cross Border) Sales

Non-Resident Sales

A non-resident sale occurs when an applicant who is a resident of one state applies for a life insurance policy or annuity contract in another state. Each state has jurisdiction and regulations governing insurance product approvals, insurance producer licensing, and solicitation to purchase insurance products. Financial Professionals who knowingly solicit the purchase of an insurance policy or annuity contract in a state where the product is not approved or where the Financial Professional is not appropriately licensed can be subject to fines and sanctions by that state.

It is important to understand that state insurance departments do not tolerate Financial Professionals who deliberately “bend the rules” to sell products to consumers living outside their state of resident. Be familiar with your state’s requirements before solicitation and follow Nationwide’s Compliance Requirements to avoid delays within the application process.

Fundamental Requirements

Nationwide recognizes the state where the customer’s application is signed to be the life insurance policy’s or annuity contract’s issue state.

The issue state determines the Financial Professional’s licensing and appointment requirements, product availability, the appropriate application, and any applicable sales and/or disclosure forms including the approved marketing materials and/or sales illustration.

If a non-resident sale should occur, it is anticipated that the Financial Professional:

- is aware and has represented the applicable Nationwide company which holds the appropriate Certificate of Authority to transact insurance business in the issue state and that the life insurance policy or annuity contract, benefit riders, application, and any supplemental application forms are approved in the issue state.
- is licensed and appointed in the issue state of the life insurance policy or annuity contract and the state in which any aspect of the sales process may occur.
- has established that an appropriate nexus exists between the applicant's resident state and the issue state.
- will make every effort to deliver the life insurance policy or annuity contract in the state of issue.

Nationwide Compliance Requirements

The Financial Professional must advise the applicant of any differences between the product as approved in the applicant state of residence and the product as approved in the state of solicitation, issue and delivery.

Additionally, there must be a reasonable connection between the applicant and the state where the insurance policy or annuity contract is being applied for, unless all aspects of the sale took place in the insurance producer's primary office location.

Nationwide requires a signed acknowledgement from the producer and the applicant that these terms have been met.

6.5 Life Insurance Illustrations

The NAIC Life Insurance Illustration Model Regulation defines an illustration as a presentation or depiction that includes non-guaranteed elements of a policy of life insurance over a period of years and that is one of three types – a Basic Illustration, a Supplemental Illustration, or an Inforce Illustration.

When a Basic Illustration is used by a Financial Professional, and the policy is applied for as illustrated, a copy of the signed illustration must be submitted to Nationwide at the time of application with a copy provided to the applicant.

If a Basic Illustration is not used, or if the policy is applied for other than as illustrated, the Financial Professional and applicant must complete the *No Illustration Acknowledgement Form* at the time of application. A signed copy of this form should be provided to the applicant and to Nationwide with a copy retained by the Financial Professional.

If a Basic Illustration or a Revised Basic Illustration, based on the actual policy issued, is provided with the policy as a delivery requirement, it is the Financial Professional's responsibility to return the signed illustration to Nationwide within 20 business days.

6.6 State of New York – Life Insurance Preliminary Information Statement

New York law and corresponding regulation requires a prospective life insurance purchaser be provided with accurate and complete preliminary information and a copy of the most recent Buyer's Guide, at or prior to the time of application.¹ Nationwide requires the Life Insurance Preliminary Information Statement to be signed and dated on or prior to the application date as part of its new business good order requirements.

In addition, a Statement of Policy and Benefit Information (aka Policy Summary) must be delivered to the new owner upon delivery of the policy. Nationwide will include the Policy Summary with the policy as a delivery requirement. It is the Financial Professional's responsibility to assure the policy and Policy Summary are delivered on a timely basis to the policyowner.

6.7 Policy Amendments

Unauthorized alteration of an insurance document, including an insurance application, is prohibited.

Consent of the applicant is the primary consideration when amending an insurance application. Consent is generally established by the signature of the parties involved and the date the changes were agreed to.

In instances where an amendment is provided with the policy as a delivery requirement, it is the Financial Professional's responsibility to return the signed amendment to Nationwide within 20 business days.

6.8 Policy Delivery

Delivery of an insurance policy/contract generally means that the owner has taken possession of the contract. For most states, the most common proof of delivery methods that are prescribed are as follows:

- Registered or Certified Mail (return receipt requested)
- Personal delivery with a delivery receipt signed by the owner

One purpose of the delivery receipt is to establish the beginning of the period in which the insurance contract owner has the right to return the contract for a refund. The delivery receipt also provides a protective measure to the Financial Professional, the broker/dealer firm or general agent, and Nationwide from a false claim regarding when (or if) a contract was delivered.

The requirements regarding delivery receipts vary by state and it is the Financial Professional's responsibility to be familiar with the contract delivery requirements in all states in which he/she conducts business. Several states require that an insurance contract be delivered within a "reasonable period of time" after the contract was issued.

¹ These requirements are not intended to address other New York pre-sale requirements.

Nationwide may send an annuity contract or life insurance policy directly to the contract/policy owner or, depending upon the distribution channel, the Financial Professional may receive the contract or policy for delivery. If sent directly by Nationwide to the contract/policy owner, the Financial Professional will receive a copy of the direct delivery confirmation statement which should be kept in the client's file. If the Financial Professional requests to deliver the contract or policy to the contract/policy owner, the Financial Professional must document the method of delivery and retain the delivery receipt (if applicable), signed and dated by the client, in the client's file. Financial Professionals must provide this documentation to Nationwide at any time upon request. It is the Financial Professional's responsibility to deliver the contract/policy in a prompt and timely manner to ensure that the client has the opportunity to review the contract/policy during the free look period which commences upon the client's receipt of the contract/policy.

The Financial Professional should not deliver any insurance product contract/policy unless (a) the person to be insured is in good health and insurable condition at the time of delivery and (b) the first premium has been fully paid.

In states that require a delivery receipt, it is the Financial Professional's responsibility to return the signed delivery receipt to Nationwide within 20 business days.

Unless otherwise stated, delivering or forwarding money, confirmations or account statements to any other person or entity or to an address other than the address of record of the contract/policy owner is strictly prohibited.

7. Long Term Care

Long-term care insurance is regulated separately from annuities and life insurance with state insurance law generally using the NAIC Long-term Care Insurance Model Act (“LTC Model Act”) and the NAIC Long-term Care Insurance Model Regulation (“LTC Model Regulation”) as its foundation.

The following policies are designed to achieve compliance with state and federal rules and regulations specific to long-term care insurance. These apply to any long-term care rider as well as any linked benefit life insurance and long-term care product offered by Nationwide.

7.1 Financial Professional Licensing & Training

The LTC Model Act requires Financial Professionals to hold an accident and health or sickness license or a life insurance license. However, many states require the Financial Professional to hold both types of insurance license. Financial Professionals are responsible for knowing the long-term care licensing and training requirements in all states in which he/she conducts business.

While the LTC Model Act has the following training requirements, each state has specific initial and ongoing training requirements. Refer to *Licensing and Training Requirements for Nationwide’s Long-term Care Product Suite* for detailed information regarding each state’s long-term care licensing and training requirements.

- Before selling or soliciting long-term care insurance, Financial Professionals must complete a one-time training course that is at least eight (8) hours
- Financial Professionals must meet an ongoing training requirement of four (4) hours every 24 months

The required long-term care training must consist of topics related to long-term care or long-term care services, but not related to training that is insurance company or insurance company product specific or that includes sales or marketing information.

Once appointed with Nationwide, and prior to submitting an application for long-term care coverage, Nationwide requires Financial Professionals to complete its long-term care training program. In Massachusetts, product training is required as an additional training.

7.2 Standards for Marketing Long-term Care

The LTC Model Regulation requires insurance companies to establish standards for marketing long-term care. In addition to the requirements outlined throughout this Business Practices and Compliance Guide, Nationwide expects Financial Professionals to adhere to the following when selling long-term care:

- Any marketing activity, including a comparison of policies, must be fair and accurate
- All required long-term care point of sale disclosures, whether required at the time of solicitation, at the time of application, or at the time of policy delivery, must be provided to the applicant

- Make every reasonable effort to identify whether or not an applicant has any existing health, accident and sickness, and/or long-term care insurance and identify the types and amounts of insurance
- Make every reasonable effort to obtain any information necessary to evaluate an applicant's situation and whether or not the purchase or replacement of long-term care is suitable
- Deliver any Nationwide long-term care offering to the contract/policy owner no later than thirty (30) days after the date the contract or policy is approved

7.3 Prohibited Practices

In addition to those practices prohibited outlined in Section 10 of this guide, as well as any practice prohibited by a state's unfair trade practices act, the following long-term care sales practices – as defined by the LTC Model Regulation – are prohibited:

- Twisting – the act of inducing or attempting to induce a policy owner to drop an existing life **insurance** policy and to take another policy that is substantially the same kind by using misrepresentations or incomplete comparisons of the advantages and disadvantages of the two policies for the purpose of inducing, or tending to induce, any person to lapse, forfeit, surrender, terminate, retain, pledge, assign, borrow on or convert any insurance policy or to take out a policy of insurance with another insurer
- High Pressure Tactics – employing any method of marketing having the effect of or tending to induce the purchase of insurance through force, fright, threat, whether explicit or implied, or undue pressure to purchase or recommend the purchase of insurance
- Cold Lead Advertising – making use directly or indirectly of any method of marketing which fails to disclose in a conspicuous manner that a purpose of the method of marketing is solicitation of insurance and that contact will be made by an insurance agent or insurance company
- Misrepresentation – misrepresenting a material fact in selling or offering to sell a long-term care insurance policy

Additionally, Financial Professionals are prohibited from:

- Selling or issuing long-term care insurance with benefits that would be considered excessive for the applicant's circumstance
- Selling long-term care if the applicant is eligible, or expects to be eligible, for Medicaid
- Misrepresenting his/her expertise, qualifications or training to potential applicants and must not comment on the legal or tax implications of purchasing long-term care insurance to the extent that he/she lacks the training, qualification or license to provide such advice

7.4 Suitability

The LTC Model Regulation requires that insurance companies and Financial Professionals marketing long-term care insurance develop standards to determine whether issuing long-term care insurance coverage is appropriate for an applicant.

Financial Professionals must make a reasonable effort to obtain any information necessary to evaluate an applicant's situation and whether the purchase or replacement of long-term care is appropriate. While there is no standard approach to determine long-term care suitability, there are some general rules of thumb to consider when determining an applicant's suitability. Financial Professionals will find additional information regarding long-term care suitability in the *Long-term Care Suitability* guide.

Nationwide's long-term care suitability standards may apply to applications for any linked benefit life insurance and long-term care product that Nationwide may offer as well as any long-term care rider in states where the requirement for long-term care suitability is not exempt.

Financial Professionals agree to ensure that they act in accordance with the long-term care suitability standards and to complete all training required pursuant to all laws, rules or regulations adopted by any applicable state.

Recommending to a consumer the purchase, sale or exchange of any insurance product without a reasonable basis to believe the recommendation is suitable or consistent with the consumer's financial objectives is prohibited.

Recommending unsuitable transactions for a consumer (i.e., transactions that conflict with the consumer's financial objectives and/or financial condition in terms of size or frequency) is prohibited.

7.5 Replacement

With long-term care, the governing replacement rule may vary depending on the type of product that is being replaced. The following table generally indicates which replacement notice should be used.

Existing Product	Replacing Product ²	Governing Replacement Rule	Required Replacement Notice
Long-term Care Insurance	Life Insurance that accelerates the death benefit for long-term care	Long-term Care	<i>Notice to Applicant Regarding Replacement of Individual Accident and Sickness or Long-term Care Insurance</i>
Annuity or Life Insurance	Life Insurance that accelerates the death benefit for long-term care	Annuity/Life Insurance	IMPORTANT NOTICE: <i>Replacement of Life Insurance or Annuities</i>

² Life insurance that accelerates the death benefit for long-term care includes a long-term care rider or any linked benefit life insurance and long-term care product

Existing Product	Replacing Product ²	Governing Replacement Rule	Required Replacement Notice
Life Insurance that accelerates the death benefit for long-term care	Life Insurance that accelerates the death benefit for long-term care	Annuity/Life Insurance <u>and</u> Long-term Care	<ol style="list-style-type: none"> 1. <i>Notice to Applicant Regarding Replacement of Individual Accident and Sickness or Long-term Care Insurance; AND</i> 2. <i>IMPORTANT NOTICE: Replacement of Life Insurance or Annuities</i>

Financial Professionals are expected to be able to demonstrate, at any time upon request by Nationwide, how any new long-term care benefit is clearly and substantially better than the benefits of any replaced policy or contract.

7.6 HIPAA

A long-term care policy is a health plan and the issuing company is a covered entity under the Health Insurance Portability and Accountability Act (“HIPAA”), therefore, the issuing company is subject to certain HIPAA requirements.

HIPAA’s Privacy Rule protects all “individually identifiable health information” and refers to this as “protected health information.” Unlike life insurance and annuities, information on an application for long-term care insurance is considered protected health information. HIPAA specifies that individually identifiable health information is information, including demographic data, that relates to...

- the individual’s past, present or future physical or mental health or condition,
- the provision of health care to the individual, or
- the past, present, or future payment for the provision of health care to the individual,

...and that identifies the individual or for which there is a reasonable basis to believe it can be used to identify the individual. Individually identifiable health information includes many common identifiers such as name, address, birth date, and social security number.³

Under HIPAA, distribution partners, Financial Professionals, and other third parties are considered “business associates” if they access, receive, process, or transmit protected health information of the applicant on behalf of Nationwide. Such parties must enter into a Business Associate Agreement (“BAA”) with Nationwide. The BAA addresses topics such as the privacy and security of protected health information as well as breaches and security incidents.

³ Source: <http://www.hhs.gov/hipaa/for-professionals/privacy/laws-regulations/index.html>

The requirement for a signed BAA applies to a long-term care rider as well as any linked benefit life insurance and long-term care product.

7.7 Unique State Requirements

Maryland, Massachusetts and Vermont have additional long-term care requirements that Financial Professionals should be aware of.

Maryland

Financial Professionals who offer or sell long-term care insurance policies or contracts are required to advise an individual considering the purchase of a long-term care insurance policy or contract about the availability and benefits of a policy that qualifies under the Qualified State Long-term Care Insurance Partnership Program; and provide a disclosure statement to each applicant for long-term care insurance about the program.

Massachusetts

Financial Professionals, or persons marketing a long-term care offering, shall clearly identify which plans being offered are individual products and which are group products. If marketing a group product, Financial Professionals must identify the name of the group policyholder and identify any condition that must be satisfied to join and remain as a member of the group.

Financial Professionals must disclose to potential applicants the name of the insurance company that the Financial Professional represents in the sale.

Massachusetts requires Financial Professionals marketing an insurance company's long-term care offering to disclose the fact that he/she receives compensation in connection with the sale or replacement of all long-term care insurance.

Vermont

In connection with a replacement transaction, Financial Professionals must leave with the applicant, at the time of application, the original or a copy of all sales material used. With respect to electronically presented sales material, it shall be provided to the policy or contract owner in printed form no later than at the time of policy or contract delivery. Additionally, Financial Professionals must submit to Nationwide a copy of the following items, as appropriate, with a long-term care application:

- A copy of the *Long-term Care Insurance Personal Worksheet*, the *Potential Rate Increase Form*, and the *Senior Insurance Counseling Program* disclosure
- A statement identifying any Nationwide approved sales material used
- Copies of any individualized sales material used, including any illustration related to the specific product purchased

8. Suitability and Best Interest

Note: This section applies to annuities sales in all states and fixed life insurance transactions in the State of New York

It is the responsibility of the Financial Professional to ensure the suitability and best interest of the transaction that is being recommended based on state law requirements and Nationwide's policies and procedures. Financial Professionals agree that they will act in accordance with the best interest and suitability standards and will complete all required training prior to discussing, soliciting or offering insurance products.

8.1 Required Suitability Information to be Obtained

In recommending to a consumer the purchase, exchange, or replacement of an insurance product, the Financial Professional shall act in the best interest of the consumer and must have reasonable grounds for believing that the recommendation is suitable for the consumer based on the consumer's needs, objectives and suitability information which includes but is not limited to the consumer's:

- Age;
- Annual income;
- Financial situation and needs, including the financial resources used for the funding of the annuity;
- Financial experiences;
- Financial objective;
- Intended use of the annuity;
- Financial time horizon;
- Existing assets, including investment and life insurance holdings;
- Liquidity needs;
- Liquid net worth (excluding consumer's principal residence);
- Risk tolerance; and
- Tax status

Based on the consumer's suitability information gathered and other facts disclosed by the consumer, the Financial Professional must have a reasonable basis to believe and provide information to ensure that:

- The consumer has been informed about the annuity;
- The consumer would benefit from certain features of the annuity;
- The annuity as a whole, the underlying subaccounts, and riders and/or similar product enhancements are suitable for the particular consumer; and

- In the case of an exchange or replacement of an annuity, that the exchange or replacement is suitable, including taking into consideration the following factors:
 - Whether the consumer will incur a surrender charge, be subject to the commencement of a new surrender period, lose existing benefits (such as death, living, annuity payout or other contractual benefits), or be subject to increased fees, investment advisory fees or charges for riders and similar product enhancements
 - Whether the consumer would benefit from product enhancements and improvements; and
 - Whether the consumer has had another annuity exchange or replacement and, in particular, an exchange or replacement within the preceding 36 months.

To ensure that the consumer has been reasonably informed about the annuity, the Financial Professional must provide the following information to the consumer along with any other relevant information:

- Potential surrender period and surrender charge;
- Potential tax penalty if the consumer sells, exchanges, surrenders, or annuitizes the annuity;
- Potential loss of a higher minimum interest rate or annuity payout rate;
- Applicable fees including mortality, expense and investment advisory fees;
- Potential charges for and features of riders;
- Limitations on interest returns;
- Insurance and investment components and market risk;
- Possible product features including tax deferred growth, annuitization, death or living benefits, and underlying subaccounts; and
- Disclosure of lost extra credit/bonus payments or living benefits relating to replacements

Some states may have suitability and best interest standards that are more comprehensive. It is the responsibility of the Financial Professional to ensure requirements of his/her state and/or member firm are being followed. For those products in which the selling firm conducts suitability reviews, Nationwide will rely on Firms to supervise that Financial Professionals are acting in the best interest of consumers and as well as maintaining the required records. If Nationwide is conducting fixed product suitability, Nationwide will rely on the Financial Professional to complete the required state specific Suitability Form or Suitability and Best Interest Questionnaire form and to provide the respective forms to clients, and if required any best interest disclosures.

Financial Professionals shall not submit any transaction to Nationwide if the suitability of a sale is in question or if the best interest or suitability requirements were not met in accordance to any state specific guideline or regulation. All records must be maintained in accordance with the Recordkeeping section of this Guide.

At the time of sale, the Financial Professional must (i) make a record of any recommendation made pursuant to suitability standards including if no recommendation is made, or the recommendation was based on inaccurate information; (ii) obtain a consumer signed statement documenting the consumer's refusal to provide suitability information, if applicable; and (iii) obtain a consumer signed statement acknowledging that an annuity transaction is not recommended if a consumer decides to purchase an annuity that is not based on the Financial Professional's recommendation.

Under no circumstance should the Financial Professional attempt to dissuade a consumer from (i) truthfully responding to Nationwide's request for confirmation of suitability information; (ii) filing a complaint; or (iii) cooperating with the investigation of a complaint.

8.2 Replacements

Financial Professionals should always keep in mind that older annuity products might offer greater benefits such as minimum interest rates or annuity payout rates. Furthermore, certain some require the selling producer document a statement which outlines the benefits of the contract\policy and in the case of the replacement the statement must include details the benefits gained, and all benefits that are lost with the replacement. It is important to understand the benefits within the existing annuity contract by requesting the existing annuity contract from the consumer or contacting the replaced carrier. Certain states, such as New York, specifically require that the financial professional work to obtain an annuitization quote from the replaced firm for the product that is being replaced.

8.3 Training

Prior to soliciting the sale of an insurance product, the Financial Professional is required to have adequate knowledge of the product to make a recommendation. Accordingly, the Financial Professional must complete all applicable training, required by any state laws, rules or regulations. This also includes product specific training and general annuity training offered by an education provider approved by the applicable state insurance department. Training topics may include: (i) types and classifications of annuities; identification of the parties to an annuity; how contract feature affect consumers; income taxation consideration; primary uses of annuities; and appropriate sales practices and disclosure requirements. Nationwide can and will require additional training at its discretion before a Financial Professional can offer certain products. Financial Professionals must provide certification and proof of training completion upon Nationwide's request or their access to products or appointment may be suspended or terminated.

8.4 Fixed Life Insurance Suitability

Not all states mandate suitability review by the selling form or insurance carrier. State law may require insurance companies and Financial Professionals to adhere to suitability standards for life insurance products. Financial Professionals agree to ensure that they act in accordance with the suitability standards.

8.5 Failure to Comply with Suitability Standards

Recommending to a consumer the purchase, sale or exchange of any insurance product without a reasonable basis to believe the recommendation is suitable or consistent with the consumer's financial objectives is prohibited.

Recommending unsuitable transactions for a consumer (i.e., transactions that conflict with the consumer's financial objectives and/or financial condition in terms of size or frequency) is prohibited.

8.6 Post Issue Transactions Involving New York Policyholders (New York Regulation 187)

a. Recommended transactions that generate new compensation

Recommending any transaction to a consumer which constitutes a modification of or election of a contractual provision under an in-force policy which generates new sales compensation requires that the Financial Professional meet all applicable suitability standards and best interest requirements outlined above as well as:

- Includes new monies applied that were not discussed or illustrated as part of the original account opening in which the Financial Professional is making a recommendation.
- Excludes new monies in which the Financial Professional is not involved but may be compensated on the transaction.

b. Recommended transactions that do not generate new compensation

The best interest standard applies to a recommendation relating to any modification of or election of a contractual provision under an in-force policy that does not generate new sales compensation, is satisfied when:

- The Financial Professional's recommendation to the consumer reflects the care, skill, prudence, and diligence that a prudent person acting in a like capacity and familiar with such matters would use under the circumstances then prevailing;
- Only the interests of the consumer are considered in making the recommendation;
- The amount of the Financial Professional's compensation or the receipt of an incentive does not influence the recommendation; and
- There is a reasonable basis to believe the consumer has been reasonably informed of the relevant features of the policy or contract and the potential consequences of the in-force transaction, both favorable and unfavorable.

9. Consumer Privacy and Confidentiality

Financial Professional are obligated to protect the privacy of customer information in accordance with state and federal privacy laws. Be sure to safeguard customer information at all times and to treat such information with strict confidentiality. Do not disclose customer information to any unauthorized party. Customer information should be handled on a need-to-know basis within your agency.

10. Prohibited Activities

The marketing concepts or sales practices referenced below are prohibited. If the Financial Professional participates in any of these prohibited concepts, he/she may be subject to disciplinary action by Nationwide including, but not limited to, termination of the Selling Agreement.

a. Accepting Cash

Financial Professionals are prohibited from accepting cash or checks made payable to the Financial Professional, or the Financial Professional's "doing business as" name, as payment for product purchases or services.

b. Altered Documents

Making any corrections or alterations to a document after a consumer has signed it, without having the consumer acknowledging the change, is prohibited.

If there is an error on a document, the Financial Professional must cross out and correct the error. The consumer must initial and date the change. The Financial Professional must not use white out to cover an error made on a document, as the use of whiteout is prohibited.

Altering a document in any manner without consumer acknowledgement is subject to disciplinary action by Nationwide including, but not limited to, termination of the Selling Agreement.

c. Blank Forms

Financial Professionals and associated persons are prohibited from asking a consumer to sign a form 'in blank,' even if it is for the consumer's convenience or at the consumer's request. An 'in blank' form is any document signed by the consumer where sections of the form are intentionally left blank (or partially blank) to be filled in at a later date by the consumer, the Financial Professional and/or other associated person.

d. Commission Assignments

Financial Professionals are prohibited from advancing or assigning compensation received from Nationwide to any person or entity unless authorized by Nationwide and permitted by the Selling Agreement.

e. Commission Splitting

A Financial Professional may only split part of the compensation received with an additional Financial Professional or entity if the additional Financial Professional or entity is properly licensed and appointed with Nationwide.

f. Creating Fictitious Sales

Financial Professionals are prohibited from submitting a non-bona fide application for the purchase of an annuity or insurance product. Also, opening or effecting transactions in accounts operating under a fictitious name is prohibited.

g. Disparaging Remarks about Competitors

Financial Professionals are prohibited from making disparaging, false or misleading statements about competitors in all states. All marketing and sales efforts should promote positive competition.

h. Ethical Conduct

Sales activities and conduct of Financial Professionals associated with Nationwide that is not undertaken on a basis that can be judged as meeting the ethical standards of applicable Nationwide policies or other industry standards of conduct is prohibited.

i. Falsifying an Application

Financial Professionals may not falsify an application for a consumer in order for another Financial Professional to receive a commission on the sale. There are no scenarios under which a Financial Professional is permitted to falsely reflect the Financial Professional who solicited the transaction.

j. Failure to Disclose Conflicts of Interest

Financial Professionals are required to disclose all potential conflicts of interest involved with the solicitation and issuance of an insurance policy or contract.

k. Failure to Furnish Information

Upon request, Financial Professionals must furnish information to which a consumer is entitled. Failure or refusal to furnish a consumer, upon request, information to which a consumer is entitled is prohibited. Additionally, failure to furnish information or provide a response to Nationwide Compliance inquiries is also prohibited.

l. Financial Arrangements with Consumers

Financial Professionals are prohibited from participating in certain financial arrangements with consumers. Specifically, Financial Professionals are prohibited from:

- Sharing of profits or losses in a consumer account
- Making loans to or accepting loans from a consumer (any exceptions to this policy, must be clearly authorized and documented in writing)
- Depositing personal funds in consumer accounts or depositing consumer funds in Financial Professional controlled accounts

- Paying premiums from the Financial Professional's funds on behalf of the consumer
- Assisting consumers in making credit arrangements in connection with insurance transactions
- Accepting a bequest under a consumer's will or trust (except for family members)
- Being named beneficiary or co-owner, acting in the capacity of a trustee, executor, administrator, conservator, or guardian, or being granted power of attorney on any annuity contract or life insurance policy (except for a contract or policy of an immediate family member). Exceptions may be granted by Firm approval.

m. Forgery

Financial Professionals are prohibited from engaging in any of the following:

- Signing a consumer's or any other person's name and/or initials to a document
- Signing a consumer's or any other person's name and/or initials to a document, even if it is at the request of the consumer (known as accommodation forgery)
- Signing a consumer's or any other person's name and/or initials to a document at the direction of an insurance product sponsor
- Asking or permitting another person to sign a document in the place of a consumer (e.g., one joint account party signing for the other)
- Signing a Financial Professional's name and/or producer number to documents for an unlicensed associate
- Accepting documents the Financial Professional believes to have been forged

n. Fraudulent Conduct

Financial Professionals may not engage in any fraudulent conduct, including, but not limited to:

- Establishing fictitious accounts
- Conducting unauthorized transactions
- Misuse of client funds or securities
- Accepting, altering, or creating fictitious statements, including financial statements of net worth, confirmations or other client related documents
- Giving direction to or allowing a client to misrepresent information, act in a dishonest manner, or to commit fraud
- Failing to disclose or misstating any material facts, including but not limited to, answering "no" to medical questions on an application
- Misrepresentation or exaggeration of product features

o. Ghost Writing

No Financial Professional may allow an unlicensed, or producer who is not appointed, to discuss or solicit Nationwide products and services. An unlicensed or non-appointed person may only act as an observer regarding product discussions or solicitation.

p. Mail/Email

Financial Professionals may not be the addressee or recipient of insurance statements in place of the client's address.

q. Offering Tax or Legal Advice

Providing tax or legal advice without proper qualifications is prohibited. In addition, Financial Professionals are prohibited from implying that tax and/or legal advice is being offered by Nationwide in any capacity. Rather, Financial Professionals should encourage their consumers to contact their own accountant or attorney.

r. Pretext Selling

Pretexting is prohibited by Nationwide. Financial Professionals must identify himself/herself as a Financial Professional, marketing insurance products. When soliciting consumers, Financial Professionals are prohibited from misrepresenting the true purpose of a meeting, seminar, and/or workshop and the planned content.

s. Product Specific Incentive Programs and Sales Contests

Incentive programs, sales contests, bonuses, sales quotas, and cash and non-cash compensation based on the sale of specific insurance products with a limited time period are prohibited.

t. Prohibited Payments

Financial Professionals may not make payments of any kind, directly or indirectly, to any person, government, corporation, or other entity to improperly influence the consideration of applications for a business activity or the receipt of other benefits, including obtaining or retaining business.

u. Prohibition against Guarantees

Warranting or guaranteeing the future value or price of any contract or policy, or indicating that any company, sponsor or issuer will meet its promises, predictions or obligations is prohibited.

v. Rebating

“Rebating” is the practice of paying part of the commission (or something else of value, including contract/policy surrender charges, trust fees, etc.) to the consumer as an inducement for his/her business. Nationwide prohibits rebating in all states.

w. Scare Tactics

When discussing insurance products, Financial Professionals are prohibited from using any form of communication, statement, or statistical information that may be construed as a scare tactic by a regulator or Nationwide.

Information from a third-party source must be accurate and appropriate for the context in which the information is used.

x. Selling an Indexed Product as a Security

The contract/policy owner's funds are placed in the general account of Nationwide and not directly invested in the equity markets. Financial Professionals are prohibited from marketing indexed insurance products as equity or market-based securities.

y. Selling an Annuity Prior to Completion of Required Training

Financial Professionals agree to complete all training required pursuant to any and all laws, rules and regulations adopted by any applicable state prior to solicitation of an annuity product. Financial Professionals must provide such certification and proof of training completion upon Nationwide's request or their access to products or appointment may be suspended or terminated.

z. STOLI / STOA / Life Viatical Settlements

Nationwide prohibits participation in Stranger Originated Life Insurance ("STOLI") transactions. STOLI is the initiation of a life insurance policy for the benefit of a third-party investor who, at the time of the creation of the policy, has no insurable interest in the insured.

Nationwide prohibits participation in Stranger Originated Annuities ("STOA"). In a STOA transaction, Financial Professionals and/or investors offer a stranger a nominal fee for the use of their identity as the measuring life on an investment-oriented annuity. Typically, individuals targeted to serve as annuitants are in extremely poor health or terminally ill and are not expected to live beyond the first year of the contract.

Nationwide prohibits participation in Life Viatical Settlements. A viatical settlement is the sale of a life insurance policy by the policy owner to a third-party investor who does not have an insurable interest in the insured's life. Generally, viatical settlements involve insured individuals with a life expectancy of less than two years. The third-party investor is buying the policy with the expectation that the insured's remaining life expectancy will be limited, and the investor will be able to collect the policy's death benefit.

aa. Switching and Replacements

Purchasing a new insurance product with the proceeds from the full or partial liquidation of an existing annuity contract or life insurance policy solely for the purpose of generating additional sales charges and commissions to the Financial Professional is prohibited.

bb. Twisting

The act of inducing or attempting to induce a policy owner to drop an existing life **insurance** policy and to take another policy that is substantially the same kind by using misrepresentations or incomplete comparisons of the advantages and disadvantages of the two policies for the purpose of inducing, or tending to induce, any person to lapse, forfeit, surrender, terminate, retain, pledge, assign, borrow on or convert any insurance policy or to take out a policy of insurance with another insurer.

cc. Unfair Solicitation

No Financial Professional may unfairly differentiate between individuals of the same underwriting class in such a manner that would rise to the level of discrimination.

11. **Nationwide Due Diligence & Sales Conduct Committee (DDC)**

As noted under the Licensing & Appointment section of this manual, Financial Professionals seeking appointments are expected to uphold certain standards expected by Nationwide. Furthermore, Financial Professionals already appointed shall comply with the policies outlined in this manual. In situations are warranted, a referral may be made to this committee for review.

a. Purpose

To ensure firms and/or financial professionals requesting to sell, service, or advise on Nationwide Financial products (“Applicants”) have met and continue to meet appropriate standards set by Nationwide Life Insurance Company (“NLIC”), Nationwide Life and Annuity Insurance Company (“NLAIC”), Jefferson National Life Insurance Company (“JNLIC”), Jefferson National Life Insurance Company of New York (JNLNY), and both Jefferson National Securities Corporation (“JNSC”) and Nationwide Investment Services Corporation (“NISC”) as variable product distributors.

This committee shall be represented by representatives from the following business areas: Sales, Relationship Management, Supervision, Operations, Licensing, and Compliance/Legal.

During the committee meeting, members shall review the status of all outstanding action items (including any concerns or “findings” from current cases), new cases, and any issues that would impact the determination or status of an appointment, transfer, selling agreement or servicing agreement (*i.e. for JNLIC, JNLNY, this is the AAA signed between the Advisor and Client and for RP this is the Datasheet*).

b. Issues for Review

- Issues to be presented to the DDC may be submitted by Sales, Licensing, Operations, Supervision, and/or Compliance/Legal. Issues may include, but shall not be limited to the following:
- Any new broker/dealer General Agent (“BD Firm GA”) selling agreement requests;
- Any new Investment Advisor Representative (“IAR”) or Registered Investment Advisor (“RIA”) firm servicing agreement request;
- Any new fixed life insurance General Agent (“Fixed Firm GA”) selling agreement requests;
- Any new firm/ financial professional appointment or transfer or registration request, as applicable;
- Any new direct fixed insurance agent selling agreement request;
- Any suspension or termination request regarding an existing selling agreement or appointment of a financial professional or firm (Fixed Firm GA and BD Firm GA) currently appointed with NLIC or NLAIC, JNLIC, JNLNY, JNSC; and/or registered with NSLLC;
- Any suspension or termination request regarding an existing servicing agreement of an IAR or RIA firm; and / or,
- Any material questions or issues, whether past or present, related to a firm, agent’s or IAR’s status, behavior, background, activities, regulatory standing, complaints, financial standing, and/or disciplinary events.

c. Outcomes

- Approve or deny the firm level selling agreement or financial professional appointment requests;
- Terminate, suspend, etc. an active firm level selling agreement or financial professional appointment, BGA appointment, IMO appointment or firm GA with Nationwide if a new firm level selling agreement or financial professional appointment request is denied;
- Deny the firm level selling agreement or financial professional appointment request with the understanding that once the issue is resolved, the firm or financial professional may reapply in the future;
- Deny the firm level selling agreement or financial professional appointment request but permit any existing appointments limited to service only;
- Deny the RIA firm level servicing agreement or IAR servicing request;
- Postpone a decision until additional information is gathered and presented to the respective committee seeking such information; or
- Take any other action the Committee deems reasonable and appropriate.

d. Appeal Process

Final decisions of the DDC regarding individual appointments may be appealed only if new material facts exist which were not known by the DDC at the time of its initial decision. Compliance will present the case, with the new material facts, to the CCO, or his delegate to determine if additional DDC review is warranted. The decision by the CCO, or his delegate shall be final. If the case does warrant additional review, the case will be re-presented to DDC.

12. Anti-Money Laundering

Financial Professionals shall comply with all applicable and effective anti-money laundering (AML) laws, regulations, and rules including the Bank Secrecy Act as amended by Title III of the USA PATRIOT Act, its implementing regulations, and related rules promulgated by applicable regulators. Financial Professionals shall also comply with the laws and regulations administered by the Office of Foreign Assets Control ("OFAC"). Collectively, these requirements include requirements to establish a written AML program, designate an AML officer, train appropriate staff (including agents), report suspicious activities involving products to the insurance company and regulators, scan records as required by OFAC, and make its AML program available to the insurance company and regulators.

Nationwide can and will require additional training at its discretion on products, suitability, and anti-money laundering before an agent can offer certain products. Financial Professionals must provide such certification and proof of training completion upon Nationwide's request or their access to products or appointment may be suspended or terminated. Nationwide has established a thorough Anti-Money Laundering Program setting forth how it complies with federal Anti-Money Laundering Laws.

Financial Professionals shall report to Nationwide, without undue delay, any unusual or suspicious activity or transactions (completed or attempted) involving consumers and/or potential consumers which involves its products. Notice shall be made by contacting the Office of Anti-Money Laundering Compliance at 1-877-406-4747, by email at BDRQST@nationwide.com or by live mail to the Office of Compliance, FCSC 3-11-307. Financial Professionals shall ensure that any activity reported to Nationwide remains confidential and that any report submitted to Nationwide and or any information related to such report is not disclosed to the consumer involved in such report or to any third party. Providing notice to Nationwide of any suspicious activity shall not relieve the Financial Professional of any duty it may independently have to report suspicious activities.

If any investigation arises involving the insurance products under a valid executed Selling Agreement, the Financial Professional agrees to fully cooperate with Nationwide in the investigation. Financial Professionals shall cooperate even if the investigation commences or continues after the Selling Agreement is terminated.

The following Red Flag list provides a sample of events or activities that should prompt reporting.

All suspicious activity must be kept confidential. Information should only be discussed with those persons who need to know.

Do not update or document customer files or computer systems with information associated with suspicious activity.

a. Red Flags for Insurance Products

- Source of funds cannot be confirmed or is questionable
- Withdrawals soon after deposit
- Any ownership change request
- Unexplained distribution to Payee or address NOT of account owner
- Withdrawal soon after address change
- Suspected Elder abuse or Fraud
- Multiple contracts of the same type for the same SSN
- Distribution activity for multiple contracts for the same SSN
- A customer uses unusual or suspicious identification documents
- Contracts on which multiple distributions have occurred in the past 24 months
- Customer account has large number of wire transfers to or from unrelated 3rd parties
- Customer's account indicates large or frequent wire transfers that are immediately withdrawn
- A customer or group tries to persuade an employee not to file required reports or maintain required records
- Fund transfers are ordered in small amounts in an apparent effort to avoid triggering identification or reporting requirements
- For no apparent reason, customer has multiple accounts under a single name or multiple names with large number of inter-account or 3rd party transfers
- Customer is not concerned about risks, commissions, investment performance or transaction costs or the account
- Customer attempts to make deposits of cash or cash equivalents (money orders, cashiers' checks, traveler's checks) or asks for exceptions to the Firm's policies regarding the deposit of cash
- Customer attempts to transact business using a foreign address (for account opening, deposit or withdrawal)
- A business is reluctant, when establishing a new account, to provide complete information about the nature and purpose of its business, anticipated account activity, prior banking relationships, the names of its officers and directors, or information on its business location
- Regarding nonprofit or charitable organizations, financial transactions occur for which there appears to be no logical economic purpose, or in which there appears to be no link between the stated activity of the organization and the other parties in the transaction
- Transactions without an apparent business reason or when the activity is inconsistent with the customer's business or past history
- Customer has a questionable background or has been the subject of news reports involving possible criminal, civil or regulatory violations
- Multiple free looks for the same SSN or other withdrawals with a high rate of surrender charge
- Customer expresses concern over strict adherence to anti-money laundering procedures, or shows unusual interest in Nationwide or the Firm's AML policies and procedures
- Customer makes a change to a previous SSN or ITIN, when no typo is identified
- Contract, account, policy loans or surrender values that are subject to a substantial transaction charge
- Unusual use of multiple contracts or accounts owned by the same person
- A producer, broker, or agent on the contract is participating in any of the red flag activities outlined

13. Consumer Complaints

Nationwide understands that not all complaints have merit or basis in fact. Financial Professionals are prohibited from settling consumer complaints without the involvement of Nationwide. Financial Professionals who attempt to settle complaints on their own, rather than according to established policies and procedures of Nationwide, may be subject to disciplinary action by Nationwide including, but not limited to, termination of their appointment(s) and/or Firm Selling Agreement.

A complaint is any written statement of or by a consumer, legal counsel or other representative of a consumer or a regulatory agency alleging the mishandling of an account or transaction or improper conduct on behalf of a Financial Professional, or other associated persons. This definition includes, but is not limited to, written allegations regarding:

- Any federal or state insurance law violation
- Misrepresentation of a product or a service to a consumer
- Failure to provide a suitable product for a consumer
- Failure to disclose material information to a consumer
- Failure to act in the client's best interest
- Misleading representations made to a consumer
- Failure to follow consumer instructions
- Failure to provide proper documentation to a consumer
- Theft or misappropriation of consumer funds or securities
- Forgery
- Providing a consumer with false or misleading sales literature
- Problems regarding full/partial transfer of a consumer's account
- Problems regarding receipt/disbursement of a consumer's funds
- Contract/policy owner failed to receive statements or confirmations
- Contract/policy owner has tax reporting problems (including 1099, withholding issues, etc.)
- Failure to disclose fees or payment of fees and service charges
- Contract/policy owner problems regarding account administration and processing

The Financial Professional agrees to immediately notify Nationwide of any consumer complaint involving an insurance product offered by Nationwide. The complaint must be forwarded to the following address:

Nationwide Customer Advocacy Group
One Nationwide Plaza 03-04-101 Columbus, OH 43215

The Financial Professional agrees to cooperate fully in any insurance or other regulatory or judicial investigation or proceeding arising in connection with Nationwide, our insurance products, or the Financial Professional.