REGULATORY SETTLEMENT AGREEMENT

This Regulatory Settlement Agreement ("Agreement") is entered into by and between those state insurance Departments whose signatures are shown on the signature page of this agreement (collectively referred to herein as the "Departments"), and Nationwide Financial Services, Inc., Nationwide Life Insurance Company, Nationwide Life and Annuity Insurance Company, Nationwide Life Insurance Company of America and Nationwide Life and Annuity Insurance Company of America (collectively ("Nationwide" or "the Company") (the Departments and Company are collectively referred to herein as the ("Parties") as of this 8th day of October 2012.

RECITALS

WHEREAS, the Departments have regulatory jurisdiction over the business of insurance transacted in their respective states, including the authority to conduct market conduct examinations;

WHEREAS, the Departments, in each of their respective capacities, have undertaken a multi-state market conduct examination of the Company's settlement practices, procedures and policy administration relating to claims, including the Company's efforts to identify the owners and beneficiaries of unclaimed Proceeds (the **"Multi-State Examination");**

WHEREAS, as part of the Multi-State Examination, the Departments have reviewed numerous documents and information obtained during the course of the Multi-State Examination;

WHEREAS, the Departments have identified concerns regarding the adequacy of the Company's policies and procedures to ensure that life insurance and endowment policies, annuities, Retained Asset Accounts and other funds are timely paid out to Beneficiaries, and are timely reported or remitted in accordance with the Unclaimed Property Laws and the Insurance Laws.

WHEREAS, the Company represents that it discontinued use of Retained Asset Accounts ("RAAs"), in 2007 and, at that time, transferred all such accounts to FDIC-insured accounts at Nationwide Bank.

WHEREAS, Nationwide represents that it has policies and procedures to ensure payment of valid claims to Beneficiaries or, in the event that the Company's search identifies no living Beneficiary, to report and remit unclaimed Proceeds to the appropriate states in accordance with state unclaimed property laws;

WHEREAS, the Company represents, in 2003, Nationwide consistently began utilizing the DMF on a quarterly basis to review certain annuities, including structured settlements, that were paying proceeds to owners or annuitants, in order to prevent overpayments and fraud;

WHEREAS, the Company represents, in 2007, Nationwide began an internal effort to reorganize and improve its unclaimed property reporting and returned mail processing efforts, along with its sister corporations;

WHEREAS, beginning in 2010, Nationwide represents that it undertook an initiative in response to the Multi-State Examination and also in connection with Nationwide's continuous improvement efforts, to systematically check its in-force individual life files and, beginning in 2009, its individual annuity files against the DMF, as defined below, which it obtained through a third party vendor, The Berwyn Group, Inc. ("Berwyn"), and made cross-checks of claims-made against its various lines of business, resulting in the discovery of over 2,114 previously unreported or unclaimed individual life death benefits and the payment or remittance of approximately $17.4 million in death benefits and interest to Beneficiaries, and the discovery of over 2,633 previously unreported or unclaimed Annuity Contract benefits and the payment or remittance of approximately $126.7 million in death benefits and interest to Beneficiaries;

WHEREAS, Nationwide shall begin monthly checks against the DMF of its group life and group annuity insurance files for which it provides Recordkeeping services in accordance with Schedule B attached hereto;

WHEREAS, as a result of the audit currently being conducted by third party auditor Verus Financial, LLC ("Verus") on behalf of several state treasurers and state departments or divisions of unclaimed property, Nationwide represents it is undertaking efforts to match records within the scope of that audit against the DMF;

WHEREAS, Nationwide shall develop procedures to perform monthly checks of its individual life insurance files and individual annuity files against the DMF, using the DMF Update File, in accordance with Schedule B attached hereto;

WHEREAS, the Company denies any wrongdoing or activities that violate any Insurance Laws in the state of each Department or any other applicable laws, but in view of the complex issues raised and the probability that long-term litigation and/or administrative proceedings would be required to resolve the disputes between the Parties hereto, the Company and the Departments desire to resolve differences between the Parties as to the interpretation and enforcement of Insurance Laws and all claims that the Departments have asserted or may assert with respect to the Company's claim settlement practices:

NOW, THEREFORE, the Parties agree as follows:

1. **Defined Terms.** Solely for the purpose of this Agreement, those capitalized terms in this Agreement not otherwise defined in the text shall have the following meanings:

a. **"Annuity Contract"** means a fixed or variable annuity contract or certificate, other than a fixed or variable annuity contract or certificate issued to fund an employment-based retirement plan where the life insurer is not committed by the terms of the annuity contract or certificate to pay death benefits to the beneficiaries of specific plan participants. Nothing in this Agreement shall be construed as an admission of any party's position as to the preemptive effect of the Employee Retirement Income Security Act of 1974, as periodically amended, on state laws as applied to employment based plans.

b. **"Annuity Contract Owner"** means the owner of an Annuity Contract.

c. **"Accountholder"** means the owner of a "Retained Asset Account."

d. **"Beneficiary"** or **"Beneficiaries"** means the party or parties contingently entitled to receive death benefit Proceeds payable pursuant to a Policy, Annuity Contract or Retained Asset Account.

e. **"Date of Death"** means the date on which a Policyholder identified by the DMF or any other source or record maintained by or located in the Company's records has died.

f. **"Date of Death Notice"** means the date the Company first has notice of the Date of Death of a Policyholder. For purposes of this Agreement and subject to Schedule A hereto, notice shall include, but not be limited to, information provided in the DMF or an equivalent database containing the same information as the DMF, or any other source or record maintained by or located in the Company's records.

g. **"Death Master File"** or **"DMF"** means a version of the United States Social Security Administration's Death Master File or any other database or service, including searches through Berwyn or a third party vendor with comparable services, that is at least as comprehensive as the United States Social Security Administration's Death Master File for determining that a person has reportedly died. The Death Master File must include at least one full version of the file (the "Complete DMF File") and should include all available update files (the "DMF Update File").

h. **"Death Master File Match"** means a search of the Death Master File that results in a match of a unique biological individual under the criteria provided in the attached Schedule A.

i. **"Effective Date"** means the date this Agreement has been executed by the Company, and 20 Departments, including each of the Lead Departments.

j. **"Exception"** means an event described in subparagraphs i. – iii. below:

   i. for death benefits under Life Insurance Policies, Annuity Contracts and Retained Asset Accounts: (a) the individual identified in the Date of Death Notice as the Insured is not dead or not the Insured; (b) the Policy was not in force at the Date of Death; (c) there is no death benefit due and payable upon death (an exclusionary event); (d) the death benefit under an Annuity Contract is within the five (5) year deferral period under the Internal Revenue Code, and the Beneficiary

has indicated an intent to defer; and/or (e) the full value of any benefits due and payable upon death has in fact been remitted to the Beneficiary or reported and remitted as Unclaimed Property to the affected state(s).

ii. for Annuities that have reached their Maturity Date: (a) there is no benefit due and payable on the Maturity Date; (b) documented contact has occurred with the Annuity Contract Owner regarding the Annuity Contract including but not limited to a request by the Annuity Contract Owner to change the designation of a Beneficiary, Annuity Contract Owner or annuitant; a non-automated request to reallocate the value of the Annuity Contract among variable investment options; or a non-automated request to renew or change a fixed interest guarantee period under the Annuity Contract; (c) the Annuity Contract Owner has taken action which is inconsistent with a desire to annuitize; and/or (d) the full value of any benefits due and payable upon the Maturity Date has in fact been remitted to the Beneficiary or reported and remitted as Unclaimed Property to the affected state(s);

iii. for Retained Asset Accounts: (a) the Accountholder has taken affirmative action in respect to the Retained Asset Account that is inconsistent with abandonment (automatic financial or administrative transactions, other than automated deposits or withdrawals prearranged by the account owner, and/or the non-receipt by the Company of returned mail shall not constitute "affirmative action" for this purpose, except to the extent where the affected state specifically recognizes that such activity is sufficient to prevent property from being presumed abandoned); or (b) the full value of the Retained Asset Account has in fact been remitted to the Beneficiary or reported and remitted as Unclaimed Property to the affected state(s);

k. **"Future Settlement Agreement"** means any settlement agreement entered into by any other insurer and the Departments concerning the subject matter of this Agreement.

l. **"Insurance Laws"** means the Insurance Code, Rules, and Regulations in effect in each Department's state, and any official guidance issued by each Department.

m. **"Insured"** means an individual identified as the insured under a Policy.

n. **"Lead Departments"** means the Departments of California, Florida, Illinois, New Hampshire, North Dakota, Ohio and Pennsylvania.

o. **"Maturity Date"** means the date as set forth in the terms of the Annuity Contract that annuity payments are scheduled to begin, unless the records of the Company indicate that the Maturity Date has been extended in accordance with the terms of the Annuity Contract, or the Annuity Contract Owner has taken action with respect to the Annuity Contract that is inconsistent with a desire to annuitize. For purposes hereof, "action in respect to the Annuity Contract that is inconsistent with a desire to annuitize" shall mean a partial annuitization, a partial withdrawal of contract value (including required minimum distributions or systematic withdrawals, unless such distributions or withdrawals remain uncashed, and partial exchanges of the Annuity Contract for another annuity contract), termination or surrender of the Annuity Contract, payment of all death benefits due, or payment of additional purchase payments.

p. **"Nationwide Records"** means Policyholder information maintained on Nationwide's administrative systems or the administrative systems of any third-party retained by the Company concerning all of the Company's in-force Policies, Annuity Contracts, and Retained Asset Accounts, as well as those Policies that lapsed and that are still within the applicable state dormancy period as measured from Date of Death.

q. **"Policy"** means any individual life policy or endowment policy or group life policy or certificate of life insurance for which Nationwide performs Recordkeeping services and that provides a death benefit. The term "Policy" shall not include: 1) any policy or certificate of life insurance that provides a death benefit under any Federal employee benefit program, including without limitation the Servicemembers' Group Life Insurance ("SGLI") and Veterans' Group Life Insurance "(VGLI") Programs; 2) group life insurance policies, or certificates issued thereunder, where Nationwide does not perform Recordkeeping functions; or 3) any benefits payable under health coverages such as disability and long term care arising from the reported death of an insured person under such coverages.

r. **"Policyholder"** means an insured, annuitant, Accountholder or Annuity Contract Owner whose death results in the payment of Proceeds.

s. **"Proceeds"** means the money payable under a Policy, Annuity Contract or Retained Asset Account of the Company.

t. **"Recordkeeping"** means that insurance policy information necessary to process a claim, including without limitation, insured full name, date of birth, Social Security Number, coverage eligibility, premium payment status, and Beneficiary information, is maintained by the Company on its administrative systems or the administrative systems of any third-party retained by the Company, as opposed to such information being maintained by a group life insurance customer or some other third party retained by the group customer.

u. **"Retained Asset Account"** means any mechanism whereby the settlement of proceeds payable under a Policy or individual Annuity Contract including, but not limited to, the payment of cash surrender value, is accomplished by the insurer or an entity acting on behalf of the insurer establishing an account with check or draft writing privileges, where those proceeds are retained by the insurer, pursuant to a supplementary contract not involving annuity benefits.

v. **"Thorough Search"** means the minimum Company efforts to identify, locate and contact the Beneficiaries of a Policy, Retained Asset Account, or Annuity Contract after receiving a Date of Death Notice that indicates that the Policyholder has been reported as dead. A Thorough Search shall include any methodology believed likely to locate a Beneficiary and will be completed the earlier of when (1) a Beneficiary has been located, or (2) the following steps, at a minimum, have been performed:

(i) The Company shall use its best efforts to identify the Beneficiary and determine a current address for the Beneficiary based upon Nationwide Records including, but not limited to, internal databases;

(ii) The Company shall make at least two (2) attempts to contact the Beneficiary in writing at the address in (i) above; provided that, if such writing is returned as undeliverable, the Company will not be required to send any additional mailings to that address and will within thirty (30) days update the address using online search or locator tools, such as Lexis Nexis Accurint or other comparable databases;

(iii) If the Company obtains an updated address using online search or locator tools as described in (ii) above, the Company shall make at least two (2) attempts in writing to contact the Beneficiary at that address;

(iv) In the event that no response is received to the writings sent pursuant to ii. and iii. above, or a writing sent pursuant to ii. and iii. above is returned as undeliverable, the Company shall attempt to contact the Beneficiary at least three (3) times at the most current telephone number contained in Nationwide Records or obtained through the Company's use of online search or locator tools.

(v) In the event that no response has been received to the attempted contacts described in (i)-(iv) above, the Company shall attempt to contact the Beneficiary at the most current available email address, if any;

(vi) Send a third and final letter to the Beneficiary at the most current address available to the Company via certified mail; provided, however, that, subject to contrary state law requirements, such letter may be sent by first class mail if, at some point prior to sending it, the Company has accessed a commercially available database service, which is used to update addresses in order to check for a more current address for the Beneficiary.

(vii) The Company shall maintain documentation of all attempts described in (i)-(vi) above to contact the Beneficiary.

w. **"Unclaimed Property"** means property subject to the Unclaimed Property Laws.

x. **"Unclaimed Property Audit Agreement"** means (i) the Global Resolution Agreement between Nationwide, Verus Financial, LLC on behalf of the Unclaimed Property regulators and (ii) the agreement between Nationwide and the Florida Department of Financial Services.

y. **"Unclaimed Property Laws"** means the Laws, Rules and Regulations regulating unclaimed property in each of the Signatory States.

2. **Business Reforms.** In accordance with the implementation schedule described in Schedule B, Nationwide shall compare, using the comparison criteria specified in Schedule A, all Nationwide Records against the DMF Update File every month and against the Complete DMF File at least annually, to identify Death Master File Matches for potential unclaimed death benefits. Nationwide shall have no responsibility for errors, omissions or delays in information contained in the Death Master File. Furthermore:

a. Subject to Schedule B, the Company shall commence a Thorough Search within 120 days following the Date of Death, unless the Company receives a Date of Death Notice more than 120 days after the Date of Death, in which case the Company shall commence a Thorough Search within: (i) 45 days following its receipt of the Date of Death Notice for all group life insurance policies, or certificates issued thereunder; and (ii) 30 days following its receipt of the Date of Death Notice for all other Policies, Annuity Contracts and Retained Asset Accounts. If the Company is unable to establish an Exception at the conclusion of the dormancy period based on the applicable Unclaimed Property Laws, the Company shall report and remit such Proceeds to the affected State(s) within three (3) or five (5) years from the Date of Death as appropriate.

b. For the sole purpose of this Agreement, the Company, within the time period in Schedule B, shall implement policies and procedures requiring the Company to initiate its death claims process upon Date of Death Notice and conduct a Thorough Search. Nothing herein is intended nor shall be deemed to determine the requirements for establishing proof of death for any other purpose, or to confer any rights on any party other than the Company and the Signatory States.

c. In the event that a line of business conducts checks of its Policyholders against the DMF for Death Master File Matches at intervals more frequent than those provided for in this Agreement and such Death Master File Match results in action being taken with respect to a Policy, Annuity Contract, or Retained Asset Account, then that line of business shall share the relevant Policyholder information among applicable lines of business.

d. In the event that Nationwide locates the Beneficiary following a Thorough Search, Nationwide shall provide the appropriate claims forms or instructions, if required, to the Beneficiary to make a claim, including instructions as to the need to provide an official death certificate if consistent with law and the Policy, Annuity Contract, or Retained Asset Account. Nationwide reserves the right to require satisfactory confirmation of death, including a death certificate, as due proof of death, before Proceeds are paid to a Beneficiary or a Beneficiary's legal representative if consistent with law and the Policy, Annuity Contract, or Retained Asset Account. Nothing in this Agreement shall be construed to supersede Nationwide's obligation to maintain effective procedures and resources to deter and investigate fraudulent insurance acts as required by applicable law.

e. Nationwide shall implement policies and procedures for conducting a Thorough Search. That obligation shall not abrogate the obligation of the Company to complete any unclaimed property law due diligence requirements within the timeframe required by any applicable law.

f. To the extent permitted under applicable law, Nationwide may disclose the minimum necessary personal information about a Policyholder or Beneficiary to a person whom Nationwide reasonably believes may be able to assist Nationwide locate the Policyholder or Beneficiary or a person otherwise entitled to payment of the claims Proceeds, provided however, the Company shall not implement policies or practices that will or may diminish the rights, amounts of benefits due to Beneficiaries under the terms of its Policies, Annuity Contracts, or Retained Asset Accounts.

g. The Company shall conduct a Thorough Search for group life insurance policies where Nationwide is providing Recordkeeping services, including group life insurance certificates issued thereunder, where a group life insurance claim is received for which the Company, from information in its administrative systems and/or the group policy claim form, is able to determine that a benefit is due and is able to determine the benefit amount, but the Beneficiary cannot be identified and/or located.

h. Nationwide shall establish policies and procedures to ensure that:

i. commencing no later than forty-five (45) days prior to the Maturity Date of an Annuity Contract for which the Company is unable to establish an Exception, at least two (2) letters are sent to an Annuity Contract Owner notifying the owner of the upcoming Maturity Date, stating that the Contract will be annuitized following the Maturity Date if the Company is unable to establish an Exception, and identifying any alternatives to annuitization available under the Contract (e.g., extension of the Maturity Date; surrender of the Contract);

ii. the Company shall immediately commence a Thorough Search for the Annuity Contract Owner if the letters described in subparagraph i. are returned as undeliverable;

iii. an affirmative request by an Annuity Contract Owner, in accordance with the terms of the Contract, will be required by the Company before a Maturity Date is extended, and such request will be recorded in the Company's books and records;

iv. the Annuity Contract is annuitized as soon as practicable, but in no event more than forty-five (45) days following the Maturity Date, if the Company is unable to establish an Exception;

v. If annuity payments for a contract that has been annuitized under paragraph (iv) above remain uncashed at the conclusion of the dormancy period based on the applicable Unclaimed Property Laws, the Company shall report and remit such Proceeds to the affected State(s) within three (3) or five (5) years from the date of the annuity payment as appropriate;

vi. The provisions described in (i)-(v) above will apply to Maturity Dates following the Effective Date of this Agreement, and will take effect one year from the Effective Date of the Agreement. The provisions described in (i)-(v) above will not apply to Annuity Contracts held

within ERISA or other tax-qualified plans, Individual Retirement Annuities, or Annuity Contracts held in Individual Retirement Accounts.

i. Nationwide represents and warrants that it discontinued use of Retained Asset Accounts ("RAAs"), in 2007 and, at that time, transferred all such accounts to FDIC-insured accounts at Nationwide Bank. Should Nationwide resume use of Retained Asset Accounts in any form outside of the accounts at Nationwide Bank, Nationwide will apply the following Business Reforms to the use of such Retained Asset Accounts:

(i) Ensure that all Retained Asset Accounts are monitored for inactivity and each is notified that the failure of an Accountholder to make a withdrawal from the account or to respond to communications from the Company may cause the account to be declared dormant and subject to escheat based on the last documented contact with the Accountholder or the Accountholder's authorized representative, subject to Schedule B.

(ii) The value of the Retained Asset Account(s) shall be the value of the account as of the date the property is paid to the party determined to be the owner of the account or reported and remitted to the affected state(s).

(iii)Subject to Schedule B, a Thorough Search for a Beneficiary of a Retained Asset Account or an Accountholder, as appropriate, shall commence following the earlier of (i) one hundred twenty (120) days following the Date of Death Notice, (ii) the earlier of three (3) or five (5) years, subject to the Unclaimed Property Laws of the affected state, after the date that the Accountholder last initiated a financial or administrative transaction or (iii) the earlier of three (3) or five (5) years, subject to the Unclaimed Property Laws of the affected state, after the last Accountholder-authenticated response to the Company that is documented on the Company's books and records. If the Company is unable to establish an Exception at the conclusion of the dormancy period based on the applicable Unclaimed Property Laws, the Company shall report and remit such Proceeds to the affected State(s) within three (3) or five (5) years from the Date of Death or last documented Accountholder contact or transaction as appropriate.

j. No later than delivery of the Policy, Annuity Contract or Retained Asset Account, and upon any change of a Policyholder or Beneficiary, the Company shall request information sufficient to ensure that all benefits are paid to

Beneficiaries upon the death of the Policyholder, including, at a minimum, the name, address, social security number, date of birth and telephone number of every Policyholder and Beneficiary of such Policy, Annuity Contract or Retained Asset Account, as applicable. The Company's implementation of this provision shall occur as outlined in Schedule B.

3. **Multi-State Examination Payment**. Without admitting any liability whatsoever, the Company agrees to pay the Departments the amount of $7.2 million (the "Payment") for the examination, compliance, and monitoring costs associated with the Multi-State Examination. The Lead Departments shall be responsible for allocating the Payment to the Departments. To be eligible to participate in the Payment allocation, a Department must sign the Agreement by December 7, 2012. The Company agrees to make Payment within ten (10) days after the Effective Date and the receipt of the allocation from the Departments, which will extinguish the Company's financial obligation to the Departments arising from the Multi-State Examination, except as set forth below in paragraphs 4(c) and 4(d).

4. **Regulatory Oversight.** Each of the Departments shall maintain independent regulatory oversight over the Company's compliance with the terms of this Agreement and in furtherance thereof, Nationwide agrees to the following:

a. For a period of thirty-six (36) months following the Effective Date, the Company shall provide to the Lead Departments quarterly reports on the implementation and execution of the requirements of this Agreement. Each report shall be delivered to each of the Lead Departments within forty five (45) days following the end of the applicable reporting period.

b. Thirty-Nine (39) months following the Effective Date the Lead States shall conduct a Multi-State Examination of Company's compliance with the requirements of this Agreement. The Lead States shall provide a report summarizing the results of that examination to Company and Signatory States. The examination shall be performed with the cost of the examination to be borne by Company in accordance with the Lead States respective laws.

c. The Company may petition a Department to terminate or modify this Agreement in that state. Such a petition may include, but not be limited to, the following grounds: (i) the Agreement's terms, in whole or in part, are inconsistent with the statutes, rules or regulations then in effect in that state; (ii) that a Future Settlement Agreement with a company possessing substantial market share is more favorable than the Agreement; or (iii) by three (3) years from the Effective Date of this Agreement, Future Settlement Agreements have not been entered into with companies possessing substantial market share. A Department will not unreasonably withhold its consent to the relief requested by the Company in its petition. Once made by the Company, the Multi-State Examination Payment, as allocated to each Department, is final and non-recoverable under any circumstances including the termination of this Agreement.

d. In addition to the payments set forth in Section 3, the reasonable costs and expenses of the Departments related to the monitoring of the Company's compliance with the Agreement, including the costs and expenses of conducting any reviews or examinations permitted by the Agreement, as well as participating in any meetings, presentations or discussions with the Company, shall be borne by the Company.

e. The monitoring of Company for compliance with the terms of this Agreement constitutes an ongoing examination by each of the Departments pursuant to each of their respective state laws. Consistent with applicable law, each Department shall accord confidential treatment to the work papers, recorded information, documents, copies of work papers, and documents produced by, obtained by or disclosed by Company.

5. **Company Covenants.** The Company covenants and agrees with each of the Departments that it shall comply in all respects with the following terms and conditions:

a. Proceeds under a Policy shall be determined in accordance with the Policy terms.

b. Proceeds under Annuity Contracts shall be determined in accordance with the Annuity Contract terms.

c. The value of a Retained Asset Account shall be the value of the account as of the date the Proceeds are paid to the Beneficiary.

d. Nationwide or any agent acting on its behalf shall not charge Beneficiaries for any fees or costs associated with a search or verification conducted pursuant to this Agreement.

e. The Company shall comply with the Unclaimed Property Audit Agreement. Nothing in this Agreement shall abrogate the obligations of the Company under the Unclaimed Property Audit Agreement.

6. **Miscellaneous.**

a. This Agreement shall not confer any rights upon any persons or entities other than the parties to it and is not intended to be used for any other purpose. Nor shall the Agreement be deemed to create any intended or incidental third party beneficiaries, and the matters addressed herein shall remain within the sole and exclusive jurisdiction of the Departments.

b. This Agreement does not impair, restrict, suspend, or disqualify Nationwide from engaging in any lawful business in any jurisdiction based upon, or arising out of, the Multi-State Examination regarding any alleged act or omission of Nationwide.

c. The Parties agree that this Agreement contains the entire agreement between them with regard to the Company's claims settlement practices, procedures and policy administration relating to the matching of Policyholders against the DMF or any similar database and that there are no other understandings or agreements, verbal or otherwise, between the Parties, except as set forth herein. There have been no representations not set forth herein that any Party has relied upon in entering into this Agreement.

d. Neither this Agreement, nor any act performed or document executed pursuant to or in furtherance of this Agreement, is now or may be deemed in the future to be an admission of or evidence of liability or any wrongdoing by the Company.

e. The Parties represent and warrant that the person executing this Agreement on behalf of each Party has the legal authority to bind the Party to the terms of this Agreement.

f. Each Department agrees to release the Company from all claims, demands, interest, penalties, actions or causes of action that each Department may have by reason of any matter, cause or thing whatsoever, regarding or relating to the Company's claims settlement practices as they relate to matching Policyholders against the DMF or any similar database. Nothing in this Agreement shall preclude the Departments from conducting a Multi-State Examination to assess the Company's compliance with this Agreement. In addition to the payments set forth in Section 3, the cost of such an examination shall be borne by the Company in accordance with the Lead Departments' respective Insurance Law.

g. If the state of any Department adopts any Insurance Law addressing insurance companies' use of the Death Master File (or its equivalent) in connection with insurance companies' procedures concerning the payment of Proceeds to Beneficiaries, then Nationwide's compliance with the terms of such Insurance Law of that state after the Effective Date of this Agreement shall be deemed to comply with those terms of this Agreement (i) which relate solely to the use of the Death Master File, and (ii) for the purposes of compliance herewith for that state alone.

h. In the event that any portion of this Agreement is enjoined or held invalid under the laws of a Department's state, such enjoined or invalid portion shall be deemed to be severed only for the duration of the injunction, if applicable, and only with respect to that Department and its state, and all remaining provisions of this Agreement shall be given full force and effect and shall not in any way be affected thereby.

i. No later than five years following the Effective Date, the Lead Departments will complete the Multi-State Examination with a final review concerning the Company's compliance with the Agreement. If that review confirms that the Company has fulfilled its obligations under the Agreement, the Multi-State Examination will be closed. The Agreement will terminate eight years following the Effective Date (the "Termination Date"), contingent upon closure of the Multi-State Examination and the Company's submission of its prospective policies and procedures for DMF matching and beneficiary outreach, to be used after the Agreement ends. This submission shall be made to the Lead Departments Insurance six calendar months prior to the Termination Date.

j. Nothing in this Agreement shall be construed as an admission of any party's position as to the preemptive effect of the Employee Retirement Income Security Act of 1974, as periodically amended, on state laws as applied to employment based plans.

k. This Agreement does not abrogate obligations undertaken by the Company under any agreement with unclaimed property officials.

l. This Agreement may be executed in counterparts.

7. **Enforcement.** The failure to comply with any provision of this Agreement shall constitute a breach of the Agreement and a violation of an Order of each Department, and shall subject the Company to such administrative and enforcement actions and penalties as each Department deems appropriate, consistent with each Department's respective state laws.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

In Witnesses Whereof, the parties to this Regulatory Settlement Agreement have each caused their signatures to be set forth below on the date first set forth below.

NATIONWIDE

By: _____

NAME

TITLE VP, Individual Products & Solution Operations

DATED: 10/8/2012

FLORIDA OFFICE OF
INSURANCE REGULATION

BY: Kevin M. McCarty

KEVIN M. McCARTY
COMMISSIONER

DATE 10/9/12

NORTH DAKOTA INSURANCE
DEPARTMENT

BY: _____

ADAM HAMM
COMMISSIONER

DATE _____

CALIFORNIA DEPARTMENT
OF INSURANCE

BY: _____

DAVE JONES
COMMISSIONER

DATE _____

PENNSYLVANIA INSURANCE
DEPARTMENT

BY: _____

MICHAEL F. CONSEDINE
COMMISSIONER

DATE _____

ILLINOIS DEPARTMENT
OF INSURANCE

BY: _____

ANDREW BORON
DIRECTOR

DATE _____

NEW HAMPSHIRE INSURANCE
DEPARTMENT

BY: _____

ROGER A. SEVIGNY
COMMISSIONER

DATE _____

OHIO DEPARTMENT OF INSURANCE

BY: _____

MARY TAYLOR
LT. GOVERNOR/ DIRECTOR

DATE _____

FLORIDA OFFICE OF
INSURANCE REGULATION

BY:_____

KEVIN M. McCARTY
COMMISSIONER

DATE_____

NORTH DAKOTA INSURANCE
DEPARTMENT

BY:_____

ADAM HAMM
COMMISSIONER

DATE_____

CALIFORNIA DEPARTMENT
OF INSURANCE

BY: Dave Jones

DAVE JONES
COMMISSIONER

DATE 10-9-12

PENNSYLVANIA INSURANCE
DEPARTMENT

BY:_____

MICHAEL F. CONSEDINE
COMMISSIONER

DATE_____

ILLINOIS DEPARTMENT
OF INSURANCE

BY:_____

ANDREW BORON
DIRECTOR

DATE_____

NEW HAMPSHIRE INSURANCE
DEPARTMENT

BY:_____

ROGER A. SEVIGNY
COMMISSIONER

DATE_____

OHIO DEPARTMENT OF INSURANCE

BY:_____

MARY TAYLOR
LT. GOVERNOR/ DIRECTOR

DATE_____

FLORIDA OFFICE OF
INSURANCE REGULATION

BY:_____

KEVIN M. McCARTY
COMMISSIONER

DATE_____

CALIFORNIA DEPARTMENT
OF INSURANCE

BY:_____

DAVE JONES
COMMISSIONER

DATE_____

ILLINOIS DEPARTMENT
OF INSURANCE

BY: Andrew Boron

ANDREW BORON
DIRECTOR

DATE October 9, 2012

OHIO DEPARTMENT OF INSURANCE

BY:_____

MARY TAYLOR
LT. GOVERNOR/ DIRECTOR

DATE_____

NORTH DAKOTA INSURANCE
DEPARTMENT

BY:_____

ADAM HAMM
COMMISSIONER

DATE_____

PENNSYLVANIA INSURANCE
DEPARTMENT

BY:_____

MICHAEL F. CONSEDINE
COMMISSIONER

DATE_____

NEW HAMPSHIRE INSURANCE
DEPARTMENT

BY:_____

ROGER A. SEVIGNY
COMMISSIONER

DATE_____

FLORIDA OFFICE OF
INSURANCE REGULATION

BY:_____

KEVIN M. McCARTY
COMMISSIONER

DATE_____

CALIFORNIA DEPARTMENT
OF INSURANCE

BY:_____

DAVE JONES
COMMISSIONER

DATE_____

ILLINOIS DEPARTMENT
OF INSURANCE

BY:_____

ANDREW BORON
DIRECTOR

DATE_____

OHIO DEPARTMENT OF INSURANCE

BY: Mary Taylor

MARY TAYLOR
LT. GOVERNOR/ DIRECTOR

DATE 10/10/12

NORTH DAKOTA INSURANCE
DEPARTMENT

BY:_____

ADAM HAMM
COMMISSIONER

DATE_____

PENNSYLVANIA INSURANCE
DEPARTMENT

BY:_____

MICHAEL F. CONSEDINE
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PENNSYLVANIA INSURANCE
DEPARTMENT

BY: Michael Consedine

MICHAEL F. CONSEDINE
COMMISSIONER

DATE 10/9/12

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BY:_____

ROGER A. SEVIGNY
COMMISSIONER

DATE 10-11-12

SCHEDULE A

RULES FOR IDENTIFYING DEATH MATCHES.

In comparing Nationwide Records against the DMF, the Company shall use the methodology below as the minimum standard for determining what constitutes a match. The Company shall use the same match rules for Annuity Contracts, Policies and Retained Asset Accounts.

Category 1: "Exact Social Security Number Match" occurs when the Social Security Number contained in the data found in the Company's records matches exactly to the Social Security Number contained in the DMF.

Category 2: "Non-Social Security Number Match" occurs in any of the following circumstances:

1. The Social Security Number contained in the data found in the Company's records matches in accordance with the Fuzzy Match Criteria listed below to the Social Security Number contained in the DMF, the First and Last Names match either exactly or in accordance with the Fuzzy Match Criteria listed below and the Date of Birth matches exactly.

2. The Company's records do not include a Social Security Number or where the Social Security Number is incomplete (less than 7 digits) or otherwise invalid (i.e.1 1 1 1 1 1111, 999999999, 123456789), and there is a First Name, Last Name, and Date of Birth combination in the data produced by the Company that is a match against the data contained in the DMF where the First and Last Names match either exactly or in accordance with the Fuzzy Match Criteria listed below and the Date of Birth matches exactly.

3. If there is more than one potentially matched individual returned as a result of the process described in paragraphs 1 and 2, immediately above, then the Company shall run the Social Security Numbers obtained from the DMF for the potential matched individuals against Accurint for Insurance or an equivalent database. If a search of

those databases shows that the Social Security Number is listed at the address in the Company's records for the insured, then a non-Social Security Number Match will be considered to have been made only for individuals with a matching address.

Fuzzy Match Criteria:

1. "First Name" fuzzy match includes one or more of the following:

   a. "First Name" "Nick Names:" "JIM" and "JAMES." the Company shall use the pd. Nickname database from Peacock Data, Inc. or an equivalent database, to identify matching First Names where a nickname is used on one or both sides of the match.

   b. "Initial" instead of full first name: "J FOX" and "JAMES FOX"

   c. "Metaphone" (a recognized and accepted phonetic name matching algorithm created by Lawrence Philips and originally published in 1990): "BUDDY" and "BUDDIE."

   d. Data entry mistakes with a maximum difference of one character with at least five characters in length: "HARRIETTA" and "HARRIETA"

   e. If First Name is provided together with Last Name in a "Full Name" format and "First Name" and "Last Name" can't be reliably distinguished from one another: "ROBERT JOSEPH," _ Both "JOSEPH ROBERT" and "ROBERT JOSEPH"

   f. Use of interchanged "First Name" and "Middle Name:" "ALBERT E GILBERT" and "EARL A GILBERT"

   g. Compound "First Name:" "SARAH JANE" and "SARAH," or "MARY ANN" and "MARY"

   h. Use of "MRS." + "HUSBAND'S First Name + Last Name:" "MRS DAVID KOOPER" and "BERTHA KOOPER" where the "Date of Birth" and "Social Security Number" match exactly and the Last Name matches exactly or in accordance with the Fuzzy Match Criteria listed herein.

2. A "Last Name" fuzzy match includes one or more of the following:

a. "Anglicized" forms of last names: "MACDONALD" and "MCDONALD."

b. Compound last name: "SMITH" and "SMITH-JONES"

c. Blank spaces in last name: "VON HAUSEN" and "VONHAUSEN"

d. "Metaphone" (a recognized and accepted phonetic name matching algorithm created by Lawrence Philips and originally published in 1990): "GONZALEZ" and "GONZALES."

e. If First Name is provided together with Last Name in a "Full Name" format and "First Name" and "Last Name" cannot be reliably distinguished from one another: "ROBERT JOSEPH," Both "JOSEPH ROBERT" and "ROBERT. "

f. Use of apostrophe or other punctuation characters in "Last Name:" "O'NEAL" and "ONEAL"

g. Data entry mistakes with a maximum difference of one character for last name with at least eight characters in length: "MACHIAVELLI" and "MACHIAVELI"

h. Last Name Cut-off: A match will be considered to have been made where due to the length of the Last Name, some of the last letters were not saved in the database. Examples include: "Brezzinnows" and "Brezzinnowski" and "Tohightower"and "Tohightowers."

i. Married Female "Last Name" Variations: A fuzzy "Last Name" match will be considered to have been made even though the data does not match on the Last Name of a female, if the "Date of Birth" and "Social Security Number" matches exactly and the First Name matches exactly or in accordance with the Fuzzy Match Criteria listed herein.

3. "Date Of Birth" fuzzy match includes one of the following:

   a. Two dates with a maximum of one digit in difference: "03/27/1945" and "03/27/1946"

      i. NOTE: *"03/27/1949"* and *"03/27/1950"* are not a match under Rule 3(a)i.

      ii. Only 1 entry mistake per full date is allowable: *"03/27/1945"* and "03/28/1946" are not a match

   b. Transposition of "Month" and "Day" portion of the "Date of Birth:" "05/11/1935" and "11/05/1935"

   c. If the Company's systems do not contain a complete "Date of Birth," then a "Date of Birth" exact match will be found to exist where the data that is available on the Company's systems does not conflict with the data contained in the DMF. By way of example, if the Company's systems only contain a month and year of birth, an exact "Date of Birth" match will exist if the DMF record contains the same month and year of birth.

4. "Social Security Number" fuzzy match includes one of the following:

   a. Two Social Security Numbers with a maximum of two digits in difference, any number position: "123456789" and" 123466781"

   b. Two consecutive numbers are transposed: "123456789" and" 123457689"

   c. If a Social Security Number is less than nine digits in length (with a minimum of seven digits) and is entirely embedded within the other Social Security Number: "12345678" and "012345678."

Other Matches and Mismatches

Notwithstanding the fact that a Policy or Annuity Contract is listed as a match in accordance with the foregoing rules, there will not be a reportable match if the Company is able to produce competent evidence to establish that the unique biological individual identified in the Company's data is not the same as a unique biological individual identified on the DMF or such individual is not dead.

SCHEDULE B

The Company's implementation of Business Reforms involving the frequency and use of, the matching methodology described in Schedule A, shall proceed in the following manner:

(1) No later than twelve(12) calendar months following the Effective Date, the Company shall begin to conduct DMF searches of the DMF Update File on at least a monthly basis, and one search per year utilizing the Complete DMF File, using the matching methodology described in Schedule A, , on its Annuity Contracts in payout phase and its corporate and bank owned policies (COLI and BOLI).

(2) No later than eighteen (18) calendar months following the Effective Date, the Company shall begin to conduct DMF searches of the DMF Update File on at least a monthly basis, and one search per year utilizing the Complete DMF File, using the matching methodology described in Schedule A, , on its individual life insurance.

(3) No later than twenty-four (24) calendar months following the Effective Date, the Company shall begin to conduct DMF searches of the DMF Update File on at least a monthly basis, and one search per year utilizing the Complete DMF File, using the matching methodology described in Schedule A, on its individual deferred Annuity Contracts.

(4) No later than twenty-four (24) calendar months following the Effective Date, the Company shall begin to conduct DMF searches of the DMF Update File on at least a monthly basis, and one search per year utilizing the Complete DMF File, using the matching methodology described in Schedule A, on its group Annuity Contracts and group life insurance business for which it provides Recordkeeping services.

(5) If a match is attained in any DMF search referenced in paragraphs (1) – (4) above, Nationwide will continue to share the applicable Policyholder information among its various lines of business according to existing procedures of conducting cross-checks of confirmed deaths against its various lines of business, as outlined in Section 2 of the Agreement. Thereafter, Nationwide then conducts a Thorough Search and the Beneficiary contact process as described in Section 2 herein.

(6) In addition to the above, during the 24 calendar month period or more following the Effective Date (until the conclusion of the Audit), Nationwide will be receiving monthly reports identifying matches as part of the resolution of its multi-state unclaimed property audit.

No later than twelve (12) calendar months following the Effective Date, the Company shall begin to request the information described in Section 2. j.