

PEHP[®] Fact Sheet and Investment Options

Type of Plan	<ul style="list-style-type: none">• Employee benefit plan• Internal Revenue Code Section 501(c)(9)
Assets Held	<ul style="list-style-type: none">• Tax exempt multiple-employer VEBA trusts
Tax Advantages	<ul style="list-style-type: none">• Employer pays no FICA taxes on plan contributions.• Employees pay no FICA or federal income taxes on:<ul style="list-style-type: none">– Contributions made on their behalf– Investment earnings– Benefits paid from the plan
Plan Contributions	<ul style="list-style-type: none">• Employer contributions only—employee contributions including salary reduction not permitted
Plan Benefits	<ul style="list-style-type: none">• Tax-free accumulation and reimbursements for qualified post employment medical expenses as defined by the Internal Revenue Code Section 213(d). Examples include:<ul style="list-style-type: none">– Health insurance premiums– Medicare Part-B premiums– Medicare supplemental insurance premiums– Qualified long-term care premiums– Out-of-pocket qualified medical expenses such as prescription drugs, eye glasses doctor co-pays, etc.
Benefit Flexibility	<ul style="list-style-type: none">• Upon the employee separating from service or retiring, requests may be made for the reimbursement of qualified medical expenses and/or medical insurance premiums.
Funding Options	<ul style="list-style-type: none">• Insurance Premium Reimbursement Account (IPRA)<ul style="list-style-type: none">– Can be funded solely with accrued sick and/or vacation leave (must be required by employer of all plan participants).– May also be funded by the employer ongoing with a percentage of salary on behalf of each employee.– Minimum annual ongoing contribution is .5% of salary per employee.– Reimbursements may only be used for qualified health insurance premium expenses. Examples include: health insurance premiums, dental premiums, Medicare Part-B premiums and Medicare supplements.– Contribution details must be submitted separately for the IPRA & URA.• Universal Reimbursement Account (URA)<ul style="list-style-type: none">– Funded ongoing with equal dollar employer contributions per employee, per submission.– Minimum annual ongoing contribution is \$120 per employee.– Reimbursements may be made for any qualified out-of-pocket medical expense. Examples include: health insurance premiums, prescription drugs, eye glasses, hearing aids and doctor co-pays.
Investment Options	<ul style="list-style-type: none">• There are 20 investment options available for employees. (5 asset allocation funds and 15 stand-alone funds)
Plan Fees	Employer—No fee Employee—\$30 annual administrative fee; 0.50% asset fee Note: No charge for claims reimbursements
Death of Participant	Money is immediately made available to the surviving spouse and/or qualified dependents (as defined by IRC 152(a)) to use for health care expenses. If no surviving spouse or qualified dependents remain to request reimbursement, the account balance is reallocated to the accounts of the remaining members of the immediate employer group for their qualified medical expenses.

Note: Separate trusts available for collectively-bargained employee groups and non-collectively bargained employee groups.

Neither the Company nor its representatives give legal or tax advice. You should consult your attorney or tax advisor for answers to your specific questions.

nrsforu.com 1-877-677-3678, option 8, ext. 43966



Nationwide[®]
On Your Side

PEHP® Investment Options

PEHP Variable Annuity, A Group Variable Annuity Contract issued by Nationwide Life Insurance Company

Asset Allocation

The Nationwide Investor Destinations Funds can be selected based on your personal objectives and risk tolerance and are designed to provide asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the Investor Destination Funds, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.

• Nationwide Investor Destinations Aggressive Fund (Svc Class)	Large Growth
• Nationwide Investor Destinations Moderately Aggressive Fund (Svc Class)	Large Growth
• Nationwide Investor Destinations Moderate Fund (Svc Class)	Moderate Allocation
• Nationwide Investor Destinations Moderately Conservative Fund (Svc Class)	Moderate Allocation
• Nationwide Investor Destinations Conservative Fund (Svc Class)	Conservative Allocation

Category

International

International investing involves additional risks; including currency fluctuations, political instability, differences in accounting standards and foreign regulations.

• JP Morgan International Equity Fund (Select Shares)	Foreign Large Blend
• Oppenheimer Global Fund (Class A)	World Stock

Small Cap

Small company funds involve increased risk and volatility.

• Dreyfus Premier Small Cap Value Fund (Class R)	Small Value
• Fidelity Advisor Small Cap Fund (Class A)	Small Growth
• Nationwide Small Cap Index Fund (Class A)	Small Blend

Mid Cap

• American Century Vista Fund (Inv Class)	Mid-Cap Growth
• Nationwide Mid Cap Market Index Fund (Class A)	Mid-Cap Blend
• Goldman Sachs Mid Cap Value Fund (Class A)	Mid-Cap Value

Large Cap

• American Century Ultra Fund (Inv Class)	Large Growth
• Nationwide S&P 500 Index Fund (Instl Svc Class)	Large Blend
• Nationwide Fund (Class D)	Large Blend
• Van Kampen Growth & Income Fund (Class A)	Large Value

Bonds

• PIMCO Total Return A	Immediate-Term Bond
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Fixed Income/Cash

An investment in a money market underlying fund is not insured or guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in the money market.

• Nationwide Money Market Fund (Prime Shares)	Money Market
• Nationwide Fixed Account	Fixed Account

Free Withdrawal - When employment is terminated, an employee can request reimbursements for qualified medical expenses and/or medical insurance premiums for themselves, spouse and their qualified dependents.

Fees - An employee's account is assessed an asset fee equivalent to 0.50% on an annualized basis, applied daily.

Contract Number: APO-3350

PEHP® Investment Option Descriptions

Investor Destinations Series—is investing made easy. These five portfolios are professionally managed asset allocation portfolios, modeled according to an individual's tolerance for risk and available time horizon. These choices range from aggressive to conservative. Nationwide Mutual Fund Capital Trust makes the investment management decisions for investors who choose these portfolios:

- **Nationwide Investor Destinations Aggressive Fund (Service Class)** seeks growth of capital. The Aggressive Fund's allocation focuses on stock investments, both U.S. and international. This fund is generally appropriate for aggressive investors comfortable with risk, investors with long time horizons or investors who want to maximize long term returns and who have a higher tolerance for possible short term losses.
- **Nationwide Investor Destinations Moderately Aggressive Fund (Service Class)** seeks growth of capital, but also income. The Moderately Aggressive Fund's allocation is weighted toward stock investments, while including some bonds and short term investments to reduce volatility. The fund is appropriate for aggressive investors who want to maximize returns over the long term and who have a tolerance for possible short term losses or who are looking for some additional diversification.
- **Nationwide Investor Destinations Moderate Fund (Service Class)** seeks growth of capital and income. The Moderate Fund's allocation is weighted toward stock investments while including a substantial portion in bonds and short term investments to add income and reduce volatility. The fund is appropriate for investors who have a lower tolerance for risk than more aggressive investors and are seeking both growth and income, who have a longer time horizon or who are willing to accept moderate short term price fluctuation in exchange for potential longer term returns.
- **Nationwide Investor Destinations Moderately Conservative Fund (Service Class)** seeks income and secondly, long term growth of capital. The Moderately Conservative Fund's allocation is weighted toward bond investments and short term investments while including substantial stock investments for long term growth. The fund is appropriate for investors who have a lower tolerance for risk and whose primary goal is income, who have a shorter time horizon or who are willing to accept some market volatility in exchange for greater potential in income and growth.
- **Nationwide Investor Destinations Conservative Fund (Service Class)** seeks income and secondly, long term growth of capital. The Conservative Fund's allocation focuses on bonds and short term investments while including some stock investments for long term growth. The fund is appropriate for investors who have a low tolerance for risk and whose primary goal is income, who have a short time horizon or who are not willing to accept much risk, but still seek a small amount of growth.

Other investment options include:

American Century Ultra Fund (Inv Class) seeks capital growth. The fund typically invests at least 90% of assets in equities selected for their appreciation potential. The majority of these securities are common stocks issued by companies that meet management's standards for earnings and revenue growth. The fund may only purchase securities of companies that have operated continuously for three or more years.

American Century Vista Fund (Inv Class) seeks long-term capital growth. The fund primarily invests in companies that management believes will increase in value over time. It normally invests in companies that are medium-sized and smaller at the time of purchase, although it may purchase companies of any size. The fund may also purchase domestic and foreign preferred stocks, convertible debt securities, equity-equivalent securities, non leveraged stock index futures contracts and options, notes, bonds and other debt securities. It will generally limit the purchase of debt securities to investment-grade obligations.

Dreyfus Premier Small Cap Value Fund (Class R) seeks capital appreciation; income is a secondary consideration. The fund normally invests at least 80% of assets in stocks of small- and mid-capitalization companies, those whose market value is between \$100 million and \$3 billion, that are publicly traded in the United States. It may invest in securities of foreign issuers. The fund may invest in derivative instruments, such as options and futures.

Nationwide Fund (Class D) seeks total return through current income and capital appreciation. The fund primarily invests in common stocks. It may also invest in various equity securities, including common and preferred stocks, convertible securities, and warrants. The fund may invest in index futures, options, U.S. government securities, short-term fixed income securities, bonds, repurchase agreements and money market instruments.

Fidelity Advisor Small Cap Fund (Class A) seeks long-term growth of capital. The fund normally invests at least 80% of assets in equity securities issued by companies with small market capitalizations. These companies generally have market capitalizations that fall within the range of the Russell 2000 Index or the Standard and Poor's Small Cap 600 Index. It has the flexibility, however, to invest in other market capitalizations and security types as the advisor deems suitable. The fund may invest in domestic and foreign issuers, as well as growth stocks, value stocks or both.

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Nationwide Mid Cap Market Index Fund (Class A) seeks to match the performance of the S&P Mid Cap 400 Index as closely as possible before the deduction of fund expenses. The fund normally invests at least 80% of net assets in equity securities of companies included in the S&P 400 Index and in derivative instruments linked to the index. It may not invest all of the common stocks of the S&P 400 Index or in the same weightings of the index.

Nationwide S&P 500 Index Fund (Instl Svc Class) seeks to provide investment results that correspond to the price and yield of the S&P 500 Index. The fund typically invests 80% of assets in equity securities of companies included in the S&P 500 Index and in derivative instruments linked to the index. It may not invest in all of the common stocks of the S&P 500 index or in the same weightings as the index.

Nationwide Money Market Fund (Prime Shares) invests in high-quality money-market obligations maturing in 397 days or fewer. These include corporate obligations, government and agency bonds, bills and notes, the obligations of foreign governments and the obligations of U.S. banks and U.S. branches of foreign banks, if they are denominated in U.S. dollars.

Nationwide Small Cap Index Fund (Class A) seeks to match the performance of the Russell 200 index as closely as possible before the deduction of fund expenses. The fund normally invests at least 80% of net assets in equity securities of companies included in the Russell 200 index and in derivative instruments linked to the index. It may not invest in all of the common stocks of the Russell 200 index or in the same weightings as the index.

Goldman Sachs Mid-Cap Value Fund (Class A) seeks long-term capital appreciation. The fund normally invests at least 80% of assets in equity securities, typically with market capitalizations within the range of the market capitalizations within the range of the market capitalization of the Russell Mid cap Value Index. It may invest up to 25% of assets in foreign securities, including securities of issuers of emerging countries. The fund may also invest up to 20% of assets in companies with market capitalizations outside the range of companies in the Russell Mid cap Value Index and in fixed-income securities, such as government, corporate and bank debt obligations.

JP Morgan International Equity Fund (Select Shares) seeks long-term capital growth and income. The fund normally invests at least 80% of assets in equity securities issued by foreign companies of various sizes, including foreign subsidiaries of U.S. companies. It may invest up to 20% of assets in debt securities issued by a foreign government or international organization and up to 20% of assets in high-quality money market instruments and repurchase agreements. The fund may also invest in investment grade debt securities and derivatives.

Nationwide Fixed Account is designed for participants who seek safety of principal and guaranteed interest rates. Interest is credited and compounded daily to yield the effective rate declared at the beginning of the year. This rate is guaranteed throughout the year and both principal and interest are guaranteed by Nationwide.

Van Kampen Growth & Income Fund (Class A) seeks income and long-term growth of capital by investing in income-producing equities. It may also purchase investment-grade debt. It limits investments in foreign securities to 25% of assets.

Oppenheimer Global Fund (Class A) seeks capital appreciation. The fund primarily invests in common stocks and convertible securities issued by U.S. and foreign companies. It ordinarily invests in at least three countries. The fund may invest in special situations and in securities of companies in cyclical industries.

PIMCO Total Return Fund (Class A) seeks total return consistent with preservation of capital. The fund normally invests at least 65% of assets in debt securities, including U.S. government securities, corporate bonds, and mortgage-related securities. It may invest up to 20% of assets in securities denominated in foreign currencies. The may invest up to 10% of assets in high-yield securities rated B or higher. The portfolio duration generally ranges from three- to six-years.

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Both the product informational brochures and underlying fund prospectuses can be obtained by calling 1-877-677-3678. Before investing, carefully consider the fund's investment objectives, risks, and charges and expenses. The product informational brochure and underlying fund prospectus contain this and other important information. Read the prospectuses carefully before investing.

- Any investment involves risk and there is no assurance that the investment objective of any Fund will be achieved.
- Guarantees are subject to the claims paying ability of the Nationwide Life Insurance Company.

The PEHP unregistered group variable annuity is issued by Nationwide Life Insurance Company contract number APO-3350

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