Submitting Private Placement VUL business

As a leader in the corporate-owned life insurance (COLI) industry, we know how important product design and service are in helping you choose a carrier. Part of that service includes providing an efficient case submission and underwriting process.

We've designed the following information to guide you through submitting private placement business with Nationwide® Business Solutions Group, including the forms and information needed in each phase of the process. We hope you'll use it to ensure your next case runs smoothly.

Request an offer

- Complete a COLI Client Questionnaire (CLM-0491AO); please list all producers on the case and their appropriate broker/dealers
- Obtain a census of the executives that the plan will cover and create a spreadsheet that contains the following data points:
  - First and last name
  - Birthdate
  - Sex (Male/Female)
  - Smoker (Yes/No)
  - Death benefit amount
  - Premium amount
  - Salaries
  - Titles
- Email documents to the Nationwide case consultant who will then submit to Underwriting for review
- Not all cases will be approved, but if your case is approved by underwriting, an offer letter will be provided

Product design

- Pricing and fund selection will occur simultaneously while an underwriting offer is being reviewed
- Work with your case consultant to determine product elements such as experience rating, direct recognition of mutual fund payments, all-in mortality and expense charges (M&E), cash value enhancements and compensation structure
- Individual case pricing will be determined in coordination with the producer/policyowner, case consultant and Nationwide Business Solutions Group (NBSG) actuary
- While pricing is in the final stages, you should work with the policyowner to determine the fund selection; this needs to be finalized before product will be offered
- Once pricing is completed, Nationwide will provide illustration capability so that product modeling can be done for the client
- When the policyowner decides to move forward, the case consultant will facilitate the creation of the Private Placement Memorandum and necessary enrollment paperwork

Private Placement Memorandum (PPM)

- The PPM will be created and serves as an offering memorandum outlining all the specifics of the life insurance policy being offered

Verify licensing and appointments

- Using the producers listed on the COLI Client Questionnaire, we'll research active appointments for the policy situs (whether corporate- or trust-owned) to verify that each producer is correctly licensed and appointed for that particular state
- In addition to licensing and appointment, we'll seek confirmation from each producer firm that the producer is not disqualified under the Securities and Exchange Commission's (SEC) "bad actors" rule

Submit these good-order requirements

For guaranteed-issue cases

- Master application
- Insurance schedule
- Consent forms
- **Additional items we require:**
  - Private Placement Questionnaire
  - Disqualifying Event form
  - Variable supplement
  - Selling Agreement(s)
  - Commission election form — if brokers from more than one broker/dealer are splitting the commission, a registered principal from ALL broker/dealers must sign the form
  - COLI best practices form
- **If applicable:**
  - 1035 exchange paperwork and census
  - State replacement form
  - Trust paperwork
  - E-delivery consent form

Please note these important documents:

Private Placement Questionnaire (PPQ)
The PPQ is contained in the enrollment forms package and is required to demonstrate eligibility for a Nationwide Private Placement VUL product. Please make sure to provide this either before or at the time of submitting signed enrollment paperwork to NBSG.

State-specific consent form
Generally, the consent form is provided to you early on in the process so that enrollment can take place prior to receiving the underwriting offer; however, this consent must be requested from the NBSG New Business team.

Disqualifying Event form
According to a 2013 requirement implemented by the SEC, a Disqualifying Event form must be completed for everyone associated with the sale — either individually (each producer) or holistically (each broker/dealer) — in order to receive commissions on a Private Placement VUL case underwritten by Nationwide Life Insurance Company. Contact NBSG for assistance completing this form.

Submission methods:

1. Email all of the completed paperwork to NBSG_New_Business@nationwide.com (preferred option).
   OR
2. Fax the completed paperwork to our toll-free fax number: 1-855-677-2357.
3. Mail/overnight the paperwork to the following address:
   Nationwide Business Solutions Group
   Attn: New Business
   One Nationwide Plaza, 1-11-401
   Columbus, OH 43215-2220

The new business coordinator assigned to the case will notify the producer that the paperwork was received and the case, in its entirety, is currently being reviewed for good order. The new business coordinator will work with you and the case consultant in order to complete outstanding requirements until good order is reached.

Issuing the case

Once good order is satisfied, the new business coordinator will notify you that premium may be submitted, accompanied by a premium roster indicating the specific premium amounts to be applied to each individual certificate. If premium and the premium roster are received prior to 4 p.m. ET, the case will be issued current day. But, if either item is received at 4 p.m. ET or later, the case will be issued the next business day day.

After the case is issued, the new business coordinator will send you the policy binder to provide to the policyowner in either paper or electronic format — depending on the policyowner's preference.

Process for submitting a Private Placement VUL case with Nationwide:

REQUEST AN OFFER

- Nationwide is being considered as the carrier for a private placement VUL case by the company.
- Producer completes a COLI Questionnaire and census of insureds. These go to the case consultant for submission to underwriting.
- If approved, an offer letter is generated and provided to the producer.

PRODUCT DESIGN

- Determine product elements.
- Pricing is finalized; Nationwide provides illustration capability for product modeling.
- Final fund selection is provided to the case consultant by the producer.
- Illustration is approved. PPM is created.

PRIVATE PLACEMENT MEMORANDUM (PPM)

- PPM is provided once pricing, underwriting and fund selection have been finalized.
- Case consultant and producer review PPM. Updates are made as necessary.

INITIAL STAGES

- New business coordinator (NBC) verifies licensing and appointments for all producers associated with the case.
- Obtain verification that no listed producers are disqualified under the SEC's "bad actors" rule (Disqualifying Event form).

FORMS

- Enrollment paperwork is emailed to producer.
- Paperwork submission methods: email (preferred), fax or regular/overnight mail.
- Once signed paperwork is received, it will be reviewed by the NBC. Underwriter checks paperwork as final review.
- The entire case is reviewed for good order.

Master Application, Insurance Schedule, Variable Supplement, COLI Best Practices, Disqualifying Event form, Selling Agreement(s), Commission Election form, Consents and PPQ

ISSUING

- Once good order is satisfied, the producer is advised that premium and premium roster may be submitted.
- NBC issues the case once premium and accompanying premium roster are received.

POLICY BINDER AND DELIVERY REQUIREMENTS

- After the case is issued, the NBC mails the policy binder to the producer.
- Producer delivers the binders to the policyowner and obtains signatures for the delivery requirements, then emails a copy to NBC.
- NBC reviews signed delivery requirements for accuracy and confirms the case is complete.

CASE IS COMPLETE

Use the information provided here as a guideline for submitting Private Placement VUL business with Nationwide.

We can also customize the process to help meet your and your clients' needs. For more information or to discuss a specific case, please contact our Nationwide® Business Solutions Group at 1-877-351-8808.

Nationwide®
is on your side

FOR BROKER/DEALER USE ONLY — NOT FOR USE WITH THE PUBLIC

Products are issued by Nationwide Life Insurance Company, Columbus, Ohio. The general distributor for variable life insurance policies is Nationwide Investment Services Corporation, member FINRA.

A purchaser of Nationwide Private Placement VUL must be an Accredited Investor as defined by Regulation D under the Securities Act of 1933, as amended, and a Qualified Purchaser as defined by the Investment Company Act of 1940, as amended.

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