How your employer is helping you save for retirement

Let's face it. It's not easy saving for retirement. You have to fit it in your budget. And as a part-time, seasonal or a temporary worker, that's not easy.

Introducing the Nationwide® OBRA Plan

The Omnibus Budget Reconciliation Act of 1990 (OBRA) allows governmental employers under certain circumstances to use a deferred compensation plan described in Section 457(b) of the Internal Revenue Code in lieu of paying and withholding Social Security/FICA taxes for employees that participate in such plans. In response to OBRA, Nationwide developed and offers FICA-replacement deferred compensation plans known as OBRA Plans.

How does the OBRA Plan work?

The OBRA Plan is designed for participation by all part-time, seasonal and temporary employees. You must contribute at least **7.5% of your total (gross) compensation** to the OBRA Plan. However, you may choose to defer a greater amount, if your plan allows.

Your employer automatically deducts the required contribution from your gross compensation – just as they would for FICA taxes – and invests it in a fixed-return annuity issued by Nationwide Life Insurance Company. The annuity offers an annual guaranteed rate, with a current interest rate that is adjusted quarterly. Guarantees are subject to the claims-paying ability of the company.

When can I get my money?

If you are no longer eligible to participate in the OBRA Plan – for example, because you become a full-time employee – you may transfer the full value of your OBRA account into your employer's 457 Deferred Compensation Plan, provided your employer's plan permits such a transfer. OBRA Plans are also eligible for rollover to an IRA or, in most cases, to another employer's eligible retirement plan.

You may withdraw your funds – without penalty – when you retire or stop working.

- If you die before you receive your money, your account balance will be paid as a lump-sum payment to your estate or, if your plan allows, as your beneficiary or beneficiaries request.
- If your account balance is less than $5,000 when you are eligible to withdraw from your account, you will receive a lump-sum distribution.
- If your balance is $5,000 or more, you may choose a lump-sum distribution or a periodic payout.

You choose the solution that's best for you.

How can I get more information?

Although neither Nationwide nor any of its representatives may offer legal or tax advice, our friendly Customer Service Representatives will gladly assist you in participating in the OBRA program. Just call toll-free at 1-877-677-3678, option 1, then 1, weekdays 8 a.m. – 9 p.m. Eastern Time.

© 2011, Nationwide Retirement Solutions, Inc. All Rights Reserved.

Nationwide, *On Your Side* and the Nationwide framemark are registered service marks of Nationwide Mutual Insurance Company.

The fixed annuity is issued by Nationwide Life Insurance Company, Columbus, Ohio.
Contract number NRC-0106AO, NRC-0106OR.
In Oklahoma only: NRC-0106OK.

NRM-2722AO.4

Nationwide®
On Your Side™