



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

Nationwide Life and Annuity Insurance Company

NAIC Group Code 0140 0140 NAIC Company Code 92657 Employer's ID Number 31-1000740
(Current) (Prior)

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile United States of America

Incorporated/Organized 02/09/1981 Commenced Business 05/06/1981

Statutory Home Office One West Nationwide Blvd. Columbus, OH, US 43215-2220
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office One West Nationwide Blvd.
(Street and Number)
Columbus, OH, US 43215-2220 800-882-2822
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address One West Nationwide Blvd., 1-04-701 Columbus, OH, US 43215-2220
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records One West Nationwide Blvd., 1-04-701
(Street and Number)
Columbus, OH, US 43215-2220 800-882-2822
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.nationwide.com

Statutory Statement Contact Ronald S. Porter 614-249-1545
(Name) (Area Code) (Telephone Number)
statacct@nationwide.com 877-669-5908
(E-mail Address) (FAX Number)

OFFICERS

President & COO Kirt Alan Walker Sr VP & Treasurer David Patrick LaPaul
VP - Corp Governance & Secretary Robert William Horner III VP - NF Chief Actuary Steven Andrew Ginnan

OTHER

<u>Anne Louise Arvia Sr VP - NW Retirement Plans</u>	<u>Wesley Kim Austen Sr VP - P&C Comm/Farm Prod</u>	<u>David Alan Bano Sr VP - Chief Claims Officer</u>
<u>James David Benson Sr VP - CAO & Corp Controller</u>	<u>David William Berson # Sr VP - Chief Economist</u>	<u>Pamela Ann Biesecker Sr VP - Head of Taxation</u>
<u>William Joseph Burke Sr VP - NF Brand Marketing</u>	<u>John Laughlin Carter Sr VP - Dist & Sales</u>	<u>Tammy Craig # Sr VP - IT Strategic Initiatives</u>
<u>Robert James Dickson Sr VP - IT Strategic Initiatives</u>	<u>Thomas Williams Dietrich Sr VP - Deputy Gen Counsel</u>	<u>Steven Michael English Sr VP</u>
<u>Terri Lisa Forgy # Sr VP - Talent, Div & Org Effect</u>	<u>Timothy Gerard Frommeyer Sr VP - CFO</u>	<u>Mark Anthony Gaetano Sr VP - BTO</u>
<u>Peter Anthony Golato Sr VP - NW Financial Network</u>	<u>Judith Lynn Greenstein Sr VP - Pres Nationwide Bank</u>	<u>Daniel Gerard Greteman Sr VP - CIO Allied Group</u>
<u>Susan Jean Gueli Sr VP - CIO NF Systems</u>	<u>Melissa Doss Gutierrez Sr VP - PCIO Sales Support</u>	<u>Harry Hansen Hallowell Sr VP</u>
<u>Jennifer Marie Hanley Sr VP, NI Brand Marketing</u>	<u>Patricia Ruth Hatler Exec VP & Chief Legal & Gov Off</u>	<u>Gordon Elliott Hecker Sr VP - Corporate Marketing</u>
<u>Eric Shawn Henderson Sr VP - Ind Products & Sol</u>	<u>Terri Lynn Hill Exec VP</u>	<u>Lawrence Allen Hilsheimer Exec VP - Finance</u>
<u>Matthew Eric Jauchius Exec VP - Chief Market/Strat Off</u>	<u>Michael Craig Keller Exec VP - Chief Info Officer</u>	<u>Gale Verdell King Exec VP - Chief Human Res Officer</u>
<u>Michael Patrick Leach Sr VP - CFO - P&C</u>	<u>Katherine Marie Liebel Sr VP - Corp Strategy</u>	<u>Michael William Mahaffey Sr VP, Chief Risk Officer</u>
<u>Kai Vincent Monahan Sr VP - Internal Audit</u>	<u>Gregory Stephen Moran Sr VP - CIO IT Infrastructure</u>	<u>Sandra Lee Neely Sr VP - Deputy Gen Counsel</u>
<u>Mark Angelo Pizzi Exec VP</u>	<u>Steven Charles Power Sr VP - NF</u>	<u>Stephen Scott Rasmussen Chief Executive Officer</u>
<u>Sandra Lynn Rich Sr VP - Chief Compliance Officer</u>	<u>Michael Anthony Richardson # Sr VP - CIO Enter Apps</u>	<u>Jeff Millard Rommel Sr VP - Field Operations IC</u>
<u>Amy Taylor Shore Sr VP - Field Operations EC</u>	<u>Michael Scott Spangler Sr VP - Invest Manag Group</u>	<u>Mark Raymond Thresher Exec VP</u>
<u>Guruprasad Chitrapura Vasudeva Sr VP - Ent CTO</u>	<u>Andrew Dawnly Walker # Sr VP - IT Finance SMS/PMO</u>	

DIRECTORS OR TRUSTEES

Timothy Gerard Frommeyer Eric Shawn Henderson # Stephen Scott Rasmussen
Mark Raymond Thresher Kirt Alan Walker

State of Ohio SS:
County of Franklin

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Kirt Alan Walker
President & COO

Robert William Horner, III
VP - Corp Governance & Secretary

David Patrick LaPaul
Sr VP & Treasurer

Subscribed and sworn to before me this 28 day of JANUARY, 2013
Jeffrey W. Cloud

- a. Is this an original filing? Yes [X] No []
- b. If no,
 - 1. State the amendment number.....
 - 2. Date filed
 - 3. Number of pages attached.....



Jeffrey W. Cloud
Notary Public, State of Ohio
My Commission Expires 09-29-2016

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	4,294,688,883		4,294,688,883	3,521,403,560
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	73,973		73,973	315,532
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	524,001,761		524,001,761	485,218,173
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$				
encumbrances)				
4.2 Properties held for the production of income (less				
\$				
encumbrances)				
4.3 Properties held for sale (less \$				
encumbrances)				
5. Cash (\$				
(833,310) , Schedule E - Part 1), cash equivalents				
(\$				
, Schedule E - Part 2) and short-term				
investments (\$	27,974,634		27,974,634	31,394,210
28,807,944 , Schedule DA)				
6. Contract loans (including \$	30,635,222	18,091	30,617,131	26,515,957
premium notes)				
7. Derivatives (Schedule DB)				2,240
8. Other invested assets (Schedule BA)				
9. Receivables for securities				85,658
10. Securities lending reinvested collateral assets (Schedule DL)	4,858,446		4,858,446	18,480,416
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	4,882,232,919	18,091	4,882,214,828	4,083,415,746
13. Title plants less \$				
charged off (for Title insurers				
only)				
14. Investment income due and accrued	54,766,171		54,766,171	47,934,080
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	5,248,902	3,564,178	1,684,724	1,478,028
15.2 Deferred premiums and agents' balances and installments booked but				
deferred and not yet due (including \$				
earned but unbilled premiums)	19,667,133		19,667,133	14,120,176
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	9,898,905		9,898,905	1,622,911
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts	28,362,688		28,362,688	11,258,377
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	27,438,102		27,438,102	7,740,764
18.2 Net deferred tax asset	126,414,755	118,430,343	7,984,412	4,146,233
19. Guaranty funds receivable or on deposit	279,421		279,421	140,132
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets				
(\$				
)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	12,828,805		12,828,805	8,738,919
24. Health care (\$				
) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	24,192,520	1,603,158	22,589,362	18,313,686
26. Total assets excluding Separate Accounts, Segregated Accounts and				
Protected Cell Accounts (Lines 12 to 25)	5,191,330,321	123,615,770	5,067,714,551	4,198,909,052
27. From Separate Accounts, Segregated Accounts and Protected Cell				
Accounts	1,175,606,403		1,175,606,403	1,158,496,923
28. Total (Lines 26 and 27)	6,366,936,724	123,615,770	6,243,320,954	5,357,405,975
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501. Accrued Fees and Other Assets	22,640,396	51,034	22,589,362	18,313,686
2502. Deferred Software Costs	1,552,124	1,552,124		
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	24,192,520	1,603,158	22,589,362	18,313,686

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 4,422,667,304 (Exh. 5, Line 9999999) less \$ included in Line 6.3 (including \$ 2,870,317,143 Modco Reserve)	4,422,667,304	3,609,287,807
2. Aggregate reserve for accident and health contracts (including \$ Modco Reserve)	17,327,229	17,352,334
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ Modco Reserve)	12,395,510	13,934,245
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	12,395,510	13,934,245
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)		
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)		12,403
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ Modco)	1,037,535	1,091,000
6.2 Dividends not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14)	1,100,526	1,046,158
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including the liability of \$ accident and health experience rating refunds of which \$ is for medical loss ratio rebate per the Public Health Service Act		
9.3 Other amounts payable on reinsurance including \$ 1,402 assumed and \$ 33,033,007 ceded	33,034,409	4,027,701
9.4 Interest maintenance reserve (IMR, Line 6)	12,521,825	12,989,061
10. Commissions to agents due or accrued-life and annuity contracts \$ 2,870,999 accident and health \$ and deposit-type contract funds \$	2,870,999	3,739,528
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)		
13. Transfers to Separate Accounts due or accrued (net) (including \$ (73,177,945) accrued for expense allowances recognized in reserves, net of reinsured allowances)	(70,305,009)	(59,216,745)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	1,040,154	1,146,409
15.1 Current federal and foreign income taxes including \$ on realized capital gains (losses)		
15.2 Net deferred tax liability		
16. Unearned investment income	16,881	8,117
17. Amounts withheld or retained by company as agent or trustee	355,272	187,398
18. Amounts held for agents' account, including \$ 20,954 agents' credit balances	20,954	50,883
19. Remittances and items not allocated	3,862,021	3,479,344
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	26,731,421	18,535,786
24.02 Reinsurance in unauthorized and certified (\$) companies		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$) reinsurers	269,759,215	238,224,146
24.04 Payable to parent, subsidiaries and affiliates	13,369,618	7,770,226
24.05 Drafts outstanding		
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance		
24.08 Derivatives	2,734,245	2,655,610
24.09 Payable for securities	364,711	469,340
24.10 Payable for securities lending	4,857,869	18,479,998
24.11 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	956,716	1,183,719
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	4,756,719,405	3,896,454,468
27. From Separate Accounts Statement	1,175,606,403	1,158,496,923
28. Total Liabilities (Lines 26 and 27)	5,932,325,808	5,054,951,391
29. Common capital stock	2,640,000	2,640,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	615,624,500	534,624,500
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	(307,269,354)	(234,809,916)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		
36.2 shares preferred (value included in Line 30 \$)		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ in Separate Accounts Statement)	308,355,146	299,814,584
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	310,995,146	302,454,584
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	6,243,320,954	5,357,405,975
DETAILS OF WRITE-INS		
2501. Interest payable on unpaid policies and contract claims		(1,920)
2502. Reserve for Escheat Funds	936,062	935,639
2503. Reserve for Litigation		250,000
2598. Summary of remaining write-ins for Line 25 from overflow page	20,654	
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	956,716	1,183,719
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)		
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	404,588,232	337,924,147
2. Considerations for supplementary contracts with life contingencies	831,491	1,050,623
3. Net investment income (Exhibit of Net Investment Income, Line 17)	222,393,208	209,475,638
4. Amortization of interest maintenance reserve (IMR, Line 5)	1,181,152	2,068,099
5. Separate Accounts net gain from operations excluding unrealized gains or losses		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	56,992,499	31,902,447
7. Reserve adjustments on reinsurance ceded	389,746,276	(204,071,720)
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	50,281,590	47,655,263
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income	21,702,852	15,036,037
9. Total (Lines 1 to 8.3)	1,147,717,300	441,040,534
10. Death benefits	28,483,526	23,789,616
11. Matured endowments (excluding guaranteed annual pure endowments)	23,178	41,509
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	139,369,466	189,986,024
13. Disability benefits and benefits under accident and health contracts	110,933	89,102
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and withdrawals for life contracts	57,949,557	33,478,649
16. Group conversions		
17. Interest and adjustments on contract or deposit-type contract funds	2,015,976	(6,781,720)
18. Payments on supplementary contracts with life contingencies	1,408,952	1,393,590
19. Increase in aggregate reserves for life and accident and health contracts	811,982,695	155,552,127
20. Totals (Lines 10 to 19)	1,041,344,283	397,548,897
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	116,125,824	88,981,603
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	17,206	18,867
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4)	127,723,436	98,187,520
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	13,025,155	11,138,013
25. Increase in loading on deferred and uncollected premiums	1,909,894	2,733,533
26. Net transfers to or (from) Separate Accounts net of reinsurance	(80,463,503)	(101,687,402)
27. Aggregate write-ins for deductions	16,623,427	13,294,075
28. Totals (Lines 20 to 27)	1,236,305,722	510,215,106
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(88,588,422)	(69,174,572)
30. Dividends to policyholders	971,461	1,047,336
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(89,559,883)	(70,221,908)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(28,665,153)	(23,756,275)
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(60,894,730)	(46,465,633)
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$1,720,452 (excluding taxes of \$384,416 transferred to the IMR)	(4,330,741)	(14,768,863)
35. Net income (Line 33 plus Line 34)	(65,225,471)	(61,234,496)
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	302,454,584	287,212,448
37. Net income (Line 35)	(65,225,471)	(61,234,496)
38. Change in net unrealized capital gains (losses) less capital gains tax of \$1,797,052	3,566,067	(2,781,942)
39. Change in net unrealized foreign exchange capital gain (loss)	89	273
40. Change in net deferred income tax	15,121,551	15,877,315
41. Change in nonadmitted assets	(20,115,252)	(26,441,667)
42. Change in liability for reinsurance in unauthorized and certified companies		420,106
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exh. 5A, Line 9999999, Col. 4)	(8,195,636)	(4,694,201)
44. Change in asset valuation reserve		
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)		
46. Surplus (contributed to) withdrawn from Separate Accounts during period		
47. Other changes in surplus in Separate Accounts Statement		
48. Change in surplus notes		
49. Cumulative effect of changes in accounting principles	8,292,466	
50. Capital changes:		
50.1 Paid in		
50.2 Transferred from surplus (Stock Dividend)		
50.3 Transferred to surplus		
51. Surplus adjustment:		
51.1 Paid in	81,000,000	100,000,000
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance		
52. Dividends to stockholders		
53. Aggregate write-ins for gains and losses in surplus	(5,903,252)	(5,903,252)
54. Net change in capital and surplus for the year (Lines 37 through 53)	8,540,562	15,242,136
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	310,995,146	302,454,584
DETAILS OF WRITE-INS		
08.301. Miscellaneous Income	21,702,852	15,036,037
08.302.		
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page		
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above)	21,702,852	15,036,037
2701. Net investment earnings on funds withheld by ceding company	16,623,427	13,294,075
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	16,623,427	13,294,075
5301. Adjustment to initial reinsurance, commission and expense allowance	(5,903,252)	(5,903,252)
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page		
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	(5,903,252)	(5,903,252)

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	395,962,818	331,230,985
2. Net investment income	226,457,618	211,570,294
3. Miscellaneous income	129,409,964	92,531,430
4. Total (Lines 1 through 3)	751,830,400	635,332,709
5. Benefit and loss related payments	(180,973,469)	472,579,569
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(69,375,239)	(94,696,610)
7. Commissions, expenses paid and aggregate write-ins for deductions	292,166,455	193,442,600
8. Dividends paid to policyholders	1,037,329	1,024,519
9. Federal and foreign income taxes paid (recovered) net of \$ 2,104,868 tax on capital gains (losses)	(15,155,413)	(41,763,741)
10. Total (Lines 5 through 9)	27,699,663	530,586,337
11. Net cash from operations (Line 4 minus Line 10)	724,130,737	104,746,372
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	477,977,163	466,005,513
12.2 Stocks	227,659	199,980
12.3 Mortgage loans	107,251,142	153,004,936
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	16,971,935	87,901,458
12.8 Total investment proceeds (Lines 12.1 to 12.7)	602,427,899	707,111,887
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,259,107,710	777,797,665
13.2 Stocks		198,648
13.3 Mortgage loans	144,925,332	88,326,631
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	3,653,458	
13.7 Total investments acquired (Lines 13.1 to 13.6)	1,407,686,500	866,322,944
14. Net increase (decrease) in contract loans and premium notes	4,085,344	3,186,799
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(809,343,945)	(162,397,856)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock	81,000,000	100,000,000
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities	(25,105)	(1,244,144)
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	818,737	(78,793,204)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	81,793,632	19,962,652
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(3,419,576)	(37,688,832)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	31,394,210	69,083,041
19.2 End of year (Line 18 plus Line 19.1)	27,974,634	31,394,210

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	404,588,232		392,204,769	11,111,796				1,267,102	3,635		930	
2. Considerations for supplementary contracts with life contingencies	831,491				831,491							
3. Net investment income	222,393,207		78,257,886	128,299,635	741,500		(3,349)	2,202				15,095,333
4. Amortization of Interest Maintenance Reserve (IMR)	1,181,152		669,864	95,248	27,917		75					388,048
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	56,992,499		16,116,457	40,865,736				10,306				
7. Reserve adjustments on reinsurance ceded	389,746,276		411,658	390,388,123				(1,053,505)				
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	50,281,590		41,360,743	6,652,632				2,268,215				
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	21,702,851		21,424,380	215,975				62,496				
9. Totals (Lines 1 to 8.3)	1,147,717,298		550,445,757	577,629,145	1,600,908		(3,274)	2,556,816	3,635		930	15,483,381
10. Death benefits	28,483,526		28,508,276				(24,750)					
11. Matured endowments (excluding guaranteed annual pure endowments)	23,178		23,178									
12. Annuity benefits	139,369,466			100,794,366				38,575,100				
13. Disability benefits and benefits under accident and health contracts	110,933		108,233								2,700	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	57,949,557		57,949,557									
16. Group conversions			(191,557)				191,557					
17. Interest and adjustments on contract or deposit-type contract funds	2,015,976		1,100,447	97,432	818,800		(703)					
18. Payments on supplementary contracts with life contingencies	1,408,952				1,408,952							
19. Increase in aggregate reserves for life and accident and health contracts	811,982,695		313,522,971	501,152,991	(733,182)			(1,960,085)				
20. Totals (Lines 10 to 19)	1,041,344,283		401,021,105	602,044,789	1,494,570		166,104	36,615,015			2,700	
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	116,125,824		93,185,512	22,868,981				71,295	17		19	
22. Commissions and expense allowances on reinsurance assumed	17,206			17,206								
23. General insurance expenses	127,723,436		115,877,961	11,437,390	52,953		12,779	342,353				
24. Insurance taxes, licenses and fees, excluding federal income taxes	13,025,154		11,672,019	1,340,655			9,810	2,608	62			
25. Increase in loading on deferred and uncollected premiums	1,909,894		1,909,894									
26. Net transfers to or (from) Separate Accounts net of reinsurance	(80,463,503)		33,573,051	(78,051,188)				(35,985,366)				
27. Aggregate write-ins for deductions	16,623,427		16,623,427									
28. Totals (Lines 20 to 27)	1,236,305,721		673,862,969	559,657,833	1,547,523		188,693	1,045,905	79		2,719	
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(88,588,423)		(123,417,212)	17,971,312	53,385		(191,967)	1,510,911	3,556		(1,789)	15,483,381
30. Dividends to policyholders	971,461		971,461									
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(89,559,884)		(124,388,673)	17,971,312	53,385		(191,967)	1,510,911	3,556		(1,789)	15,483,381
32. Federal income taxes incurred (excluding tax on capital gains)	(28,665,153)		(32,600,425)	(1,600,199)	(2,858)		(67,197)	520,958	1,238		(654)	5,083,984
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(60,894,731)		(91,788,248)	19,571,511	56,243		(124,770)	989,953	2,318		(1,135)	10,399,397
DETAILS OF WRITE-INS												
08.301. Miscellaneous Income	21,702,851		21,424,380	215,975				62,496				
08.302.												
08.303.												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page												
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	21,702,851		21,424,380	215,975				62,496				
2701. Net investment earnings on funds withheld	16,623,427		16,623,427									
2702.												
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page												
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	16,623,427		16,623,427									

(a) Includes the following amounts for FEGLI/SGLI: Line 1 _____, Line 10 _____, Line 16 _____, Line 23 _____, Line 24 _____

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	3,609,287,809		1,108,260,809	2,470,346,877	8,193,421			22,486,702
2. Tabular net premiums or considerations	327,675,140		321,793,075	4,719,873	831,491			330,701
3. Present value of disability claims incurred	36,499		36,499		XXX			
4. Tabular interest	118,260,855		36,058,061	81,583,484				619,310
5. Tabular less actual reserve released	167,750		124,034	(386,942)	430,658			
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)	551,924,973		123,180,728	430,515,769				(1,771,524)
8. Totals (Lines 1 to 7)	4,607,353,026		1,589,453,206	2,986,779,061	9,455,570			21,665,189
9. Tabular cost	95,170,556		95,170,556		XXX			
10. Reserves released by death	9,536,984		9,536,984	XXX	XXX			XXX
11. Reserves released by other terminations (net)	81,253,989		58,362,222	20,098,460				2,793,307
12. Annuity, supplementary contract and disability payments involving life contingencies	3,996,893		74,059	2,512,415	1,408,952			1,467
13. Net transfers to or (from) Separate Accounts	(5,272,700)		3,140,885	(6,767,834)				(1,645,751)
14. Total Deductions (Lines 9 to 13)	184,685,722		166,284,706	15,843,041	1,408,952			1,149,023
15. Reserve December 31, current year	4,422,667,304		1,423,168,500	2,970,936,020	8,046,618			20,516,166

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 830,191	808,248
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 189,096,400	195,773,422
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	8,256	8,256
2.21 Common stocks of affiliates		
3. Mortgage loans	(c) 30,496,311	30,462,919
4. Real estate	(d)	
5. Contract loans	1,349,570	1,393,569
6. Cash, cash equivalents and short-term investments	(e) 18,229	18,229
7. Derivative instruments	(f) 199,475	196,872
8. Other invested assets		
9. Aggregate write-ins for investment income	82,747	82,747
10. Total gross investment income	222,081,179	228,744,262
11. Investment expenses		(g) 6,351,054
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		6,351,054
17. Net investment income (Line 10 minus Line 16)		222,393,208
DETAILS OF WRITE-INS		
0901. Securities Lending	38,012	38,012
0902. Miscellaneous Income	44,735	44,735
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	82,747	82,747
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		

- (a) Includes \$ 7,489,546 accrual of discount less \$ 18,712,640 amortization of premium and less \$ 7,293,193 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ 335,357 accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	1,443,968	(3,147,741)	(1,703,773)	4,978,629	103,011
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	29,011		29,011	(42,910)	
2.21 Common stocks of affiliates					
3. Mortgage loans	383,336	(38,936)	344,400	429,641	
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments		(181,594)	(181,594)	(2,240)	(102,922)
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	1,856,315	(3,368,271)	(1,511,956)	5,363,120	89
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)					

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
FIRST YEAR (other than single)											
1. Uncollected	158,874		158,874								
2. Deferred and accrued	10,604,342		10,604,342								
3. Deferred, accrued and uncollected:											
3.1 Direct	10,763,216		10,763,216								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net (Line 1 + Line 2)	10,763,216		10,763,216								
4. Advance											
5. Line 3.4 - Line 4	10,763,216		10,763,216								
6. Collected during year:											
6.1 Direct	216,407,947		216,407,947								
6.2 Reinsurance assumed											
6.3 Reinsurance ceded	710,717		710,717								
6.4 Net	215,697,230		215,697,230								
7. Line 5 + Line 6.4	226,460,446		226,460,446								
8. Prior year (uncollected + deferred and accrued - advance)	10,596,685		10,596,685								
9. First year premiums and considerations:											
9.1 Direct	216,574,478		216,574,478								
9.2 Reinsurance assumed											
9.3 Reinsurance ceded	710,717		710,717								
9.4 Net (Line 7 - Line 8)	215,863,761		215,863,761								
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	35,354,378		30,444,718	4,909,660							
10.2 Reinsurance assumed				13,689							
10.3 Reinsurance ceded	13,689										
10.4 Net	35,340,689		30,444,718	4,895,971							
RENEWAL											
11. Uncollected	1,495,560		1,495,560								
12. Deferred and accrued	23,343,850		23,343,850								
13. Deferred, accrued and uncollected:											
13.1 Direct	40,242,168		40,242,168								
13.2 Reinsurance assumed											
13.3 Reinsurance ceded	15,402,758		15,402,758								
13.4 Net (Line 11 + Line 12)	24,839,410		24,839,410								
14. Advance	1,100,526		1,100,526								
15. Line 13.4 - Line 14	23,738,884		23,738,884								
16. Collected during year:											
16.1 Direct	991,408,099		232,880,788	757,244,362		1,278,384		3,635		930	
16.2 Reinsurance assumed	17,413		17,413								
16.3 Reinsurance ceded	845,484,380		94,444,561	751,028,537		11,282					
16.4 Net	145,941,132		138,453,640	6,215,825		1,267,102		3,635		930	
17. Line 15 + Line 16.4	169,680,016		162,192,524	6,215,825		1,267,102		3,635		930	
18. Prior year (uncollected + deferred and accrued - advance)	16,296,235		16,296,235								
19. Renewal premiums and considerations:											
19.1 Direct	1,014,253,507		255,726,196	757,244,362		1,278,384		3,635		930	
19.2 Reinsurance assumed	17,413		17,413								
19.3 Reinsurance ceded	860,887,138		109,847,319	751,028,537		11,282					
19.4 Net (Line 17 - Line 18)	153,383,782		145,896,290	6,215,825		1,267,102		3,635		930	
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	1,266,182,363		502,745,392	762,154,022		1,278,384		3,635		930	
20.2 Reinsurance assumed	17,413		17,413								
20.3 Reinsurance ceded	861,611,544		110,558,036	751,042,226		11,282					
20.4 Net (Lines 9.4 + 10.4 + 19.4)	404,588,232		392,204,769	11,111,796		1,267,102		3,635		930	

EXHIBIT - 1 PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums	183,062		183,062								
22. All other	737,926		737,926								
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded	21,339,854			21,339,854							
23.2 Reinsurance assumed											
23.3 Net ceded less assumed	21,339,854			21,339,854							
24. Single:											
24.1 Reinsurance ceded											
24.2 Reinsurance assumed	17,206			17,206							
24.3 Net ceded less assumed	(17,206)			(17,206)							
25. Renewal:											
25.1 Reinsurance ceded	35,652,645		16,116,457	19,525,882			10,306				
25.2 Reinsurance assumed											
25.3 Net ceded less assumed	35,652,645		16,116,457	19,525,882			10,306				
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	56,992,499		16,116,457	40,865,736			10,306				
26.2 Reinsurance assumed (Page 6, Line 22)	17,206			17,206							
26.3 Net ceded less assumed	56,975,293		16,116,457	40,848,530			10,306				
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	85,660,478		85,660,478								
28. Single	3,579,745		3,579,745								
29. Renewal	26,885,601		3,945,289	22,868,981			71,295	17		19	
30. Deposit-type contract funds											
31. Totals (to agree with Page 6, Line 21)	116,125,824		93,185,512	22,868,981			71,295	17		19	

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5 Investment	6 Total
	1 Life	2 Accident and Health		4 All Other Lines of Business		
		2 Cost Containment	3 All Other			
1. Rent	1,436,362				233,399	1,669,761
2. Salaries and wages	63,510,948				2,210,541	65,721,489
3.11 Contributions for benefit plans for employees	6,632,693				102,332	6,735,025
3.12 Contributions for benefit plans for agents						
3.21 Payments to employees under non-funded benefit plans						
3.22 Payments to agents under non-funded benefit plans						
3.31 Other employee welfare	813,204				5,975	819,179
3.32 Other agent welfare						
4.1 Legal fees and expenses	1,338,012					1,338,012
4.2 Medical examination fees	2,590,623					2,590,623
4.3 Inspection report fees	3,393,065					3,393,065
4.4 Fees of public accountants and consulting actuaries	6,066,077				4,769	6,070,846
4.5 Expense of investigation and settlement of policy claims						
5.1 Traveling expenses	7,634,981				77,670	7,712,651
5.2 Advertising	9,559,956				4	9,559,960
5.3 Postage, express, telegraph and telephone	1,951,367				3,328,740	5,280,107
5.4 Printing and stationery	5,607,713				38,760	5,646,473
5.5 Cost or depreciation of furniture and equipment	174,227				868	175,095
5.6 Rental of equipment						
5.7 Cost or depreciation of EDP equipment and software	2,679,058				35,829	2,714,887
6.1 Books and periodicals	332,391				4,606	336,997
6.2 Bureau and association fees	397,997				6,331	404,328
6.3 Insurance, except on real estate						
6.4 Miscellaneous losses	86,489					86,489
6.5 Collection and bank service charges	66,659					66,659
6.6 Sundry general expenses	11,804,390				61,552	11,865,942
6.7 Group service and administration fees	(243,397)				(75,737)	(319,134)
6.8 Reimbursements by uninsured plans						
7.1 Agency expense allowance	56,658					56,658
7.2 Agents' balances charged off (less \$ recovered)	1,900,944					1,900,944
7.3 Agency conferences other than local meetings	240					240
9.1 Real estate expenses						
9.2 Investment expenses not included elsewhere	(67,221)				315,415	248,194
9.3 Aggregate write-ins for expenses						
10. General expenses incurred	127,723,436				6,351,054	(a) 134,074,490
11. General expenses unpaid December 31, prior year						
12. General expenses unpaid December 31, current year						
13. Amounts receivable relating to uninsured plans, prior year						
14. Amounts receivable relating to uninsured plans, current year						
15. General expenses paid during year (Lines 10+11-12-13+14)	127,723,436				6,351,054	134,074,490
DETAILS OF WRITE-INS						
09.301.						
09.302.						
09.303.						
09.398. Summary of remaining write-ins for Line 9.3 from overflow page						
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)						

(a) Includes management fees of \$ _____ to affiliates and \$ _____ to non-affiliates.

EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes					
2. State insurance department licenses and fees	1,149,503				1,149,503
3. State taxes on premiums	9,086,857	62			9,086,919
4. Other state taxes, including \$ for employee benefits	285,624				285,624
5. U.S. Social Security taxes	2,453,853				2,453,853
6. All other taxes	49,256				49,256
7. Taxes, licenses and fees incurred	13,025,093	62			13,025,155
8. Taxes, licenses and fees unpaid December 31, prior year	1,146,409				1,146,409
9. Taxes, licenses and fees unpaid December 31, current year	1,040,154				1,040,154
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	13,131,348	62			13,131,410

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1 Life	2 Accident and Health
	1. Applied to pay renewal premiums	183,062
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions	737,926	
4. Applied to provide paid-up annuities		
5. Total Lines 1 through 4	920,988	
6. Paid in cash	94,401	
7. Left on deposit	21,939	
8. Aggregate write-ins for dividend or refund options		
9. Total Lines 5 through 8	1,037,328	
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year	1,037,535	
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included in Line 13		
15. Total Lines 10 through 14	1,037,535	
16. Total from prior year	1,103,403	
17. Total dividends or refunds (Lines 9 + 15 - 16)	971,460	
DETAILS OF WRITE-INS		
0801.		
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page		
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)		

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0100001. 1958 CET 2.50% NET LEVEL 1966 - 1988	5,364		5,364		
0100002. 1958 CET 3.00% NET LEVEL 1966 - 1988	8,031		8,031		
0100003. 1958 CET 3.50% NET LEVEL 1966 - 1988	8,850		8,850		
0100004. 1958 CET 4.00% NET LEVEL 1966 - 1988	11,494		11,494		
0100005. 1958 CSO 2.50% NET LEVEL 1966 - 1988	385,896		385,896		
0100006. 1958 CSO 3.00% CRVM 1966 - 1988	33,749		33,749		
0100007. 1958 CSO 3.00% NET LEVEL 1966 - 1988	30,766		30,766		
0100008. 1958 CSO 3.50% CRVM 1966 - 1988	67,857		67,857		
0100009. 1958 CSO 3.50% NET LEVEL 1966 - 1988	83,777		83,777		
0100010. 1958 CSO 4.00% CRVM 1966 - 1988	45,838		45,838		
0100011. 1958 CSO 4.00% NET LEVEL 1966 - 1988	25,541		25,541		
0100012. 1980 CET 4.00% NET LEVEL 1989 - 2008	246,728		246,728		
0100013. 1980 CET 4.50% NET LEVEL 1989 - 2008	200,443		200,443		
0100014. 1980 CSO 3.00% CRVM 1989 - 2008	219,800,820		219,800,820		
0100015. 1980 CSO 4.00% & 4.50% CRVM 1989 - 2008	13,993,233		13,993,233		
0100016. 1980 CSO 4.00% CRVM 1989 - 2008	27,482,370		27,482,370		
0100017. 1980 CSO 4.00% MOD 1989 - 2008	682,697		682,697		
0100018. 1980 CSO 4.00% MOD STD/NS 1989 - 2008	13,450,817		13,450,817		
0100019. 1980 CSO 4.00% NET LEVEL 1989 - 2008	1,552,502		1,552,502		
0100020. 1980 CSO 4.50% & 5.00% CRVM 1989 - 2008	10,567,640		10,567,640		
0100021. 1980 CSO 4.50% CRVM 1989 - 2008	495,705,731		495,705,731		
0100022. 1980 CSO 4.50% CRVM STD/NS 1989 - 2008	169,415		169,415		
0100023. 1980 CSO 4.50% MOD 1989 - 2008	18,607,256		18,453,240		154,016
0100024. 1980 CSO 4.50% MOD STD/NS 1989 - 2008	3,190,669		3,190,669		
0100025. 1980 CSO 5.00% CRVM 1989 - 2008	7,883		7,883		
0100026. 1980 CSO 5.00% MOD 1989 - 2008	427,163		427,163		
0100027. 1980 CSO 5.00% NET LEVEL 1989 - 2008	3,482,399		3,482,399		
0100028. 1980 CSO 5.50% 200% NET LEVEL 1989 - 2008	3,335,349		3,335,349		
0100029. 1980 CSO 5.50% CRVM 1989 - 2008	11,598		11,598		
0100030. 1980 CSO 6.00% 200% NET LEVEL 1989 - 2008	8,044,020		8,044,020		
0100031. 1980 CSO 6.00% CRVM 1989 - 2008	192		192		
0100032. 2001 CSO 4.00% CRVM NB	1,572,146,106		1,572,146,106		
0199997. Totals (Gross)	2,393,812,194		2,393,658,178		154,016
0199998. Reinsurance ceded	994,063,203		993,909,187		154,016
0199999. Life Insurance: Totals (Net)	1,399,748,991		1,399,748,991		
0200001. 1951 GAM 3.5% (IMM)	12,831	XXX		XXX	12,831
0200002. 1971 IAM 11.25% 1975 - 1982	55,475	XXX	55,475	XXX	
0200003. 1983 IAM 6.5% 94	38,021	XXX	38,021	XXX	
0200004. 1983 IAM 6.75% 96-97	454,793	XXX	454,793	XXX	
0200005. 1983 IAM 7.00% 1993	55,027	XXX	55,027	XXX	
0200006. 1983 IAM 7.25% 1995	91,357	XXX	91,357	XXX	
0200007. 1983 IAM 7.75% 1992	94,547	XXX	94,547	XXX	
0200008. 1983 IAM 8.00% 1987	22,094	XXX	22,094	XXX	
0200009. 1983 IAM 8.25% 1990-1991	588,351	XXX	588,351	XXX	
0200010. 1983 IAM 8.75% 1988-1989	130,747	XXX	130,747	XXX	
0200011. 1983 IAM 9.25% 1986	32,411	XXX	32,411	XXX	
0200012. 1983 INDIVIDUAL ANNUITY 00 6.50% IMMEDIATE	6,095	XXX	6,095	XXX	
0200013. 1983 INDIVIDUAL ANNUITY 00 6.75% IMMEDIATE	77,794	XXX	77,794	XXX	
0200014. 1983 INDIVIDUAL ANNUITY 00 7.00% IMMEDIATE	5,388	XXX	5,388	XXX	
0200015. 1983 INDIVIDUAL ANNUITY 00 7.25% IMMEDIATE	87,559	XXX	87,559	XXX	
0200016. 1983 INDIVIDUAL ANNUITY 00 7.75% IMMEDIATE	42,676	XXX	42,676	XXX	
0200017. 1983 INDIVIDUAL ANNUITY 00 8.25% IMMEDIATE	3,357	XXX	3,357	XXX	
0200018. 1983 INDIVIDUAL ANNUITY 00 11.00% IMMEDIATE	1,200,093	XXX	1,200,093	XXX	
0200019. 2000 -00 4.25% IMMEDIATE	1,953,799	XXX	1,953,799	XXX	
0200020. 2000 -00 5.00% IMMEDIATE	1,442,748	XXX	1,442,748	XXX	
0200021. 2000 -00 5.25% IMMEDIATE	4,013,068	XXX	4,013,068	XXX	
0200022. 2000 -00 5.50% IMMEDIATE	5,753,638	XXX	5,753,638	XXX	
0200023. 2000 -00 6.00% IMMEDIATE	1,511,293	XXX	1,511,293	XXX	
0200024. 2000 -00 6.25% IMMEDIATE	126,125	XXX	126,125	XXX	
0200025. 2000 -00 6.50% IMMEDIATE	272,411	XXX	272,411	XXX	
0200026. 2000 -00 6.75% IMMEDIATE	320,374	XXX	320,374	XXX	
0200027. 2000 -00 7.00% IMMEDIATE	248,403	XXX	248,403	XXX	
0200028. A-2000 6.25% 98-99	344,631	XXX	344,631	XXX	
0200029. A-2000 6.50% 02	53,973	XXX	53,973	XXX	
0200030. A-2000 6.75% 01	325,155	XXX	325,155	XXX	
0200031. A-2000 7.00% 00	790,058	XXX	790,058	XXX	
0200032. DEFERRED ANNUITY -CARVM	3,151,610,067	XXX	3,131,877,820	XXX	19,732,247
0299997. Totals (Gross)	3,171,764,359	XXX	3,152,019,281	XXX	19,745,078
0299998. Reinsurance ceded	184,932,603	XXX	184,487,504	XXX	445,099
0299999. Annuities: Totals (Net)	2,986,831,756	XXX	2,967,531,777	XXX	19,299,979
0300001. 1983 IAM 6.5% 94	28,478		28,478		
0300002. 1983 IAM 6.75% 96-97	308,754		308,754		
0300003. 1983 IAM 7.00% 1993	97,460		97,460		
0300004. 1983 IAM 7.25% 1995	153,664		153,664		
0300005. 1983 IAM 7.75% 1992	34,035		34,035		
0300006. 1983 IAM 8.00% 1987	14,153		14,153		
0300007. 1983 IAM 8.25% 1990-1991	76,908		76,908		
0300008. 1983 IAM 8.75% 1988-1989	134,900		134,900		
0300009. A-2000 5.25% 05-06	3,127,641		3,127,641		
0300010. A-2000 5.50% 04 07-08	1,997,055		1,997,055		
0300011. A-2000 6.0% 03 09 NB	1,000,094		1,000,094		
0300012. A-2000 6.25% 98-99	13,327		13,327		
0300013. A-2000 6.50% 02	345,362		345,362		
0300014. A-2000 6.75% 01	110,549		110,549		
0300015. A-2000 7.00% 00	604,239		604,239		
0399997. Totals (Gross)	8,046,619		8,046,619		
0399998. Reinsurance ceded					
0399999. SCWLC: Totals (Net)	8,046,619		8,046,619		
0400001. 1959 ADB & 1958 CSO 4.00% 1966 - 1988	962		962		
0400002. 1959 ADB & 1980 CSO 4.00% 1989 - 2008	39,220		39,220		
0499997. Totals (Gross)	40,182		40,182		
0499998. Reinsurance ceded					

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0499999. Accidental Death Benefits: Totals (Net)	40,182		40,182		
0500001. 1952 DISABILITY & 1958 CSO 4.00% 1966 - 1988	32,156		32,156		
0500002. 1952 DISABILITY & 1980 CSO 4.00% 1989 - 2008	91,323		91,323		
0500003. 1952 DISABILITY & 1980 CSO 4.50% 1989 - 2008	1,073,196		1,073,196		
0500004. 1952 DISABILITY & 2001 CSO 4.00% NB	9,112,831		9,112,831		
0500005. 1952 INTERCO DIS BEN 45 PER 2 & 1958 CSO 3.00% 1966 - 1988	167		167		
0500006. 1952 INTERCO DIS BEN 5 PER 2 & 1980 CSO 4.50% 1989 - 2008	113,745		113,745		
0500007. 1952 INTERCO DIS BEN 5 PER 2 1980 CSO 4.50% 82 - NB	2,121		2,121		
0500008. 1980 DISABILITY & 1980 CSO 4.50% 1989 - 2008	43,700		43,700		
0599997. Totals (Gross)	10,469,239		10,469,239		
0599998. Reinsurance ceded	2,274,198		2,274,198		
0599999. Disability-Active Lives: Totals (Net)	8,195,041		8,195,041		
0600001. 1952 DISABILITY & 1980 CSO 4.00% 1989 - 2008	49,050		49,050		
0600002. 1952 DISABILITY & 2001 CSO 4.00% NB	150,780		150,780		
0600003. 1952 INTERCO DIS BEN 5 PER 2 3.50% 1960 - 2008	20,236		20,236		
0600004. 1980 DISABILITY & 1980 CSO 4.50% 1989 - 2008	4,660		4,660		
0600005. PROVIDENT MUTUAL TABLE 4.50% 1984 - 2008	1,107,760		1,107,760		
0699997. Totals (Gross)	1,332,486		1,332,486		
0699998. Reinsurance ceded	397,015		397,015		
0699999. Disability-Disabled Lives: Totals (Net)	935,471		935,471		
0700001. Contingency Reserves	4,052,121		4,052,121		
0700002. New York XS Interest	915,035		915,035		
0700003. Reserve for separate account minimum death benefit	5,093,039		3,952,102		1,140,937
0700004. For excess of valuation net premiums over corresponding gross premiums on respective policies computed according to the standard of valuation required by this state.	14,295,877		14,295,877		
0700005. Reserve for separate account minimum death benefit	389,641		389,641		
0799997. Totals (Gross)	24,745,713		23,604,776		1,140,937
0799998. Reinsurance ceded	5,876,469		5,950,243		(73,774)
0799999. Miscellaneous Reserves: Totals (Net)	18,869,244		17,654,533		1,214,711
9999999. Totals (Net) - Page 3, Line 1	4,422,667,304		4,402,152,614		20,514,690

EXHIBIT 5 - INTERROGATORIES

- 1.1 Has the reporting entity ever issued both participating and non-participating contracts?..... Yes [X] No []
- 1.2 If not, state which kind is issued.
- 2.1 Does the reporting entity at present issue both participating and non-participating contracts?..... Yes [] No [X]
- 2.2 If not, state which kind is issued.
NON PARTICIPATING
- 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?..... Yes [X] No []
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.
- 4. Has the reporting entity any assessment or stipulated premium contracts in force? Yes [] No [X]
If so, state:
4.1 Amount of insurance? \$
4.2 Amount of reserve? \$
4.3 Basis of reserve:
- 4.4 Basis of regular assessments:
- 4.5 Basis of special assessments:
- 4.6 Assessments collected during the year \$
- 5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.
IUL
declared rate, credited: 2%, charged: 3.9% yr 1-10, 3.25% yr 11+ alternative, credited: 0% (equal to the guar.floor), charged: 8%

AVUL
credited: 3%, charged: 3.9% yr 1-10, 3.25% yr 11+

PVUL
credited: 3%, charged 4.5%

SVUL
credited: 3% yr 1-10. 3.65%yr 11+, charged: 3.9%

SUL
credited: 3%, charged: 6%

CAUL
credited: 3%, charged 5%

SPUL
credited: 3%, charged: 5%

NLG
credited: 3%, charged 5%
- 6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? Yes [] No [X]
6.1 If so, state the amount of reserve on such contracts on the basis actually held: \$
6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: \$
Attach statement of methods employed in their valuation.
- 7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? Yes [] No [X]
7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements \$
7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount:
- 7.3 State the amount of reserves established for this business: \$
- 7.4 Identify where the reserves are reported in the blank:
- 8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year? Yes [] No [X]
8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements: \$
8.2 State the amount of reserves established for this business: \$
8.3 Identify where the reserves are reported in the blank:
- 9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year? Yes [] No [X]
9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders: \$
9.2 State the amount of reserves established for this business: \$
9.3 Identify where the reserves are reported in the blank:

EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR

1 Description of Valuation Class	Valuation Basis		4 Increase in Actuarial Reserve Due to Change
	2 Changed From	3 Changed To	
NONE			
9999999 - Total (Column 4, only)			

Exhibit 6 - Aggregate Reserves for Accident and Health Contracts

N O N E

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	17,352,334		9,524,975	7,487,254	95,575	244,530
2. Deposits received during the year	3,332,166		2,388,232	921,304	21,939	691
3. Investment earnings credited to the account	801,590		553,824	232,421	9,727	5,618
4. Other net change in reserves						
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	4,158,861		2,397,197	1,740,104	11,854	9,706
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8)	17,327,229		10,069,834	6,900,875	115,387	241,133
10. Reinsurance balance at the beginning of the year						
11. Net change in reinsurance assumed						
12. Net change in reinsurance ceded						
13. Reinsurance balance at the end of the year (Lines 10+11-12)						
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	17,327,229		10,069,834	6,900,875	115,387	241,133

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and unpaid:											
1.1 Direct											
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net											
2. In course of settlement:											
2.1 Resisted											
2.11 Direct	7,625,000		7,625,000								
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net	7,625,000		(b) 7,625,000	(b)		(b)	(b)				
2.2 Other											
2.21 Direct	9,549,135		9,549,135								
2.22 Reinsurance assumed											
2.23 Reinsurance ceded	8,120,587		8,095,837				24,750				
2.24 Net	1,428,548		(b) 1,453,298	(b)		(b)	(b) (24,750)		(b)	(b)	(b)
3. Incurred but unreported:											
3.1 Direct	3,341,962		3,341,962								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net	3,341,962		(b) 3,341,962	(b)		(b)	(b)		(b)	(b)	(b)
4. TOTALS											
4.1 Direct	20,516,097		20,516,097								
4.2 Reinsurance assumed											
4.3 Reinsurance ceded	8,120,587		8,095,837				24,750				
4.4 Net	12,395,510	(a)	(a) 12,420,260				(a) (24,750)				

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ _____ in Column 2, \$ _____ in Column 3 and \$ _____ in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ _____, Individual Annuities \$ _____, Credit Life (Group and Individual) \$ _____, and Group Life \$ _____, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ _____, Credit (Group and Individual) Accident and Health \$ _____, and Other Accident and Health \$ _____ are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements During the Year:											
1.1 Direct	578,065,706		98,420,250	439,594,652			63,000	39,985,104			2,700
1.2 Reinsurance assumed	65,707		34,000	31,707							
1.3 Reinsurance ceded	400,329,582		60,116,427	338,772,150			31,000	1,410,005			
1.4 Net	(d) 177,801,831		38,337,823	100,854,209			32,000	38,575,099			2,700
2. Liability December 31, current year from Part 1:											
2.1 Direct	20,516,097		20,516,097								
2.2 Reinsurance assumed											
2.3 Reinsurance ceded	8,120,587		8,095,837				24,750				
2.4 Net	12,395,510		12,420,260				(24,750)				
3. Amounts recoverable from reinsurers December 31, current year	9,898,905		9,699,063	159,842			40,000				
4. Liability December 31, prior year:											
4.1 Direct	25,451,718		25,451,718								
4.2 Reinsurance assumed											
4.3 Reinsurance ceded	11,517,474		11,517,474								
4.4 Net	13,934,244		13,934,244								
5. Amounts recoverable from reinsurers December 31, prior year	1,622,911		1,514,911	100,000			8,000				
6. Incurred Benefits											
6.1 Direct	573,130,085		93,484,629	439,594,652			63,000	39,985,104			2,700
6.2 Reinsurance assumed	65,707		34,000	31,707							
6.3 Reinsurance ceded	405,208,689		64,878,942	338,831,992			87,750	1,410,005			
6.4 Net	167,987,103		28,639,687	100,794,367			(24,750)	38,575,099			2,700

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 1.1, \$ in Line 1.4.
 \$ in Line 6.1, and \$ in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$14,178 in Line 1.1, \$23,178 in Line 1.4.
 \$14,178 in Line 6.1, and \$23,178 in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 1.1, \$ in Line 1.4.
 \$ in Line 6.1, and \$ in Line 6.4.

(d) Includes \$ premiums waived under total and permanent disability benefits.

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans	18,091	33,921	15,830
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)	18,091	33,921	15,830
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	3,564,178	1,716,452	(1,847,726)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset	118,430,343	108,944,023	(9,486,320)
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	1,603,158	1,098,588	(504,570)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	123,615,770	111,792,984	(11,822,786)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	123,615,770	111,792,984	(11,822,786)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Accrued Fees and Other Assets	51,034	69,933	18,899
2502. Deffered Software Costs	1,552,124	1,028,655	(523,469)
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	1,603,158	1,098,588	(504,570)

NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying statutory financial statements of Nationwide Life and Annuity Insurance Company (NLAIC or the Company) have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners' (NAIC) and the State of Ohio.

The Ohio Department of Insurance (Department) recognizes only statutory accounting practices (SAP) prescribed or permitted by the Department for determining and reporting the financial condition and results of operations of an insurance company, as well as, determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio. The Company has no statutory accounting practices that differ from NAIC SAP.

The amounts in this statement pertain to the entire Company business including, as appropriate, its Separate Account business.

B. Use of Estimates in Preparation of the Financial Statements

In preparing the financial statements in conformity with the Annual Statement Instructions and NAIC SAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ significantly from those estimates.

C. Accounting Policies

Life insurance premiums are recognized as revenue over the premium paying period of the related policies. Annuity considerations are recognized as revenue when received. Policy benefits and claims that are expensed include interest credited to policy account balances and benefits and claims incurred in the period in excess of related policy reserves. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments consist of investments with maturities of twelve months or less at acquisition and are stated at amortized cost, which approximates fair value.
- (2) Bonds, excluding loan-backed and structured securities, are stated at amortized cost, except those with an NAIC designation of "6", which are stated at the lower of amortized cost or fair value. Amortization of premiums and discounts is calculated using the effective yield method.
- (3) Unaffiliated common stocks are reported at fair value.
- (4) Preferred stocks are stated at amortized cost, except those with an NAIC designation of "4" through "6", which are stated at the lower of amortized cost or fair value.
- (5) Mortgage loans are carried at the unpaid principal balance adjusted for premiums and discounts, less a valuation allowance. The valuation allowance for mortgage loans reflects management's best estimate of probable credit losses.
- (6) Loan-backed and structured securities (collectively, loan-backed securities) are stated at amortized cost or the lower of amortized cost or fair value in accordance with the provisions of Statement of Statutory Accounting Principles (SSAP) No. 43-Revised and the Purposes and Procedures Manual of the NAIC Securities Valuation Office. The retrospective adjustment method is used to value loan-backed securities where the collection of all contractual cash flows is probable. For all other loan-backed securities, the Company uses the prospective adjustment method. Refer to Note 5(D) for a discussion of the other-than-temporary impairment policy for loan-backed securities.
- (7) The investment in the Company's wholly-owned subsidiary, Olentangy Reinsurance, LLC (Olentangy), is carried at the value of its underlying audited statutory surplus, adjusted to exclude the amount of total statutory surplus represented by the surplus notes issued by Olentangy to Nationwide Corporation. As of December 31, 2012, the Company's proportionate share calculation under this method resulted in a negative amount, and therefore, the Company, in accordance with statutory guidance, discontinued its use of this method and reported its investment in Olentangy at zero in Schedule BA.
- (8) Refer to Note (1) C. (7) above for accounting for the Company's investment in a limited liability company, which is a wholly-owned subsidiary.
- (9) Refer to Note 8 for the derivative accounting policy.
- (10) The Company anticipates investment income as a factor in the premium deficiency calculation.
- (11) The Company no longer issues any health policies and due to the small size of the Company's health in force block, the Company no longer holds any liabilities for the health business. Each year's claims are paid from current year premiums.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) Not Applicable – The Company does not have any pharmaceutical rebate receivables.

(2) Accounting Changes and Corrections of Errors

- A. On January 1, 2012, the Company adopted a new standard, SSAP No. 101, *Income Taxes*, which supersedes SSAP No. 10R, *Income Taxes Revised – A Temporary Replacement of SSAP No. 10*. The standard applies a ‘more likely than not’ threshold for the recognition of federal and foreign tax loss contingencies and establishes a new framework for determining the admissibility of deferred tax assets (DTA). The framework sets a three year limit on loss carryback provisions, introduces guardrails for determining the realization period and percentage of capital and surplus companies may use to determine DTA admissibility, and establishes parameters around offsetting DTAs against deferred tax liabilities (DTL) as it relates to the admissibility of a DTA. The standard also adopts new disclosure requirements related to tax planning strategies, the amounts and components used to determine admissible DTA amounts, and information about reasonably possible increases in the total liability for any federal or foreign income tax loss contingencies within twelve months of the reporting date. The cumulative effect of this change in accounting principle resulted in an increase of \$8292,466 to Capital and Surplus. Refer to Note 9 for the required disclosures.

On January 1, 2012, the Company adopted revisions to SSAP No. 100, *Fair Value Measurements*. These revisions require financial instruments that are disclosed but not reported at fair value to be identified as level 1, 2, or 3 fair value measurements. The revised guidance also requires disclosure of the method used to obtain the fair value for all financial instruments with fair value measurements and the gross presentation of purchases, sales, issues, and settlements within the level 3 rollforward. There was no impact to the financial statements of the Company upon adoption. Refer to Note 20 for the required disclosures.

On December 31, 2011, the Company adopted revisions to SSAP No. 5, *Liabilities, Contingencies and Impairments of Assets* (SSAP No. 5R) which require insurance entities to recognize, at inception of a guarantee, a liability for the obligations it has undertaken in issuing the guarantee, even if the likelihood of having to make payments under the guarantee is remote. The revised guidance does not require liability recognition for guarantees made to or on behalf of direct or indirect wholly-owned insurance and non-insurance subsidiaries or for guarantees considered unlimited. The Company also adopted additional revisions related to disclosure requirements of SSAP No. 25, *Accounting for and Disclosures about Transactions with Affiliated and Other Related Parties* to correspond with SSAP No. 5R. The guidance is effective for all guarantees issued or outstanding as of December 31, 2011, and disclosure of all guarantees must be reported annually. The adoption of the revised guidance had no impact to the financial statements of the Company.

On December 31, 2011, the Company adopted revisions within Statement of Statutory Accounting Principles (SSAP) No. 43R, *Loan-backed and Structured Securities*. These revisions incorporate the most recent reporting and designation guidance prescribed by the Valuation of Securities Task Force for modeled, modeling-exempt, and all other types of loan-backed and structured securities. The adoption of the revised guidance resulted in an immaterial impact to the financial statements of the Company. Refer to Note 5(D) for the required disclosures.

On January 1, 2011, the Company adopted changes to the definition of loan-backed and structured securities within SSAP No. 43R, *Loan-backed and Structured Securities*. These changes required certain securities to be reclassified into the loan-backed and structured securities classification and resulted in an immaterial impact to the Company upon adoption. Refer to Note 5(D) for required disclosures and financial impact.

On January 1, 2011, the Company adopted revisions to SSAP No. 51, *Life Contracts*, SSAP No. 52, *Deposit Type Contracts*, and SSAP No. 61, *Life, Deposit-Type and Accident and Health Reinsurance*, which expanded the breakdown of withdrawal disclosures by characteristic for annuity contracts, deposit-type contracts, and reinsurance contracts under the scope of these three standards. The revised breakdown requires separate disclosure categories for the general account, the separate account with guarantees, the separate account nonguaranteed, and the total. Refer to Note 32 to view the expanded disclosures.

Pending Accounting Standards

On January 1, 2013, the Company will adopt SSAP No. 92R, *Accounting for Postretirement Benefits Other Than Pensions - A Replacement of SSAP No. 14 and SSAP No. 102, Accounting for Pensions - A Replacement of SSAP No. 89*. The standards require insurers to recognize the overfunded or underfunded status of a defined benefit postretirement plan as an asset or liability and include non-vested employees in determining the plan obligations. In addition, a sponsor’s fiscal year end will be used as the measurement date for estimating the fair value of postretirement benefit assets and liabilities. The guidance contains a transition provision that gives insurers the option to recognize the initial impact to surplus over 10 years. The Company is currently in the process of determining the impact of adoption of these standards.

On January 1, 2013, the Company adopted SSAP No. 103, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*. The standard establishes accounting for transfers and servicing of financial assets, including asset securitizations and securitizations of policy acquisition costs, extinguishments of liabilities, repurchase agreements, repurchase financing and reverse repurchase agreements, including dollar repurchase and dollar reverse repurchase agreements. The guidance provides criteria to determine whether a transferor has surrendered control over transferred financial assets. It also forbids offsetting for repurchase and reverse repurchase transactions in accordance with master netting agreements. As the provisions of this guidance are applied prospectively, there will be no impact to the financial statements of the Company upon adoption.

On December 31, 2013, the Company will adopt revisions to SSAP No. 34, *Investment Income Due and Accrued* and SSAP No. 37, *Mortgage Loans*. The revisions enhance required disclosures related to mortgage loans to assist financial statement users in assessing an entity’s credit risk exposures and evaluating the adequacy of its allowance for credit losses. The adoption will result in increased disclosures only and will have no impact on the Company’s financial statements.

On December 31, 2013, the Company will adopt revisions to SSAP No. 35R, *Guaranty Fund and Other Assessments*. The revisions require disclosure of the nature of fees paid to the federal government by health insurers under the Affordable Care Act and an estimate of their financial impact, including the impact on the Company’s risk based capital position. The adoption will result in increased disclosures only and will have no impact on the Company’s financial statements.

(3) Business Combinations and Goodwill

- A. Statutory Purchase Method - Not Applicable.
 B. Statutory Merger - Not Applicable.

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C. Assumption Reinsurance - Not Applicable.

D. Impairment Loss - Not applicable.

(4) Discontinued Operations - None.

(5) Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The maximum and minimum lending rates for mortgage loans issued during 2012 were:

<u>Residential</u>	<u>Commercial</u>
Not Applicable	5.31% and 3.63%

(2) During 2012, the Company did not reduce interest rates of outstanding mortgage loans.

(3) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 85.2%.

	<u>12/31/2012</u>	<u>12/31/2011</u>
(4) As of period end, the Company held mortgages with interest more than 180 days past due with a recorded investment, excluding accrued interest	\$ -	\$ -
a. Total interest due on mortgages with interest more than 180 days past due	\$ -	\$ -
(5) Taxes, assessments, and any amounts advanced and not included in the mortgage loan total	\$ -	\$ -
(6) Current year impaired loans with a related allowance for credit losses:	\$ 3,029,325	\$ 5,473,171
a. Related allowance for credit losses	\$ 853,139	\$ 1,138,573
(7) Impaired mortgage loans without an allowance for credit losses	\$ -	\$ -
(8) Average recorded investment in impaired loans	\$ 3,255,392	\$ 17,723,137
(9) Interest income recognized during the period the loans were impaired	\$ 467,477	\$ 1,868,290
(10) Amount of interest income recognized on a cash basis during the period the loans were impaired	\$ 490,618	\$ 2,037,156
(11) Allowance for credit losses:		
a. Balance at beginning of period	\$ 4,485,893	\$ 13,155,251
b. Additions charged to operations	209,874	3,602,337
c. Direct write-downs charged against the allowances	(429,641)	(8,575,870)
d. Recoveries of amounts previously charged off	(495,308)	(3,695,825)
e. Balance at end of period	<u>\$ 3,770,818</u>	<u>\$ 4,485,893</u>

(12) The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest received on non-accrual status mortgage loans on real estate is included in net investment income in the period received.

B. Debt Restructuring

	<u>12/31/2012</u>	<u>12/31/2011</u>
(1) The total recorded investment in restructured loans, as of year end	\$ 265,093	\$ 279,987
(2) The realized capital losses related to these loans	\$ 506,329	\$ 506,329
(3) Total contractual commitments to extend credit to debtors owning receivables whose terms have been modified in troubled debt restructurings	\$ -	\$ -
(4) The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest received on non-accrual status mortgage loans on real estate is included in net investment income in the period received.		

C. Reverse Mortgages - None

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D. Loan-Backed Securities

- (1) Prepayment assumptions are generally obtained using a model provided by a third-party vendor.
- (2) None
- (3) The following table summarizes other-than-temporary impairments for loan-backed securities held at the end of the year based on the fact that the present value of projected cash flows expected to be collected was less than the amortized cost basis of the securities:

As of December 31, 2012

CUSIP	Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	Present value of projected cash flows	Recognized other-than-temporary impairment	Amortized cost after other-than-temporary impairment	Fair value at time of OTTI	Date of Financial Statement where reported
52518RCD6	\$ 1,450,253	\$ 987,388	\$ 462,865	\$ 987,388	\$ 301,067	Q4'12
7609855D9	1,485,829	1,259,161	226,668	1,259,161	558,625	Q2'12
126694E95	9,853,433	8,352,739	1,500,695	8,352,739	5,850,267	Q1 '12
12668BRZ8	2,472,164	2,423,346	48,818	2,423,346	1,953,744	Q4 '11
74041EAC9	48,358	0	48,358	0	(0)	Q4 '11
02149HAW0	8,745,168	8,379,966	365,203	8,379,966	6,987,843	Q2' 11
74041EAC9	89,817	20,515	69,302	20,515	(0)	Q2' 11
74922PAC8	1,990,284	1,568,611	421,673	1,568,611	1,212,905	Q1' 11
74041EAC9	3,433,552	62,121	3,371,431	62,121	10,892	Q4 '10
74041EAC9	4,178,095	3,419,913	758,182	3,419,913	142,385	Q3 '10
74922PAC8	2,340,926	2,237,051	103,875	2,237,051	1,318,170	Q3 '10
05948KXQ7	3,015,268	2,945,672	69,595	2,945,672	2,274,464	Q1 '10
05948KXS3	2,829,152	2,718,554	110,598	2,718,554	2,149,306	Q1 '10
12667F4S1	18,341,063	17,652,478	688,585	17,652,478	14,241,208	Q1 '10
126694E95	14,425,480	12,301,697	2,123,783	12,301,697	8,252,331	Q1 '10
251510FX6	3,230,288	3,083,434	146,854	3,083,434	2,488,815	Q1 '10
76114HAK1	607,417	578,973	28,444	578,973	466,505	Q1 '10
126694E95	14,981,216	14,835,710	145,506	14,835,710	6,146,155	Q4 '09
05948KXQ7	3,043,017	3,023,864	19,153	3,023,864	2,203,407	Q3 '09
12667F4S1	18,508,243	18,349,059	159,184	18,349,059	12,815,230	Q3 '09
126694E95	16,243,228	15,379,466	863,762	15,379,466	6,010,962	Q3 '09
74922PAC8	3,102,671	2,863,720	238,952	2,863,720	1,315,039	Q3 '09
02149HAW0	4,945,858	8,861,656	(3,915,798)	8,861,656	7,081,145	Q3 '09
105667AB5	5,066,940	5,004,122	62,817	5,004,122	5,564,420	Q3 '09
126673DQ2	1,440,352	2,747,807	(1,307,455)	2,747,807	1,246,651	Q3 '09
12668BRZ8	1,085,694	2,626,800	(1,541,106)	2,626,800	2,121,234	Q3 '09
149837AA4	3,873,077	2,574,063	1,299,014	2,574,063	2,590,923	Q3 '09
251510FX6	2,447,033	3,290,471	(843,439)	3,290,471	2,349,192	Q3 '09
76114HAK1	405,610	666,813	(261,203)	666,813	543,976	Q3 '09
Total			<u>\$ 5,464,316</u>			

- (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

As of December 31, 2012

a. The aggregate amount of unrealized losses:

1. Less than 12 Months	\$ (526,723)
2. 12 Months or Longer	<u>\$ (23,156,797)</u>

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months	<u>\$ 14,050,537</u>
2. 12 Months or Longer	<u>\$ 132,730,939</u>

- (5) The Company reviews all loan-backed and structured securities in which the fair value of the given security is less than the amortized cost to determine if a given security is other-than-temporarily impaired. The Company examines characteristics of the underlying collateral, such as delinquency and default rates, the quality of the underlying borrower, the type of collateral in the pool, the vintage year of the collateral, subordination levels within the structure of the collateral pool, and the quality of any credit guarantors, to determine the cash flows expected to be received for the security.

If the severity and duration of the security's unrealized loss indicates a risk of an other-than-temporary impairment, then the Company will evaluate if the amortized cost basis of the security will be recovered by comparing the present value of the cash flows expected to be received for the given security with the amortized cost basis of the security. If the present value of cash flows is greater than the amortized cost basis of a security then the security is deemed not to be other-than-temporarily impaired.

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E. Repurchase Agreements and/or Securities Lending Transactions

(1) For repurchase agreements, Company policy requires a minimum of 102% of the fair value of securities purchased under repurchase agreements to be maintained as collateral. Cash collateral received is invested in short-term investments and the offsetting collateral liability is included in aggregate write-ins for liabilities. There were no open repurchase agreements as of year end.

The Company's securities lending agreement requires a minimum of 102% of the fair value of loaned securities to be held as collateral.

(2) No assets were pledged as collateral as of year-end.

(3) Collateral Received

a. Aggregate Amount Cash Collateral Received

1. Repurchase Agreement - Not Applicable

2. Securities Lending

(a)	Open	\$	4,857,869
(b)	30 Days or Less		-
(c)	31 to 60 Days		-
(d)	61 to 90 Days		-
(e)	Greater than 90 Days		-
(f)	Sub-Total	\$	4,857,869
(g)	Securities Received		-
(h)	Total Collateral Received	\$	4,857,869

3. Dollar Repurchase Agreement - Not Applicable

b. The aggregate fair value of all securities acquired from the sale, trade or use of the accepted collateral (reinvested collateral)

\$ 4,858,446

c. The reporting entity receives primarily cash collateral in an amount in excess of the fair value of the securities lent. The reporting entity invests the cash collateral (primarily in short-term investments) to earn additional yield.

(4) The Company did not have any securities lending activities with an Affiliated agent.

(5) Collateral Reinvestment

a. Aggregate Amount Cash Collateral Reinvested

1. Repurchase Agreement - Not Applicable

		<u>Amortized</u> <u>Cost</u>	<u>Fair</u> <u>Value</u>
2. Securities Lending			
(a)	Open	\$ -	\$ -
(b)	30 Days or Less	4,858,446	4,858,446
(c)	31 to 60 Days	-	-
(d)	61 to 90 Days	-	-
(e)	91 to 120 Days	-	-
(f)	121 to 180 Days	-	-
(g)	181 to 365 Days	-	-
(h)	1 to 2 Years	-	-
(i)	2 to 3 Years	-	-
(j)	Greater than 3 Years	-	-
(k)	Sub-Total	\$ 4,858,446	\$ 4,858,446
(l)	Securities Received	-	-
(m)	Total Collateral Reinvested	\$ 4,858,446	\$ 4,858,446

3. Dollar Repurchase Agreement - Not applicable

b. Since the borrower or the Company may terminate a securities lending transaction at any time, to the extent loans are terminated in advance of reinvestment collateral maturities, the Company would repay its securities lending payable obligation from operating cash flows or the proceeds of sales from its investment portfolio, which includes significant liquid securities.

F. Real Estate – Not applicable.

G. Low-Income Housing Tax Credits (LIHTC) – Not Applicable.

- (6) Joint Ventures, Partnerships, and Limited Liability Companies
- A. The Company has no investments in Joint Ventures, Partnerships, and Limited Liability Companies that exceed 10% of its total admitted assets.
- B. Not Applicable.
- (7) Investment Income
- A. Accrued Investment Income
- The Company nonadmits investment income due and accrued if amounts are over 90 days past due with the exception of mortgage loans in default which are nonadmitted if amounts are over 180 days past due.
- B. Amounts Nonadmitted
- There was no investment income due and accrued nonadmitted as of December 31, 2012.
- (8) Derivative Instruments
- A. The Company is exposed to certain risks relating to its ongoing business operations which are managed using derivative instruments. The primary risks managed by using derivative instruments are foreign currency and interest rate risks. The Company uses cross currency swaps and interest rate swaps to hedge these risks.
- The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. Potential losses are minimized through careful evaluation of counterparty credit standing, selection of counterparties from a limited group of high quality institutions, and collateral agreements.
- The cash requirements of a derivative will vary by contract. In a cross currency swap, notional amounts are typically exchanged in the respective contracted currencies at both settlement date and at expiration. Interest payments are also exchanged in the contracted currencies, timing and amounts. Interest rate swap payments are based on the notional of the contract; the fixed and floating leg payments are netted and exchanged periodically with the appropriate counterparty.
- B. *Interest Rate Risk Management.* The Company uses interest rate swaps and interest rate futures to reduce and/or alter interest rate exposure arising from mismatches between assets and liabilities. Under the interest rate swap, the Company enters into a contractual agreement with various parties to exchange, at specified intervals, the difference between fixed rate and variable rate interest amounts, calculated on the notional amount of the interest rate swap. Interest rate futures are based off an underlying security that changes in value as interest rates change. As the value of the underlying referenced security changes, the promise to deliver or cash settle in the future at a fixed price through the futures contract also changes to offset interest rate risks the Company faces.
- Foreign currency risk management.* As part of its regular investing activities, the Company may purchase foreign currency denominated investments. These investments and the associated income expose the Company to volatility associated with movements in foreign exchange rates. In an effort to mitigate this risk, the Company uses cross-currency swaps. As foreign exchange rates change, the increase or decrease in the cash flows of the derivative instrument generally offset the changes in the functional-currency equivalent cash flows of the hedged item.
- C. Periodic cash flows and accruals of income/expense are reported in a manner consistent with the hedged item, generally as other investment income. Realized gains and losses on commitment and anticipatory hedges are used to adjust the basis of the hedged item and are therefore amortized into investment income over the remaining life of the hedged item.
- Fair value of derivative instruments is determined using various valuation techniques relying predominately on observable market inputs. These inputs include interest rate swap curves, interest rates, and counterparty credit risk. In some cases, the Company will utilize non-binding broker quotes to determine fair value.
- Derivative instruments used in hedging transactions considered to be effective hedges are valued and reported in a manner consistent with the hedged items (i.e., hedge accounting). Derivative instruments used in hedging transactions that do not meet or no longer meet the criteria of an effective hedge are accounted for at fair value with changes in fair value recorded in surplus as unrealized gains or losses.
- D. No gain or loss recognized in derivative instruments' unrealized gains or losses during the year were excluded from the assessment of hedge effectiveness.
- E. There is also no net gain or loss recognized during the year resulting from derivatives that no longer qualify for hedge accounting.
- F. (1) In addition, no amounts of gains or losses were classified in unrealized gains/losses related to cash flow hedges that have been discontinued because it was no longer probable that the original forecasted transaction would occur as anticipated.
- (2) The Company is not currently engaged in written covered options used for income generation or derivatives accounted for as cash flow hedges of a forecasted transaction, other than the payment of variable interest on existing financial instruments.

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(9) Income Taxes

A. The net deferred tax asset (liability) as of December 31, 2012 and the change from prior year are comprised of the following components:

	12/31/2012		
	Ordinary	Capital	Total
(1a) Gross deferred tax assets	\$ 130,181,451	\$ 13,171,824	\$ 143,353,275
(1b) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(1c) Adjusted gross deferred tax assets	\$ 130,181,451	\$ 13,171,824	\$ 143,353,275
(1d) Deferred tax assets nonadmitted	\$ 114,692,147	\$ 3,738,196	\$ 118,430,343
(1e) Subtotal net admitted deferred tax asset	\$ 15,489,304	\$ 9,433,628	\$ 24,922,932
(1f) Deferred tax liabilities	\$ 15,489,304	\$ 1,449,216	\$ 16,938,520
(1g) Net admitted deferred tax asset/(net deferred tax liability)	\$ -	\$ 7,984,412	\$ 7,984,412

	12/31/2011		
	Ordinary	Capital	Total
(1a) Gross deferred tax assets	\$ 97,801,838	\$ 28,975,724	\$ 126,777,562
(1b) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(1c) Adjusted gross deferred tax assets	\$ 97,801,838	\$ 28,975,724	\$ 126,777,562
(1d) Deferred tax assets nonadmitted	\$ 84,235,512	\$ 24,708,511	\$ 108,944,023
(1e) Subtotal net admitted deferred tax asset	\$ 13,566,326	\$ 4,267,213	\$ 17,833,539
(1f) Deferred tax liabilities	\$ 13,566,326	\$ 120,980	\$ 13,687,306
(1g) Net admitted deferred tax asset/(net deferred tax liability)	\$ -	\$ 4,146,233	\$ 4,146,233

	Change		
	Ordinary	Capital	Total
(1a) Gross deferred tax assets	\$ 32,379,613	\$ (15,803,900)	\$ 16,575,713
(1b) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(1c) Adjusted gross deferred tax assets	\$ 32,379,613	\$ (15,803,900)	\$ 16,575,713
(1d) Deferred tax assets nonadmitted	\$ 30,456,635	\$ (20,970,315)	\$ 9,486,320
(1e) Subtotal net admitted deferred tax asset	\$ 1,922,978	\$ 5,166,415	\$ 7,089,393
(1f) Deferred tax liabilities	\$ 1,922,978	\$ 1,328,236	\$ 3,251,214
(1g) Net admitted deferred tax asset/(net deferred tax liability)	\$ -	\$ 3,838,179	\$ 3,838,179

The deferred tax asset admission calculation components per SSAP No. 101:

	12/31/2012		
	Ordinary	Capital	Total
(2a) Federal income taxes paid in prior years recoverable through loss carrybacks	-	\$ -	\$ -
(2b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (2a) above) after application of the threshold limitation (the lessor of (2b)1 and (2b)2 below)	\$ -	\$ 7,984,412	\$ 7,984,412
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	\$ -	\$ 7,984,412	\$ 7,984,412
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	\$ 40,801,610
(2c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	\$ 15,489,304	\$ 1,449,216	\$ 16,938,520
(2d) Deferred tax assets admitted as the result of application of SSAP No. 101	\$ 15,489,304	\$ 9,433,628	\$ 24,922,932
Total ((2a) + (2b) + (2c))			

	12/31/2011		
	Ordinary	Capital	Total
(2a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ 4,146,233	\$ 4,146,233
(2b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (2a) above) after application of the threshold limitation (the lessor of (2b)1 and (2b)2 below)	\$ -	\$ -	\$ -
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	\$ -	\$ -	\$ -
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	\$ 20,481,293
(2c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	\$ 13,566,326	\$ 120,980	\$ 13,687,306
(2d) Deferred tax assets admitted as the result of application of SSAP No. 101	\$ 13,566,326	\$ 4,267,213	\$ 17,833,539
Total ((2a) + (2b) + (2c))			

	Change		
	Ordinary	Capital	Total
(2a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ (4,146,233)	\$ (4,146,233)
(2b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (2a) above) after application of the threshold limitation (the lessor of (2b)1 and (2b)2 below)	\$ -	\$ 7,984,412	\$ 7,984,412
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	\$ -	\$ 7,984,412	\$ 7,984,412
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	\$ 20,320,317
(2c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	\$ 1,922,978	\$ 1,328,236	\$ 3,251,214
(2d) Deferred tax assets admitted as the result of application of SSAP No. 101	\$ 1,922,978	\$ 5,166,415	\$ 7,089,393
Total ((2a) + (2b) + (2c))			

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	12/31/2012	12/31/2011
(3a) Ratio percentage used to determine recovery period and threshold limitation amount	758.1%	851.0%
(3b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in (2b)2 above	\$ 301,010,734	\$ 204,812,932

Impact of Tax Planning Strategies

	12/31/2012		
	Ordinary	Capital	Total
(4a) Adjusted Gross DTAs (% of total adjusted gross DTAs)	0.00%	0.00%	0.00%
(4b) Net admitted adjusted gross DTAs (% of the total net admitted adjusted gross DTAs)	0.00%	100.00%	100.00%

	12/31/2011		
	Ordinary	Capital	Total
(4a) Adjusted Gross DTAs (% of total adjusted gross DTAs)	0.00%	0.00%	0.00%
(4b) Net admitted adjusted gross DTAs (% of the total net admitted adjusted gross DTAs)	0.00%	100.00%	100.00%

	Change		
	Ordinary	Capital	Total
(4a) Adjusted Gross DTAs (% of total adjusted gross DTAs)	0.00%	0.00%	0.00%
(4b) Net admitted adjusted gross DTAs (% of the total net admitted adjusted gross DTAs)	0.00%	0.00%	0.00%

(4c) Does this Company's tax-planning strategies include the use of reinsurance? Yes [] No [X]

B. Regarding deferred tax liabilities that are not recognized:

There are no temporary differences for which deferred tax liabilities are not recognized.

C. Current income taxes incurred consist of the following major components:

	12/31/2012	12/31/2011	Change
1. Current Income Tax			
(a) Federal	\$ (28,665,153)	\$ (23,756,275)	\$ (4,908,878)
(b) Foreign	\$ -	\$ -	\$ -
(c) Subtotal	\$ (28,665,153)	\$ (23,756,275)	\$ (4,908,878)
(d) Federal income tax on net capital gains	\$ 2,104,868	\$ 14,934,114	\$ (12,829,246)
(e) Utilization of capital loss carry-forwards	\$ -	\$ -	\$ -
(f) Other	\$ -	\$ -	\$ -
(g) Federal and foreign income taxes incurred	\$ (26,560,285)	\$ (8,822,161)	\$ (17,738,124)
2. Deferred Tax Assets			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ -	\$ -	\$ -
(2) Unearned premium reserve	\$ -	\$ -	\$ -
(3) Policyholder reserves	\$ 60,286,238	\$ 46,179,321	\$ 14,106,917
(4) Investments	\$ 11,743,469	\$ 23,668	\$ 11,719,801
(5) Deferred acquisition costs	\$ 52,337,392	\$ 49,773,795	\$ 2,563,597
(6) Policyholder dividends accrual	\$ 363,137	\$ 381,850	\$ (18,713)
(7) Fixed Assets	\$ 349,042	\$ 166,206	\$ 182,836
(8) Compensation benefits accrual	\$ -	\$ -	\$ -
(9) Pension accrual	\$ 229,982	\$ 147,747	\$ 82,235
(10) Receivables - nonadmitted	\$ -	\$ 6,615	\$ (6,615)
(11) Net operating loss carry-forward	\$ -	\$ -	\$ -
(12) Tax credit carry-forward	\$ 556,247	\$ -	\$ 556,247
(13) Other (including items <5% of total ordinary tax assets)	\$ 4,315,944	\$ 1,122,636	\$ 3,193,308
(99) Subtotal	\$ 130,181,451	\$ 97,801,838	\$ 32,379,613
(b) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(c) Nonadmitted	\$ 114,692,147	\$ 84,235,512	\$ 30,456,635
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 15,489,304	\$ 13,566,326	\$ 1,922,978
(e) Capital:			
(1) Investments	\$ 13,171,824	\$ 28,975,724	\$ (15,803,900)
(2) Net capital loss carry-forward	\$ -	\$ -	\$ -
(3) Real estate	\$ -	\$ -	\$ -
(4) Other (including items <5% of total capital tax assets)	\$ -	\$ -	\$ -
(99) Subtotal	\$ 13,171,824	\$ 28,975,724	\$ (15,803,900)
(f) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(g) Nonadmitted	\$ 3,738,196	\$ 24,708,511	\$ (20,970,315)
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ 9,433,628	\$ 4,267,213	\$ 5,166,415
(i) Admitted deferred tax assets (2d + 2h)	\$ 24,922,932	\$ 17,833,539	\$ 7,089,393

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3. Deferred Tax Liabilities	12/31/2012	12/31/2011	Change
(a) Ordinary:			
(1) Investments	\$ 8,016,153	\$ 8,052,960	\$ (36,807)
(2) Fixed assets	\$ -	\$ -	\$ -
(3) Deferred and uncollected premium	\$ 7,473,151	\$ 5,009,104	\$ 2,464,047
(4) Policyholder reserves	\$ -	\$ 504,262	\$ (504,262)
(5) Other (including items <5% of total ordinary tax liabilities)	\$ -	\$ -	\$ -
(99) Subtotal	<u>\$ 15,489,304</u>	<u>\$ 13,566,326</u>	<u>\$ 1,922,978</u>
(b) Capital:			
(1) Investments	\$ 1,449,216	\$ 120,980	\$ 1,328,236
(2) Real estate	\$ -	\$ -	\$ -
(3) Other (including items <5% of total capital tax liabilities)	\$ -	\$ -	\$ -
(99) Subtotal	<u>\$ 1,449,216</u>	<u>\$ 120,980</u>	<u>\$ 1,328,236</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ 16,938,520</u>	<u>\$ 13,687,306</u>	<u>\$ 3,251,214</u>
4. Net deferred tax asset/(liability) (2i - 3c)	<u>\$ 7,984,412</u>	<u>\$ 4,146,233</u>	<u>\$ 3,838,179</u>

5. The change in deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets are reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	12/31/2012	12/31/2011	Change
(a) Adjusted gross deferred tax assets	\$ 143,353,275	\$ 126,777,562	\$ 16,575,713
(b) Total deferred tax assets (liabilities)	16,938,520	13,687,306	3,251,214
(c) Net deferred tax assets (liabilities)	\$ 126,414,755	\$ 113,090,256	\$ 13,324,499
(d) Tax effect of unrealized gains (losses)			(1,797,052)
(e) Change in deferred income tax			<u>\$ 15,121,551</u>

D. 1. The provision for federal income taxes incurred is different from that which would be obtained by applying the federal statutory income tax rate to pre-tax income. The significant book to tax adjustments causing this difference are as follows:

	12/31/2012	12/31/2011
(a) Current income taxes incurred	\$ (26,560,285)	\$ (8,822,161)
(b) Change in deferred income tax	\$ (15,121,551)	\$ (15,877,315)
(c) Total income tax reported	<u>\$ (41,681,836)</u>	<u>\$ (24,699,476)</u>
(d) Income before taxes	\$ (91,785,758)	\$ (70,172,778)
(e) Federal statutory tax rate	35%	35%
(f) Expected income tax expense (benefit) at 35% statutory rate	<u>\$ (32,125,015)</u>	<u>\$ (24,560,472)</u>
(1) Dividends received deduction	\$ (1,419,954)	\$ (1,762,264)
(2) Nondeductible expenses for meals, penalties, and lobbying	\$ 268,115	\$ 177,602
(3) Tax-exempt income	\$ (3,523)	\$ (30,990)
(4) Deferred tax benefit on nonadmitted assets	\$ (817,763)	\$ 8,574
(5) Change in tax reserves	\$ (1,008,514)	\$ (262,790)
(6) Initial ceding commission	\$ (2,066,138)	\$ (2,066,138)
(7) Tax credits	\$ (111,315)	\$ (200,000)
(8) Tax adjustment for IMR	\$ (163,533)	\$ 2,296,452
(9) Tax sharing benefit	\$ (4,434,050)	\$ 1,717,079
(10) Prior year adjustments	\$ 199,854	\$ (16,529)
(g) Total	<u>\$ (41,681,836)</u>	<u>\$ (24,699,476)</u>

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E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

(1) As of December 31, 2012 operating loss or tax credit carryforwards are available as follows:

	Amount	Origination	Expiration
Operating loss carryforwards	\$ -	N/A	N/A
Amount of AMT tax credits	\$ -	N/A	N/A
Foreign tax credits	\$ 93,559	2009	2019
	\$ 151,373	2010	2020
	\$ 155,658	2011	2021
	\$ 155,657	2012	2022
Business credits	\$ -	N/A	N/A

(2) The amount of Federal income taxes incurred that are available for recoupment in the event of future net losses are:

2012	\$ -
2011	\$ -

(3) The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated federal income tax return

(1) The Company's federal income tax return is consolidated with the following entities:

Nationwide Life Insurance Company (NLIC)
Olentangy Reinsurance, LLC (Olentangy)

(2) The method of allocation among the companies is subject to the resolution approved by the Board of Directors. Allocation is based upon separate return liabilities with offset for losses and credits utilized to reduce current consolidated tax liability. The Company has entered into a tax sharing agreement with its direct parent, NLIC, and its subsidiary, Olentangy, a Vermont special purpose financial captive insurance company. The agreement allocates to the Company the tax benefit of Olentangy's current net operating losses. The Company is only obligated to repay such tax benefit if the reinsurance captive is able to recognize such net operating losses as a carryover deduction on a stand-alone basis.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

(10) Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

The Company is a wholly-owned subsidiary of NLIC. NLIC is a wholly-owned subsidiary of Nationwide Financial Services, Inc. (NFS), incorporated in the State of Delaware, which in turn, is a wholly-owned subsidiary of Nationwide Corporation (Nationwide Corp.). Nationwide Corp. is a subsidiary of Nationwide Mutual Insurance Company (NMIC) and Nationwide Mutual Fire Insurance Company (NMFIC).

During 2012, the Company received capital contributions from its parent, NLIC of \$81,000,000 (\$100,000,000 in 2011), of which \$31,000,000, was received on February 6, 2013. Effective February, 15, 2013, the Department granted the Company approval to record the \$31,000,000 contribution as a Type I Subsequent Event in its 2012 statutory financial statements.

During 2011, the Company sold commercial mortgage loans to NMIC with a book value of \$7,967,012 plus accrued interest of \$35,212. The sales were executed at market value for cash and resulted in realized losses of \$1,572,990. In 2012, the Company did not sell commercial mortgage loans to NMIC.

The Company leases office space from NMIC and certain of its subsidiaries. For the years ended December 31, 2012 and 2011, the Company made lease payments to NMIC and its subsidiaries of approximately \$1,648,000 and \$628,000, respectively.

The Company and various affiliates entered into agreements with Nationwide Cash Management Company (NCMC), an affiliate, under which NCMC acts as a common agent in handling the purchase and sale of short-term securities for the respective accounts of the participants. Amounts on deposit with NCMC were \$28,807,944 and \$32,714,120 as of December 31, 2012 and 2011 respectively.

The Company also participates in inter-company repurchase agreements with affiliates whereby the seller transfers securities to the buyer at a stated value. Upon demand or after a stated period, the seller will repurchase the securities from the buyer at the original sales price plus interest. As of December 31, 2012 and 2011, the Company had no outstanding borrowings from affiliated entities under such agreements. During 2012 and 2011, the most the Company had outstanding at any given time was \$38,800,000 and \$15,000,000, respectively, and the Company incurred interest expense on inter-company repurchase agreements of \$7,148 and \$1,306 during 2012 and 2011, respectively. The Company believes that the terms of the repurchase agreements are materially consistent with what the Company could have obtained with unaffiliated parties.

The Company has entered into significant, recurring transactions and agreements with NMIC, other affiliates and subsidiaries as a part of its ongoing operations. These include annuity and life insurance contracts, office space leases and agreements related to reinsurance, cost sharing, administrative services, marketing, intercompany repurchases and cash management services. Measures used to allocate expenses among companies include individual employee estimates of time spent, special cost studies, the number of full-time employees, commission expense and other methods agreed to by the participating companies. In addition, Nationwide Services Company, LLC (NSC), a subsidiary of NMIC, provides data processing, systems development, hardware and software support, telephone, mail and other services to the Company, based on specified rates for units of service consumed. For the years ended December 31, 2012 and 2011, the Company made payments to NMIC and NSC totaling approximately \$33,630,000 and \$11,113,000, respectively.

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Funds of Nationwide Funds Group (NFG), an affiliate, are offered to the Company's customers as investment options in certain of the Company's products. As of December 31, 2012 and 2011, customer allocations to NFG funds were \$633,564,636 and \$585,380,517, respectively. For the years ended December 31, 2012 and 2011, NFG paid the Company \$1,705,293 and \$2,201,913, respectively, for the distribution and servicing of these funds.

The Company has a 90% coinsurance agreement with funds withheld with its wholly-owned subsidiary, Olentangy, to cede a block of certain universal life and term life insurance policies. Amounts ceded to Olentangy in 2012 include premiums of \$52,286,304 (\$56,322,667 in 2011), benefits and claims of \$23,809,891 (\$22,564,771 in 2011) and net investment earnings on funds withheld assets of \$16,623,427 (\$13,294,076 in 2011). As of December 31, 2012, the Company has \$1,606,043 (\$1,955,151 as of December 31, 2011) recoverable from Olentangy related to this treaty. In order for NLAIC to record a reinsurance reserve credit for the ceded block, NLAIC is holding assets in funds withheld with a book adjusted carrying value of \$269,759,215 as of December 31, 2012 (\$238,224,146 as of December 31, 2011). Additionally, Olentangy has established a trust account for the benefit of NLAIC which had a fair value of \$300,190,204 as of December 31, 2012 (\$279,987,619 as of December 31, 2011).

The Company has an inter-company reinsurance agreement with NLIC whereby certain inforce and subsequently issued fixed individual deferred annuity contracts are assumed on a modified coinsurance basis. Under modified coinsurance agreements, invested assets and liabilities for future policy benefits are retained by the ceding company and net investment earnings on the invested assets are paid to the assuming company. Under terms of this agreement, the investments risk associated with changes in interest rates is borne by NLIC. Risk of asset default is retained by the Company, although a fee is paid by NLIC to the Company for the Company's retention of such risk. The agreement will remain inforce until all contract obligations are settled. The ceding of risk does not discharge the original insurer from its primary obligation to the contract holder. The Company believes that the terms of the modified coinsurance agreement are consistent in all material respects with what the Company could have obtained with unaffiliated parties. Amounts ceded to NLIC in 2012 include premiums and other income of \$ 750,300,292 (\$136,865,792 in 2011), net investment income of \$ 115,691,365 (\$116,538,873 in 2011) and benefits, claims and other expenses of \$ 371,568,482 (\$360,904,759 in 2011). Amounts payable, as of December 31, 2012, related to this contract were \$ 22,521,720 (\$3,175,122 payable as of December 31, 2011). The reserve adjustment represents reserve increases related to this fixed block of business, offset by investment earnings on the underlying assets.

The Company has an inter-company reinsurance agreement with NLIC whereby a certain life insurance contract is ceded on a 100% coinsurance basis. Policy reserves ceded under this agreement totaled \$146,822,655 and \$142,380,270 as of December 31, 2012 and 2011 respectively.

The contractual obligations under the Company's single premium deferred annuity (SPDA) contracts in force and issued before September 1, 1988 are guaranteed by NLIC. Total SPDA contracts affected by this guarantee in force at December 31, 2012 and 2011 were approximately \$23,643,000 and \$24,263,000, respectively.

(11) Debt

- A. Capital Notes – Not Applicable.
- B. Federal Home Loan Bank – Not Applicable

(12) Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-Retirement Benefit Plans

- A. Defined Benefit Plan - Not Applicable.
- B. Defined Contribution Plans

NMIC sponsors a defined contribution retirement savings plan (401(k)) covering substantially all employees. Employees may make salary deferral contributions of up to 80%. Salary deferrals of up to 6% are subject to a 50% Company match. The Company match is funded on a biweekly basis and the expense of such contributions are allocated to the Company based on employee contributions. The Company's allocated expense for contributions was approximately \$929,000 and \$804,000 for the years ended December 31, 2012 and 2011, respectively. Individuals are subject to a dollar limit on salary deferrals per IRS Section 402(g) (\$17,000 in 2012 and \$16,500 in 2011). Other limits also apply. The Company has no legal obligation for benefits under this plan.

- C. Multiemployer Plans - Not Applicable.
- D. Consolidated/Holding Company Plans

The Company, together with other affiliated companies, participates in a qualified defined benefit pension plan (the Nationwide Retirement Plan or the NRP), several non-qualified defined benefit supplemental executive retirement plans, and postretirement benefit plans (life and health care), all sponsored by NMIC.

The NRP covers all employees of participating employers who have completed at least one year of service and who are at least 21 years of age. Plan assets are invested in a third-party trust and group annuity contracts issued by NLIC. All participants are eligible for benefits based on an account balance feature. Participants hired prior to 2002, who are at least 21 years of age, are eligible for benefits based on the highest average annual salary of a specified number of consecutive years of the last ten years of service (final average pay formula), if such benefits are of greater value than the account balance feature.

Effective January 1, 2010, NMIC eliminated the company-paid early retirement enhancement, which is part of the final average pay formula. This enhancement provided an additional benefit for associates retiring between age 55 and 65. In addition, for participants eligible for the final average pay formula, pay credits under the account balance formula has stopped. Affected associates' benefits cannot be less than the NRP benefit they have accrued as of the date of change.

The Company funds pension costs accrued for direct employees plus an allocation of pension costs accrued for employees of affiliates whose work benefits the Company. In addition, separate non-qualified defined benefit pension plans sponsored by NMIC cover certain executives with at least one year of service. The Company's portion of expense relating to these plans was \$534,000 and \$267,000 for the years ended December 31, 2012 and 2011, respectively.

In addition to the NRP, the Company and certain affiliated companies participate in life and health care benefit plans sponsored by NMIC for qualifying retirees. Post-retirement life and health care benefits are contributory and generally available to full time employees hired prior to June 1, 2000 (prior to January 1, 1994 for life benefits), who have attained age 55 and have accumulated 15 years of service with the Company. The employee subsidy for the post-retirement death benefit was capped beginning in 2007.

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Employer subsidies for retiree life insurance ended as of December 31, 2008. No future employer contributions are anticipated for retiree life insurance and settlement accounting was applied during 2008. Post-retirement health care benefit contributions are adjusted annually and contain cost-sharing features such as deductibles and co-insurance. In addition, there are caps on the Company's portion of the per-participant cost of the post-retirement health care benefits. The Company does not receive a Medicare Part D subsidy from the government. The Company's policy is to fund the cost of health care benefits in amounts determined at the discretion of management. Plan assets are invested in a group annuity contract issued by NLIC and a third-party trust.

Effective December 31, 2009, each employee's current subsidy percentage was fixed and no additional service for benefits will be credited to the current plan formula. This modification does not impact former associates receiving Nationwide-sponsored medical benefits prior to January 1, 2010. Additionally, effective January 1, 2010, all non-highly compensated employees (NHCE) as defined by Internal Revenue Code 414 become eligible to receive an annual health care credit up to a maximum of \$1,000 per year, not to exceed a maximum lifetime benefit of \$25,000. The contribution will be a match of 33% of the NHCE's otherwise unmatched savings account or 401(a) contributions. No contributions will be made by NMIC if the employee does not make eligible contributions.

The Company's portion of (benefit) expense relating to these plans was \$(186,000) and \$(143,000) for the years ended December 31, 2012 and 2011, respectively.

The Company, together with other affiliated companies, also participates in non-qualified deferred compensation arrangements for certain employees and agents. The employer has no legal obligation for benefits under the plans. Expenses are allocated to the Company based on individual participants.

Total Plan liabilities for non-qualified deferred compensation plans were \$249,164,000 and \$246,791,000 on December 31, 2012 and 2011, respectively. Total Plan liabilities for non-qualified defined benefit plans were \$283,561,000 and \$271,374,000 on December 31, 2012 and 2011, respectively. Total expenses related to the non-qualified benefit plans were \$23,941,000 for 2012 and \$17,324,000 for 2011.

E. Postemployment Benefits and Compensated Absences

The Company has no obligation to current or former employees for benefits after their employment but before their retirement other than for compensation related to earned vacation. The liability for earned but untaken vacation has been accrued.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) – Not Applicable.

(13) Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) The Company has 66,000 Class A shares issued, authorized and outstanding as of December 31, 2012.

(2) The Company has no preferred stock outstanding.

(3) – (5) The payment of dividends by the Company is subject to restrictions set forth in the insurance laws and regulations of the State of Ohio, its domiciliary state. The State of Ohio insurance laws require Ohio-domiciled life insurance companies to seek prior regulatory approval to pay a dividend or distribution of cash or other property if the fair market value thereof, together with that of other dividends or distributions made in the preceding twelve months, exceeds the greater of (i) 10% of statutory-basis policyholders' surplus as of the prior December 31 or (ii) the statutory-basis net income of the insurer for the prior year. During 2012 and 2011, the Company did not pay any dividends to NLIC. The Company's statutory capital and surplus as of December 31, 2012 was \$310,995,146, and statutory net loss for 2012 was \$65,225,471. Due to the Company's unassigned deficit as of December 31, 2012, any dividend paid by the Company in 2013 would require regulatory approval.

The State of Ohio insurance laws also require insurers to seek prior regulatory approval for any dividend paid from other than earned surplus. Earned surplus is defined under the State of Ohio insurance laws as the amount equal to an insurer's unassigned funds as set forth in its most recent statutory financial statements, including net unrealized capital gains and losses or revaluation of assets. Additionally, following any dividend, an insurer's policyholder surplus must be reasonable in relation to the insurer's outstanding liabilities and adequate for its financial needs.

(6) Not Applicable.

(7) Not Applicable.

(8) The Company does not hold any stock for special purpose.

(9) The Company does not hold any special surplus funds.

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(10) The portion of unassigned funds (surplus) represented or (reduced) by each item below is as follows:

	12/31/2012	12/31/2011
a. Unrealized gains (losses)	\$ (75,598,419)	\$ (79,164,575)
b. Nonadmitted asset values	\$ 123,615,770	\$ 111,792,984
c. Asset valuation reserves	\$ 26,731,421	\$ 18,535,786

(11) The Company has no surplus debentures or similar obligations.

(12) Quasi –Reorganization - Not Applicable.

(13) Quasi –Reorganization - Not Applicable.

(14) Contingencies

A. Contingent Commitments

(1) As of December 31, 2012, the Company has not guaranteed any obligations which are subject to the revised guidance under SSAP No. 5R.

Commitments

Commitments to fund fixed rate mortgage loans are agreements to lend to a borrower and are subject to conditions established in the underlying contracts. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a deposit. Commitments extended by the Company are based on management's case-by-case credit evaluation of the borrower and the borrower's loan collateral. The underlying mortgaged property represents the collateral if the commitment is funded. The Company's policy for new mortgage loans is to generally lend no more than 80% of collateral value. Should the commitment be funded, the Company's exposure to credit loss in the event of nonperformance by the borrower is represented by the contractual amounts of these commitments less the net realizable value of the collateral. The contractual amounts also represent the cash requirements for all unfunded commitments.

As of December 31, 2012, the Company had no unfunded commitments related to its investments in limited partnerships and limited liability companies.

(2) Not Applicable

(3) Not Applicable

B. Assessments

(1) The increase in the number of insurance companies that are under regulatory supervision has resulted, and is expected to continue to result in increased assessments by state guaranty funds to cover losses to policyholders of insolvent or rehabilitated insurance companies. Those mandatory assessments may be partially recovered through a reduction in future premium taxes in certain states. The Company records an estimate of the amounts it expects to be assessed in future periods as a liability. Separately, the Company records an estimated premium tax recoverable. Changes in the estimated future liability and premium tax recoverable are recognized in current period operations.

(2)

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end.	\$ 140,132
b. Decreases current year:	\$ -
c. Increases current year: To adjust guaranty fund accrual	\$ 139,289
d.. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end.	<u>\$ 279,421</u>

C. Gain Contingencies – Not Applicable.

D. Claims Related Extra Contractual Obligation on Bad Faith Losses Stemming from Lawsuits – None.

E. All Other Contingencies

Legal and Regulatory Matters

The Company is a subject to legal and regulatory proceedings in the ordinary course of its business. The Company’s legal and regulatory matters include proceedings specific to the Company and other proceedings generally applicable to business practices in the industries in which the Company operates. These matters are subject to many uncertainties, and given their complexity and scope, their outcomes cannot be predicted. Regulatory proceedings also could affect the outcome of one or more of the Company’s litigations matters. Furthermore, it is often not possible to determine the ultimate outcomes of the pending regulatory investigations and legal proceedings or to provide reasonable ranges of potential losses with any degree of certainty. Some matters, including certain of those referred to below, are in very preliminary stages, and the Company does not have sufficient information to make an assessment of the plaintiffs’ claims for liability or damages. In some of the cases seeking to be certified as class actions, the court has not yet decided whether a class will be certified or (in the event of certification) the size of the class and class period. In many of the cases, the plaintiffs are seeking undefined amounts of damages or other relief, including punitive damages and equitable remedies, which are difficult to quantify and cannot be defined based on the information currently available. The Company believes, however, that based on currently known information, the ultimate outcome of all pending legal and regulatory matters is not likely to have a material adverse effect on the Company’s financial position. Nonetheless, given the large or indeterminate amounts sought in certain of these matters and the inherent unpredictability of litigation, it is possible that such outcomes could materially affect the Company’s financial position or results of operations in a particular quarter or annual period.

The various businesses conducted by the Company are subject to oversight by numerous federal and state regulatory entities, including but not limited to the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Department of Labor, the Internal Revenue Service (IRS) and state insurance authorities. Such regulatory entities may, in the normal course, be engaged in general or targeted inquiries, examinations and investigations of the Company and/or its affiliates. The financial services industry has been the subject of increasing scrutiny in connection with a broad spectrum of regulatory issues; with respect to all such scrutiny directed at the Company and/or its affiliates, the Company is cooperating with regulators. The Company will cooperate with NMIC insofar as any inquiry, examination or investigation encompasses NMIC’s operations.

In October 2012, NLIC and NLAIC entered into a Regulatory Settlement Agreement with the Florida Office of Insurance Regulation and twenty-one other state Departments of Insurance to resolve a multi-state market conduct exam regarding claim settlement practices. The Regulatory Settlement Agreement applies prospectively and requires NLIC and NLAIC to adopt and implement additional procedures relating to the use of the Social Security Death Master File and identifying and locating beneficiaries once deaths are identified. In October 2012, NLIC and NLAIC also entered into a Global Resolution Agreement to resolve the related unclaimed property audit.

Other jurisdictions may pursue similar investigations, examinations or inquiries. The results of these investigations, examinations or inquiries could result in the payment or escheatment of unclaimed death benefits, and/or changes in the Company’s practices and procedures to its claims handling and escheat processes, all of which could impact claim payments and reserves and/or result in payment of investigation costs, fines or penalties.

Tax Matters

The Company’s federal income tax returns are routinely audited by the IRS. The Company provides for federal income taxes based on amounts the Company believes it ultimately will owe. Inherent in the provision for federal income taxes are estimates regarding the deductibility of certain items and the realization of certain tax credits. In the event the ultimate deductibility of certain items or the realization of certain tax credits differs from estimates, the Company may be required to change the provision for federal income taxes recorded in the statutory financial statements, which could be significant. Management has used best estimates to establish reserves for uncertain tax positions based on current facts and circumstances regarding tax exposure items where the ultimate deductibility is open to interpretation. Management believes its tax reserves reasonably provide for potential assessments that may result from IRS examinations and other tax-related matters for all open tax years.

(15) Leases

The Company does not have any material lease obligations at this time.

(16) Information about Financial Instruments with Off Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

(1) The table below summarizes the face amount of the Company’s financial instruments with off balance sheet risk.

	Assets		Liabilities	
	2012	2011	2012	2011
Swaps	\$ 3,000,000	\$ 3,444,625	\$ 6,005,104	\$ 9,405,104
Futures	-	-	-	-
Options	-	-	-	-
Total	<u>\$ 3,000,000</u>	<u>\$ 3,444,625</u>	<u>\$ 6,005,104</u>	<u>\$ 9,405,104</u>

(2) Commitments to fund fixed rate mortgage loans on real estate are agreements to lend to a borrower, and are subject to conditions established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of deposit. Commitments extended by the Company are based on management’s case-by-case credit evaluation of the borrower and the borrower’s loan collateral.

Notional amounts of derivative financial instruments significantly exceed the credit risk associated with these instruments and represent contractual balances on which calculations of amounts to be exchanged are based. Credit exposure is limited to the sum of the aggregate fair value of positions that have become favorable to the Company, including accrued interest receivable due from counterparties, net of collateral received.

(3) Should the commitment be funded, the Company’s exposure to credit loss in the event of nonperformance by the borrower is represented by the contractual amounts of these commitments less the net realizable value of the collateral. The contractual amounts also represent the cash requirements for all unfunded commitments.

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Potential credit losses are minimized through careful evaluation of counterparty credit standing, selection of counterparties from a limited group of high quality institutions, collateral agreements and other contract provisions.

- (4) The underlying mortgage property represents the collateral if the commitment is funded. The Company's policy for new mortgage loans on real estate is to lend no more than 80% of collateral value.

Collateral requirements for over-the-counter derivative instruments are controlled by the International Swap Dealers Association and Credit Support Annex documents that are negotiated with each counterparty. Generally, these documents outline each party's rights and obligations for receiving and posting collateral. The documents address such issues as calculating collateral due/owed, delivery and return of collateral, uses and substitution for collateral, distributions and interest rights and remedies for both parties, credit thresholds and eligible collateral (typically cash, debt obligations issued by the United States Treasury, or obligations issued by government agencies). The Company monitors their collateral position on a daily basis, adjusting positions as necessary, and in accordance with the terms of these agreements.

(17) Sale, Transfer, and Servicing of Financial Assets and Extinguishment of Liabilities

A. Transfers of Receivables Reported as Sales - Not Applicable.

B. Transfer and Servicing of Financial Assets

- (1) There were no assets obtained or liabilities incurred in transfers of financial assets where it is not practicable to estimate their fair value.
- (2) The Company has entered into a securities lending agreement with an agent bank whereby eligible securities may be loaned to third parties, primarily major brokerage firms. These transactions are used to generate additional income on the securities portfolio. Loaned securities continue to be reported as invested assets and the Company is entitled to receive any payments of interest or dividends paid on loaned securities. The agreement requires a minimum of 102% of the fair value of loaned securities to be held as collateral. Cash collateral received from borrowers is reflected as a "Payable for securities lending" on the "Statement of Liabilities, Surplus and Other Funds" while non-cash collateral is recorded off-balance sheet. Cash collateral received is reinvested by the agent bank in accordance with the Company's authorized investment policy and included in "Securities lending reinvested collateral assets" in the "Statement of Assets". If the fair value of the reinvested collateral assets is less than the fair value of the securities loaned, the shortfall is non-admitted. Because the borrower or the Company may terminate a securities lending transaction at any time, if loans are terminated in advance of the reinvested collateral asset maturities, the Company would repay its securities lending obligation from operating cash flows or the proceeds of sales from its investment portfolio, which includes significant liquid securities.

The fair value of loaned securities was \$4,728,137, as of December 31, 2012. The Company does not hold any non-cash collateral for loaned securities as of December 31, 2012.

Reinvested collateral assets reported on Schedule DL are excluded from other statutory schedules and disclosures.

See Note 5 E. for additional information concerning securities lending.

- (3) No servicing assets or liabilities were recognized during the period.
- (4) There were no assets securitized during the period.
- (5) There were no retained interests since there were no securitized financial assets.
- (6) There were no transfers of receivables with recourse.

C. Wash Sales - None.

(18) Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not Applicable.

(19) Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not Applicable.

(20) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources while unobservable inputs reflect the Company's view of market assumptions in the absence of observable market information. The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. In determining fair value, the Company uses various methods including market, income and cost approaches.

The Company categorizes its assets and liabilities into a three-level hierarchy based on the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure fair value fall within different levels of the hierarchy, the category level is based on the lowest priority level input that is significant to the fair value measurement of the instrument in its entirety.

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The Company categorizes the fair value of assets and liabilities as follows:

Level 1. Unadjusted quoted prices accessible in active markets for identical assets or liabilities at the measurement date and mutual funds where the value per share (unit) is determined and published daily and is the basis for current transactions.

Level 2. Unadjusted quoted prices for similar assets or liabilities in active markets or inputs (other than quoted prices) that are observable or that are derived principally from or corroborated by observable market data through correlation or other means. Primary inputs to this valuation technique may include comparative trades, bid/asks, interest rate movements, U.S. Treasury rates, U.S. LIBOR, prime rates, cash flows, maturity dates, call ability, estimated prepayments and/or underlying collateral values.

Level 3. Prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Inputs reflect management’s best estimate about the assumptions market participants would use at the measurement date in pricing the asset or liability. Consideration is given to the risk inherent in both the method of valuation and the valuation inputs. Primary inputs to this valuation technique include broker quotes and comparative trades.

The Company reviews its fair value hierarchy classifications for financial assets and liabilities quarterly. Changes in observability of significant valuation inputs identified during these reviews may trigger reclassifications. Reclassifications are reported as transfers at the beginning of the period in which the change occurs.

To determine the fair value of bonds and stocks for which market quotations are available, independent pricing services are most often utilized. For these bonds and stocks, the Company obtains the pricing services’ methodologies, inputs and assumptions and classifies the investments accordingly in the fair value hierarchy.

A corporate pricing matrix or an internally developed pricing model is used in valuing certain bonds. The corporate pricing matrix is developed using private spreads for bonds with varying weighted average lives and credit quality ratings. The weighted average life and credit quality rating of a particular bond to be priced using the corporate pricing matrix are important inputs into the model and are used to determine a corresponding spread that is added to the appropriate U.S. Treasury yield to create an estimated market yield for that bond. The estimated market yield and other relevant factors are then used to estimate the fair value of the particular bond.

Non-binding broker quotes are also utilized to determine the fair value of certain bonds when quotes are not available from independent pricing services, corporate pricing matrix or internal pricing models. These bonds are classified accordingly in the fair value hierarchy as only one broker quote is ordinarily obtained, the investment is not traded on an exchange, the pricing is not available to other entities and/or the transaction volume in the same or similar investments has decreased. Inputs used in the development of prices are not provided to the Company by the brokers as the brokers often do not provide the necessary transparency into their quotes and methodologies. Broker quotes are subject to validation of price movements that require approval from the Company’s management. Management uses its knowledge of the investment and current market conditions to determine if the price is indicative of the investment’s fair value.

Fair value of derivative instruments is determined using various valuation techniques relying predominately on observable market inputs. These inputs include interest rate swap curves, credit spreads, interest rates, counterparty credit risk, equity volatility and equity index levels. In cases where observable inputs are not available, the Company will utilize non-binding broker quotes to determine fair value and these instruments are classified accordingly in the fair value hierarchy.

The following table summarizes financial assets and liabilities measured at fair value as of December 31, 2012:

	As of December 31, 2012			
	Level 1	Level 2	Level 3	Total
Assets at fair value				
Bonds:				
Industrial & miscellaneous	\$ -	\$ 6,832,671	\$ 92,011	\$ 6,924,682
Total bonds	\$ -	\$ 6,832,671	\$ 92,011	\$ 6,924,682
Assets at fair value:				
Common stocks	\$ -	-	\$ 73,973	\$ 73,973
Derivative assets	-	-	-	-
Separate account assets ¹	1,175,606,403	-	-	1,175,606,403
Total assets at fair value	\$ 1,175,606,403	\$ 6,832,671	\$ 165,984	\$ 1,182,605,058
Liabilities at fair value				
Derivative liabilities	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -

¹The value of separate account liabilities is set to equal the fair value of separate account assets.

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The following table presents the rollforward of Level 3 financial assets and liabilities held at fair value during the twelve months ended December 31, 2012:

	Balance as of December 31, 2011	Transfers into Level 3	Transfers Out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Balance as of December 31, 2012
Assets at fair value										
Bonds:										
Industrial & miscellaneous	\$ 202,864	\$ -	\$ -	\$ (144,411)	\$ 40,135	\$ -	\$ -	\$ -	\$ (6,578)	\$ 92,010
Total bonds	\$ 202,864	\$ -	\$ -	\$ (144,411)	\$ 40,135	\$ -	\$ -	\$ -	\$ (6,578)	\$ 92,010
Assets at fair value:										
Common stocks	\$ 44,526	\$ -	\$ -	\$ 29,447	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,973
Total assets at fair value	\$ 247,390	\$ -	\$ -	\$ (114,964)	\$ 40,135	\$ -	\$ -	\$ -	\$ (6,578)	\$ 165,983
Liabilities at fair value										
Derivative liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The following table presents the rollforward of Level 3 financial assets and liabilities held at fair value during the three months ended December 31, 2012:

	Balance as of September 30, 2012	Transfers into Level 3	Transfers Out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Balance as of December 31, 2012
Assets at fair value										
Bonds:										
Industrial & miscellaneous	\$ 82,694	\$ -	\$ -	\$ -	\$ 1,745	\$ 7,571	\$ -	\$ -	\$ -	\$ 92,010
Total bonds	\$ 82,694	\$ -	\$ -	\$ -	\$ 1,745	\$ 7,571	\$ -	\$ -	\$ -	\$ 92,010
Assets at fair value:										
Common stocks	\$ 57,578	\$ -	\$ -	\$ -	\$ 16,394	\$ -	\$ -	\$ -	\$ -	\$ 73,972
Total assets at fair value	\$ 140,272	\$ -	\$ -	\$ -	\$ 18,139	\$ 7,571	\$ -	\$ -	\$ -	\$ 165,982
Liabilities at fair value										
Derivative liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The following table summarizes aggregate carrying value and fair value, by level, for all financial assets and liabilities, excluding assets and liabilities reported at fair value, as of December 31, 2012:

	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Assets:						
Bonds	\$ 4,660,253,448	\$ 4,287,764,202	\$ 82,276,801	\$ 4,487,580,335	\$ 90,396,312	\$ -
Common stocks	-	-	-	-	-	-
Mortgage loans	537,310,589	524,001,761	-	-	537,310,589	-
Short-term investments	28,807,944	28,807,944	-	28,807,944	-	-
Derivative assets	298,865	-	-	298,865	-	-
Policy loans	30,617,131	30,617,131	-	-	30,617,131	-
Securities lending collateral assets	4,858,446	4,858,446	-	4,858,446	-	-
Total assets	\$ 5,262,146,423	\$ 4,876,049,484	\$ 82,276,801	\$ 4,521,545,590	\$ 658,324,032	\$ -
Liabilities:						
Investment contracts	\$ 3,091,910,877	\$ 3,103,837,034	\$ -	\$ -	\$ 3,103,837,034	\$ -
Derivative liabilities	2,777,113	2,734,245	-	2,777,113	-	-
Total Liabilities	\$ 2,777,113	\$ 2,734,245	\$ -	\$ 2,777,113	\$ -	\$ -

Not Practicable to Estimate Fair Value – Not applicable

(21) Other Items

- A. Extraordinary Items – None.
- B. Troubled Debt Restructuring: Debtors – None.
- C. Other Disclosures – Not Applicable.
- D. Uncollectible Assets - Not Applicable.
- E. Business Interruption Insurance Recoveries - Not Applicable.
- F. State Transferable and Non-transferrable Tax Credits – None.
- G. Subprime Mortgage Related Risk Exposure

(1) The Company evaluates many characteristics when classifying collateral as subprime, including the credit quality of the borrower as defined by Fair Isaac Credit Organization (FICO) scores, as well as other factors, such as loan-to-value ratios and type of real estate.

(2) The company has no direct exposure through investments in subprime mortgage loans.

(3) Direct exposure through other investments:

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other Than Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	\$ 82,056,909	\$ 78,172,299	\$ 75,325,341	\$ 5,463,112
b. Commercial mortgage-backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Equity investment in SCAs	-	-	-	-
f. Other assets	-	-	-	-
g. Total	<u>\$ 82,056,909</u>	<u>\$ 78,172,299</u>	<u>\$ 75,325,341</u>	<u>\$ 5,463,112</u>

(4) The company has no exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.

H. Retained Assets

The Company does not retain beneficiary assets. During a death benefit claim, the beneficiary has the option to receive an interest bearing deposit account with an affiliated banking institution, Nationwide Bank. In the case that the interest-bearing deposit account is selected by the beneficiary, the deposits are Federal Deposit Insurance Corporation insured and the Company has disposed of its policyholder liabilities and related assets. Interest earned by the beneficiary is consistent with interest earned on all other Nationwide Bank interest-bearing checking account deposits. While receipt of a deposit account with Nationwide Bank is an option available to the beneficiary during settlement of a death claim, the default death benefit settlement method is payment to the beneficiary in the form of a check.

(22) Subsequent events have been considered through February 22, 2013 for the statutory statement issued on March 1, 2013.

The Company received a capital contribution from its parent, NLIC of \$31,000,000 on February 6, 2013. Effective February 15, 2013, the Department granted the Company approval to record the \$31,000,000 contribution as a Type I Subsequent Event in its 2012 statutory financial statements.

(23) Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the Company or by any representative, officer, trustee, or director of the Company?

Yes () No (X)

If yes, give full details.

2. Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details.

Section 2 - Ceded reinsurance Report-Part A

1. Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment or premium or other similar credits?

Yes () No (X)

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the Company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate.

N/A

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in the income statement?

N/A

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2. Does the Company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

If yes, give full details.

Section 3 - Ceded Reinsurance Report-Part B

1. What is the estimated amount of the aggregate reduction in surplus (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2, above) of termination of ALL reinsurance agreements, by either party as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate.

\$0

2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the Company as of the effective date of the agreement?

Yes () No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments?

B. Uncollectible Reinsurance – None.

C. Commutation of Ceded Reinsurance - Not Applicable.

(24) Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. Not Applicable.

B. Not Applicable.

C. Not Applicable.

D. Medical loss ratio rebates required pursuant to the Public Health Service Act – None.

(25) Change in Incurred Losses and Loss Adjustment Expenses - Not Applicable.

(26) Intercompany Pooling Arrangements - Not Applicable.

(27) Structured Settlements - Not Applicable.

(28) Health Care Receivables - Not Applicable.

(29) Participating Policies

For the year ended 2012, the relative percentage of individual and group participating life insurance policies was 0.3% of the total individual and group life insurance in-force. The Company accounts for its policyholder dividends based upon guidance from SSAP No. 51, Life Contracts.

(30) Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves	\$	-
2. Date of the most recent evaluation of this liability		12/31/2012
3. Was anticipated investment income utilized in the calculation?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

(31) Reserves for Life Contracts and Annuity Contracts

- (1) The Company waives deduction of deferred fractional premiums upon death of the insured. The Company returns any portion of final premium paid beyond the month of death for all policies.
- (2) The same percentage that is applied to the gross premiums for determining the rate charged the substandard risk, is also applied to the rates in the statutory mortality table at all durations. For example, a life issued at table B, which would normally use 80CSO, would actually use 80CSO with all rates grossed up 50%.
- (3) As of December 31, 2012, the Company had \$5,085,390 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the State of Ohio. Reserves to cover the above insurance totaled the gross amount of \$14,295,877 at year-end and are reported in Exhibit 5, Miscellaneous Reserves.
- (4) The Tabular Interest (Page 7, Part A, Line 4), The Tabular Less Actual Reserve Released (Page 7, Part A, Line 5), and the Tabular Cost (Page 7, Part A, Line 9) have been determined by formulas described in the instructions for Page 7.
- (5) The Tabular Interest on Funds not involving life contingencies is calculated using the actual accrued interest on such funds.
- (6) There are no other reserve changes for the current year.

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(32) Analysis of Annuity Actuarial Reserves and Deposit Type Liabilities by Withdrawal Characteristics

	(1) General Account	(2a) Separate Account with Guarantees	(2b) Separate Account Non-guaranteed	(3) Total	% of Total
A. Subject to discretionary withdrawal:					
(1) With fair value adjustment	\$ 9,712,747	\$ 82,572	\$ -	\$ 9,795,319	0.30%
(2) At book value less current surrender charge of 5% or more	659,822,379	-	-	659,822,379	20.64%
(3) At fair value	6,900,874	-	580,127,422	587,028,296	0.22%
(4) Total with adjustment or at fair value (Total of 1 through 3)	676,436,000	82,572	580,127,422	1,256,645,994	21.16%
(5) At book value without adjustment (Minimal or no charge or adjustment)	2,485,300,166	-	-	2,485,300,166	77.74%
B. Not subject to discretionary withdrawal	35,400,565	-	1,029,687	36,430,252	1.11%
C. Total (gross)	3,197,136,731	82,572	581,157,109	3,778,376,412	100.00%
D. Reinsurance ceded	184,931,128	-	-	184,931,128	
E. Total (net)* (C-D)	\$ 3,012,205,603	\$ 82,572	\$ 581,157,109	\$ 3,593,445,284	

* Reconciliation of total annuity actuarial reserves and deposit fund liabilities

F. Life & Accident & Health Annual Statement	2012
(1) Exhibit 5, Annuities Section, Total (net)	\$ 2,986,831,756
(2) Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	8,046,618
(3) Exhibit of Deposit-Type Contracts, Line 14, Column 1	17,327,229
(4) Subtotal	3,012,205,603
Separate Accounts Annual Statement	
(5) Exhibit 3, Line 0299999, Column 2	\$ 580,854,136
(6) Exhibit 3, Line 0399999, Column 2	-
(7) Policyholder dividend and coupon accumulations	-
(8) Policyholder premiums	-
(9) Guaranteed interest contracts	-
(10) Other contract deposit funds	385,545
(11) Subtotal	581,239,681
(12) Total annuity actuarial reserves and deposit fund liabilities	\$ 3,593,445,284

G. Federal Home Loan Bank Agreements – Not Applicable.

(33) Premium and Annuity Considerations Deferred and Uncollected

A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2012 were as follows:

Type	Gross	Net of Loading
(1) Industrial	\$ -	\$ -
(2) Ordinary New Business	10,763,216	2,269,182
(3) Ordinary Renewal	24,839,411	19,082,675
(4) Credit Life	-	-
(5) Group Life	-	-
(6) Group Annuity	-	-
(7) Total	\$ 35,602,627	\$ 21,351,858

(34) Separate Accounts

A. Separate Account Activity

- The Company utilized separate accounts to record and account for assets and liabilities in its variable individual annuities and variable life insurance product lines.
- As of December 31, 2012 and 2011 the Company's separate account statement included legally insulated assets of \$1,175,606,403 and \$1,158,496,923, respectively. The assets legally insulated from the general account as of December 31, 2012, attributed to the following product lines:

Product/Transaction	Legally Insulated Assets	Separate Account Assets (Not Legally Insulated)
Individual Annuities	\$ 582,289,272	\$ -
Life Insurance	593,317,131	-
Total	\$ 1,175,606,403	\$ -

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(3) In accordance with the products/transactions recorded within the separate account, some separate account liabilities are guaranteed by the general account. (In accordance with the guarantees provided, if the investment proceeds are insufficient to cover the rate of return guaranteed for the product, the policyholder proceeds will be remitted by the general account.) As of December 31, 2012, the Company's general account had a maximum guarantee for separate account liabilities of \$16,725,272 (\$42,418,598 as of December 31, 2011). To compensate the general account for the risk taken during 2012, the separate account paid risk charges of \$593,117 (\$750,296 during 2011). During 2012, the general account of the Company had paid \$251,354 (\$266,014 during 2011) toward separate account guarantees. To compensate the general account for the risk taken, the separate account has paid risk charges as follows for the past five (5) years:

a.	2012	\$	<u>593,117</u>
b.	2011	\$	<u>750,296</u>
c.	2010	\$	<u>827,569</u>
d.	2009	\$	<u>-</u>
e.	2008	\$	<u>-</u>

(4) The Company does not engage in securities lending transactions within its separate accounts.

B. General Nature and Characteristics of Separate Accounts Business

Most separate accounts held by the Company relate to individual and group variable annuity and variable universal life insurance contracts of a non-guaranteed return nature. The net investment experience of the separate accounts is credited directly to the contract holder and can be positive or negative. The individual variable annuity contracts generally provide an incidental death benefit of the greater of account value or premium paid (net of prior withdrawals). However, many individual variable annuity contracts also provide death benefits equal to (i) the most recent fifth-year anniversary account value, (ii) the highest account value on any previous anniversary, (iii) premiums paid increased 5% or certain combinations of these, all adjusted for prior withdrawals. The death benefit and cash value under the variable universal life policies may vary with the investment performance of the underlying investments in the separate accounts. The assets and liabilities of these separate accounts are carried at fair value. This business has been included in Column 4.

Certain other separate accounts relate to a guaranteed term option (GTO), which provides a guaranteed interest rate that is paid over certain maturity durations ranging from three to ten years, so long as certain conditions are met. If amounts allocated to the GTO are distributed prior to the maturity period, a market value adjustment (MVA) can be assessed. The assets and liabilities of these separate accounts are carried at fair value. This business has been included in Columns 2 and 3.

Information regarding the Separate Accounts of the Company is as follows:

	(1) Indexed	(2) Nonindexed guarantee less than or equal to 4%	(3) Nonindexed guarantee more than 4%	(4) Non- guaranteed Separate Accounts	Total
(1) Premiums, considerations or deposits for year ended December 31, 2012	\$ -	\$ -	\$ -	\$ 80,934,857	\$ 80,934,857
Reserves as of December 31, 2012					
(2) For accounts with assets at:					
a. Fair value	\$ -	\$ 75,066	\$ 7,507	\$ 1,105,234,512	\$ 1,105,317,084
b. Amortized cost	-	-	-	-	-
c. Total reserves	\$ -	\$ 75,066	\$ 7,507	\$ 1,105,234,512	\$ 1,105,317,084
(3) By withdrawal characteristics:					
a. Subject to discretionary withdrawal	\$ -	\$ -	\$ -	\$ -	\$ -
b. With FV adjustment	-	75,066	7,507	-	82,572
c. At book value without FV adjustment and with current surrender charge less than 5%	-	-	-	-	-
d. At fair value	-	-	-	1,104,204,825	1,104,204,825
e. At book value without FV adjustment and with current surrender charge less than 5%	-	-	-	-	-
f. Subtotal	-	75,066	7,507	1,104,204,825	1,104,287,397
g. Not subject to discretionary withdrawal	-	-	-	1,029,687	1,029,687
h. Total reserves	\$ -	\$ 75,066	\$ 7,507	\$ 1,105,234,512	\$ 1,105,317,084

(4) Not Applicable.

C Reconciliation of Net Transfers To or From Separate Accounts

(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement

a. Transfers to Separate Accounts (SA Page 4, Line 1.4)	\$ 80,279,013
b. Transfers from Separate Accounts (SA Page 4, Line 10)	<u>165,036,161</u>
c. Net transfers to (from) separate accounts (a-b)	(84,757,148)

(2) Reconciling Adjustment

a. Exchange accounts offsetting in the general account	4,450,653
b. Other miscellaneous adjustments not included in the general account	<u>(157,008)</u>

(3) Transfers as reported in the Summary of Operations of the Life,

Accident & Health Annual Statement (1c) + (2) = (Page 4, Line 26)	<u>\$ (80,463,503)</u>
---	------------------------

(35) Loss/Claim Adjustment Expenses

The Company no longer issues any health policies and due to the small size of the Company's health insurance business, the Company no longer holds any liabilities for claim adjustment expenses for the health business.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? Ohio
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2011
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2011
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 02/26/2008
- 3.4 By what department or departments?
Ohio
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [] No [X]
4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [] No [X]
4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information:
.....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1	2
Nationality	Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No []
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
Nationwide Advantage Mortgage Company	Des Moines, IA	NO	NO	NO	NO
Nationwide Bank	Columbus, OH	NO	YES	NO	NO
Nationwide Investment Services Corp	Columbus, OH	NO	NO	NO	YES
Nationwide Fund Distributors, LLC	King of Prussia, PA	NO	NO	NO	YES
Nationwide Securities, LLC	Dublin, OH	NO	NO	NO	YES

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 KPMG LLP, 191 West Nationwide Blvd., Columbus, OH 43215
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:

- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:

- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 James P. Cleary, Vice President and Appointed Actuary, One Nationwide Plaza, Columbus, OH 43215
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value \$
- 12.2 If, yes provide explanation:

13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:

- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).

- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | |
|---|----------|
| 20.11 To directors or other officers..... | \$ |
| 20.12 To stockholders not officers..... | \$ |
| 20.13 Trustees, supreme or grand (Fraternal Only) | \$ |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- | | |
|---|----------|
| 20.21 To directors or other officers..... | \$ |
| 20.22 To stockholders not officers..... | \$ |
| 20.23 Trustees, supreme or grand (Fraternal Only) | \$ |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- | | |
|---------------------------------|----------|
| 21.21 Rented from others..... | \$ |
| 21.22 Borrowed from others..... | \$ |
| 21.23 Leased from others | \$ |
| 21.24 Other | \$ |
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- | |
|---|
| 22.21 Amount paid as losses or risk adjustment \$ |
| 22.22 Amount paid as expenses |
| 22.23 Other amounts paid |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 12,814,932

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)..... Yes [] No [X]
- 24.02 If no, give full and complete information relating thereto
Held on Deposit with States and Posted as Collateral for derivatives.
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
Nationwide utilizes a third party to administer its Securities Lending program. Securities are loaned to approved counterparties, who in turn post cash collateral to Nationwide. The amount of cash collateral received is calculated as a percentage of the market value of the security being lent. The cash is subsequently reinvested based upon a Nationwide approved Investment Policy. The collateral received by Nationwide and the corresponding payable to the counterparties are recorded on balance sheet. Additionally, Nationwide participates in a Cash Release Program. Nationwide can borrow a limited amount of cash from the program subject to the underwriting of the plan administrator. Nationwide pays 1 month LIBOR on the borrowings, a majority of which comes back to Nationwide as earnings on the securities lending program. As of December 31, 2012, Nationwide had loaned \$4,728,137 to approved counterparties and received collateral amounts of \$4,857,869.
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [] N/A []
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ 4,858,446
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [] N/A []
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [] N/A []
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [X] No [] N/A []

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$	4,858,446
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$	4,858,446
24.103 Total payable for securities lending reported on the liability page	\$	4,857,869

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes No

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements	\$
25.22 Subject to reverse repurchase agreements	\$
25.23 Subject to dollar repurchase agreements	\$
25.24 Subject to reverse dollar repurchase agreements	\$
25.25 Pledged as collateral	\$1,194,940
25.26 Placed under option agreements	\$
25.27 Letter stock or other securities restricted as to sale	\$
25.28 On deposit with state or other regulatory body	\$4,623,339
25.29 Other	\$

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes No

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No N/A
 If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes No

27.2 If yes, state the amount thereof at December 31 of the current year. \$

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?..... Yes No

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
The Bank of New York Mellon	1 Wall Street, New York, NY, 10286

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?..... Yes No

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
N/A	Members of the investment staff designated by the Chief Investment Officer as detailed in the Corporate Resolution.	One Nationwide Plaza, Columbus, OH 43215

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [] No [X]
- 29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		

- 29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	4,294,688,885	4,667,178,131	372,489,246
30.2 Preferred stocks			
30.3 Totals	4,294,688,885	4,667,178,131	372,489,246

- 30.4 Describe the sources or methods utilized in determining the fair values:

For fixed maturity and marketable equity securities for which market quotations generally are available, Nationwide generally uses independent pricing services to assist in determining the fair value measurement. For certain fixed maturity securities not priced by independent services (generally private placement securities without quoted market prices), an internally developed pricing model or "corporate pricing matrix" is most often used. The corporate pricing matrix is developed by obtaining private spreads versus the U.S. Treasury yield for corporate securities with varying weighted average lives and bond ratings. The weighted average life and bond rating of a particular fixed maturity security to be priced using the corporate matrix are important inputs into the model and are used to determine a corresponding spread that is added to the U.S. Treasury yield to create an estimated market yield for that bond. The estimated market yield and other relevant factors are then used to estimate the fair value of the particular fixed maturity security. Nationwide also utilized broker quotes to assist in pricing securities or to validate modeled prices.

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No [X]
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
 Nationwide relies on broker valuations only when an approved third party vendor evaluation is not available. Any exceptions are approved by Risk Management and the Middle Office and reviewed by the Investments Pricing Committee. The brokers used to value securities are deemed to be main market makers for each individual security and therefore have in depth knowledge of the particular issue.
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
- 32.2 If no, list exceptions:

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$59,116

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
American Council of Life Insurers	38,734
.....

34.1 Amount of payments for legal expenses, if any?\$95,899

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Drinker Biddle & Reath LLP	30,644
McKinney & Silver LLC	30,740
.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]

1.2 If yes, indicate premium earned on U.S. business only \$

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$

1.31 Reason for excluding:

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$

1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$

1.6 Individual policies:

	Most current three years:
1.61 Total premium earned	\$
1.62 Total incurred claims	\$
1.63 Number of covered lives .....	.....
All years prior to most current three years	
1.64 Total premium earned	\$
1.65 Total incurred claims	\$
1.66 Number of covered lives .....	.....

1.7 Group policies:

	Most current three years:
1.71 Total premium earned	\$
1.72 Total incurred claims	\$ 0
1.73 Number of covered lives .....	.....
All years prior to most current three years	
1.74 Total premium earned	\$
1.75 Total incurred claims	\$
1.76 Number of covered lives .....	.....

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	.....	.....
2.2 Premium Denominator	404,588,232	337,924,147
2.3 Premium Ratio (2.1/2.2)	0.000	0.000
2.4 Reserve Numerator .....	.....	.....
2.5 Reserve Denominator	4,416,193,570	3,604,919,049
2.6 Reserve Ratio (2.4/2.5)	0.000	0.000

3.1 Does this reporting entity have Separate Accounts? Yes [X] No []

3.2 If yes, has a Separate Accounts Statement been filed with this Department? Yes [X] No [] N/A []

3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? \$ 73,177,945

3.4 State the authority under which Separate Accounts are maintained:
 Ohio

3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes [X] No []

3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [] No [X]

3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"?

4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes [X] No []

4.2 Net reimbursement of such expenses between reporting entities:

4.21 Paid	\$ 104,198,322
4.22 Received	\$

5.1 Does the reporting entity write any guaranteed interest contracts? Yes [] No [X]

5.2 If yes, what amount pertaining to these lines is included in:

5.21 Page 3, Line 1	\$
5.22 Page 4, Line 1	\$

6. FOR STOCK REPORTING ENTITIES ONLY:

6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$ 571,600,000

7. Total dividends paid stockholders since organization of the reporting entity:

7.11 Cash	\$ 42,001,461
7.12 Stock	\$

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Yes [] No [X]
 Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? Yes [] No []

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
8.31 Earned premium
8.32 Paid claims
8.33 Claim liability and reserve (beginning of year)
8.34 Claim liability and reserve (end of year)
8.35 Incurred claims

8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41	<\$25,000	.....	.....
8.42	\$25,000 - 99,999	.....	.....
8.43	\$100,000 - 249,999	.....	.....
8.44	\$250,000 - 999,999	.....	.....
8.45	\$1,000,000 or more	.....	.....

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? \$

9.1 Does the company have variable annuities with guaranteed benefits? Yes [X] No []

9.2 If 9.1 is yes, complete the following table for each type of guaranteed benefit.

Type		3	4	5	6	7	8	9
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit	Waiting Period Remaining	Account Value Related to Col. 3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserve Credit
Ratchet	None	N/A	-	172,576,293	1,452,858	Exhibit 5G	52% GMDB	178,272
Ratchet	Ratchet 7 Year Wait	0 years	1819706	12,979	12,979	Exhibit 5G	52% GMDB	
		Total	1819706	1,819,706				
Ratchet	Rollup 7 Year	0 years	3003711	30,134	30,134	Exhibit 5G	52% GMDB	(20,234)
		Total	3003711	3,003,711	30,134			(20,234)
Reset	None	N/A		334,762,278	2,377,503	Exhibit 5G	48% GMDB	(2,253)
Reset	Ratchet 7 Year Wait	0 years	71019	674	674	Exhibit 5G	48% GMDB	
		Total	71019	71,019	674			
Reset	Rollup 7 Year	0 years	1952871	13,307	13,307	Exhibit 5G	48% GMDB	(22,781)
		Total	1952871	1,952,871	13,307			(22,781)
Rollup	None	N/A		36,757,237	712,403	Exhibit 5G	95% GMDB	376,265
ROP	None	N/A		85,248,670	409,151	Exhibit 5G	50% GMDB	
ROP	Ratchet 7 Year Wait	0 years	5456255	20,630	20,630	Exhibit 5G	50% GMDB	
		Total	5456255	5,456,255				
ROP	Rollup 7 Year	0 years	10201449	61,848	61,848	Exhibit 5G	50% GMDB	(35,188)
		Total	10201449	10,201,449	61,848			(35,188)
None	None	N/A		349,435	1,553	Exhibit 5G	0% GMDB	
Total			22505010	652,198,924	5,093,039	Exhibit 5G		474,082

10. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only:

10.1 Amount of loss reserves established by these annuities during the current year: \$

10.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

1	2 Statement Value on Purchase Date of Annuities (i.e., Present Value)
P&C Insurance Company And Location	

11.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

11.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$

11.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

11.4 If yes, please provide the balance of funds administered as of the reporting date. \$

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

Show amounts of life insurance in this exhibit in thousands (OMIT \$000)

	1 2012	2 2011	3 2010	4 2009	5 2008
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4)	24,081,190	20,453,120	17,127,230	13,483,866	10,700,721
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)	48,268,616	42,052,108	37,833,810	34,383,575	29,014,398
3. Credit life (Line 21, Col. 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	173	203	211	170	411
5. Industrial (Line 21, Col. 2)					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)					
7. Total (Line 21, Col. 10)	72,349,979	62,505,431	54,961,251	47,867,611	39,715,530
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2)	5,228,457	4,434,586	4,748,869	3,605,400	2,665,054
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2)	9,181,753	7,288,486	6,299,593	8,211,745	8,483,849
10. Credit life (Line 2, Col. 6)					
11. Group (Line 2, Col. 9)					
12. Industrial (Line 2, Col. 2)					
13. Total (Line 2, Col. 10)	14,410,210	11,723,072	11,048,462	11,817,145	11,148,903
Premium Income - Lines of Business (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2)					
15.1 Ordinary-life insurance (Line 20.4, Col. 3)	392,204,769	329,073,858	(57,247,196)	283,802,743	203,286,888
15.2 Ordinary-individual annuities (Line 20.4, Col. 4)	11,111,796	7,559,233	5,290,886	7,374,608	11,240,170
16. Credit life (group and individual) (Line 20.4, Col. 5)					
17.1 Group life insurance (Line 20.4, Col. 6)		61,098			282,882
17.2 Group annuities (Line 20.4, Col. 7)	1,267,102	1,227,910	3,446,866	1,345,112	3,568,846
18.1 A & H-group (Line 20.4, Col. 8)	3,635	982	102	192	102
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9)					
18.3 A & H-other (Line 20.4, Col. 10)	930	1,066	1,244	1,394	1,730
19. Aggregate of all other lines of business (Line 20.4, Col. 11)					
20. Total	404,588,232	337,924,147	(48,508,098)	292,524,049	218,380,618
Balance Sheet (Pages 2 & 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)	5,067,714,551	4,198,909,052	4,108,281,164	3,880,966,141	3,601,665,556
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	4,756,719,405	3,896,454,468	3,821,068,716	3,667,982,030	3,479,415,035
23. Aggregate life reserves (Page 3, Line 1)	4,422,667,304	3,609,287,807	3,458,648,800	3,569,235,071	3,407,927,309
24. Aggregate A & H reserves (Page 3, Line 2)					
25. Deposit-type contract funds (Page 3, Line 3)	17,327,229	17,352,334	18,596,478	20,971,568	22,312,311
26. Asset valuation reserve (Page 3, Line 24.01)	26,731,421	18,535,786	13,841,584	10,905,627	9,486,541
27. Capital (Page 3, Lines 29 and 30)	2,640,000	2,640,000	2,640,000	2,640,000	2,640,000
28. Surplus (Page 3, Line 37)	308,355,146	299,814,584	284,572,448	210,871,687	120,032,208
Cash Flow (Page 5)					
29. Net Cash from Operations (Line 11)	724,130,737	104,746,372	(159,366,889)	152,973,846	(129,901,622)
Risk-Based Capital Analysis					
30. Total adjusted capital	338,245,335	323,484,916	303,253,804	224,940,314	132,710,899
31. Authorized control level risk - based capital	43,566,786	37,998,321	37,677,745	31,194,123	30,436,266
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1)	88.0	86.2	81.3	77.5	72.9
33. Stocks (Lines 2.1 and 2.2)	0.0	0.0	0.0	0.1	0.2
34. Mortgage loans on real estate(Lines 3.1 and 3.2)	10.7	11.9	13.9	17.5	21.7
35. Real estate (Lines 4.1, 4.2 and 4.3)					
36. Cash, cash equivalents and short-term investments (Line 5)	0.6	0.8	1.7	4.2	4.4
37. Contract loans (Line 6)	0.6	0.6	0.6	0.6	0.6
38. Derivatives (Page 2, Line 7)		0.0	0.0	XXX	XXX
39. Other invested assets (Line 8)					
40. Receivables for securities (Line 9)		0.0	0.0	0.2	0.1
41. Securities lending reinvested collateral assets (Line 10)	0.1	0.5	2.5	XXX	XXX
42. Aggregate write-ins for invested assets (Line 11)				0.0	0.2
43. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2012	2 2011	3 2010	4 2009	5 2008
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1)					
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1)					
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1),					
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)					
48. Affiliated mortgage loans on real estate	13,794,755	14,139,205	9,630,363	9,818,237	
49. All other affiliated					
50. Total of above Lines 44 to 49	13,794,755	14,139,205	9,630,363	9,818,237	
51. Total Investment in Parent included in Lines 44 to 49 above					
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2)	123,615,770	111,792,984	85,351,319	112,044,759	115,533,035
53. Total admitted assets (Page 2, Line 28, Col. 3)	6,243,320,954	5,357,405,975	5,431,244,774	5,243,361,034	4,879,190,498
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	222,393,208	209,475,638	209,821,469	202,613,816	202,292,965
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)	(4,330,741)	(14,768,863)	(16,399,134)	(49,480,348)	(91,570,221)
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	3,566,067	(2,781,942)	(63,969,800)	(16,214,465)	1,820,665
57. Total of above Lines 54, 55 and 56	221,628,534	191,924,833	129,452,535	136,919,003	112,543,409
Benefits and Reserve Increases (Page 6)					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11, 12, 13, 14 and 15 Cols. 9, 10 and 11)	225,933,960	247,382,765	319,971,969	278,536,913	418,680,350
59. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)	2,700	2,135	3,025	2,719	3,768
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3)	313,522,971	246,097,000	(57,418,408)	224,764,474	149,967,999
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)					
62. Dividends to policyholders (Line 30, Col. 1)	971,461	1,047,336	1,078,504	1,039,181	1,108,644
Operating Percentages					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0	46.2	46.0	(178.3)	46.7	48.9
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0	6.0	6.3	7.2	8.1	7.5
65. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2)	59.1	104.2	224.7	171.4	205.7
66. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2)					
67. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2)	2.1	2.6	3.1	(62.0)	2.8
A & H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2)		(440)			
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2)					
70. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2)	2,700	2,575	3,025	1,800	1,800
71. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2)					
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2)					
73. Ordinary - life (Col. 3)	(91,788,248)	(72,460,401)	(45,841,810)	(35,581,595)	(32,751,204)
74. Ordinary - individual annuities (Col. 4)	19,571,511	13,883,226	421,645	11,883,822	6,655,114
75. Ordinary-supplementary contracts (Col. 5)	56,243	1,843,511	1,388,098	54,148	339,546
76. Credit life (Col. 6)					
77. Group life (Col. 7)	(124,770)	(127,011)	(249,740)	15,824	164,722
78. Group annuities (Col. 8)	989,953	527,062	540,329	983,993	(363,974)
79. A & H-group (Col. 9)	2,318	910	120	758	3,314
80. A & H-credit (Col. 10)					
81. A & H-other (Col. 11)	(1,135)	(962)	(856)	(885)	1,284
82. Aggregate of all other lines of business (Col. 12)	10,399,397	9,868,032	11,420,985	26,695,167	17,112,566
83. Total (Col. 1)	(60,894,731)	(46,465,633)	(32,321,229)	4,051,232	(8,838,632)

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []
 If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year			211,388	62,505,228			1	28	203	62,505,431
2. Issued during year			61,989	14,410,210						14,410,210
3. Reinsurance assumed										
4. Revived during year										
5. Increased during year (net)			(11)	(192,058)						(192,058)
6. Subtotals, Lines 2 to 5			61,978	14,218,152						14,218,152
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		
8. Aggregate write-ins for increases										
9. Totals (Lines 1 and 6 to 8)			273,366	76,723,380			1	28	203	76,723,583
Deductions during year:										
10. Death			667	98,432			XXX			98,432
11. Maturity			9	33			XXX			33
12. Disability							XXX			
13. Expiry			603	16,871						16,871
14. Surrender			10,270	1,929,676						1,929,676
15. Lapse			13,771	2,098,425						2,098,425
16. Conversion			352	140,005			XXX	XXX	XXX	140,005
17. Decreased (net)			460	90,132				12	30	90,162
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. Totals (Lines 10 to 19)			26,132	4,373,574				12	30	4,373,604
21. In force end of year (Line 9 minus Line 20)			247,234	72,349,806			1	16	173	72,349,979
22. Reinsurance ceded end of year	XXX		XXX	35,867,553	XXX		XXX	XXX	173	35,867,726
23. Line 21 minus Line 22	XXX		XXX	36,482,253	XXX	(b)	XXX	XXX		36,482,253
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page										
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)										
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page										
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)										

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) Group \$; Individual \$

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends	XXX		XXX	84,157
25. Other paid-up insurance			1,373	31,034
26. Debit ordinary insurance	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies - decreasing				
28. Term policies - other	30,390	8,959,590	139,670	46,849,780
29. Other term insurance - decreasing	XXX		XXX	
30. Other term insurance	XXX	222,163	XXX	1,390,212
31. Totals (Lines 27 to 30)	30,390	9,181,753	139,670	48,239,992
Reconciliation to Lines 2 and 21:				
32. Term additions	XXX		XXX	
33. Totals, extended term insurance	XXX	XXX	1,105	28,625
34. Totals, whole life and endowment	31,599	5,228,457	106,459	24,081,190
35. Totals (Lines 31 to 34)	61,989	14,410,210	247,234	72,349,807

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1	2	3	4
	Non-Participating	Participating	Non-Participating	Participating
36. Industrial				
37. Ordinary	14,410,210		72,160,188	189,618
38. Credit Life (Group and Individual)				
39. Group			173	
40. Totals (Lines 36 to 39)	14,410,210		72,160,361	189,618

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to other companies	XXX		XXX	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		XXX		XXX
43. Federal Employees' Group Life Insurance included in Line 21				
44. Servicemen's Group Life Insurance included in Line 21				
45. Group Permanent Insurance included in Line 21			16	173

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	77,004
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BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.	
47.1 60% initial face	
47.2 3000 term per unit of child rider prior to 1983	

POLICIES WITH DISABILITY PROVISIONS

Disability Provisions	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium			21,394	1,010,807				
49. Disability Income								
50. Extended Benefits			XXX	XXX				
51. Other								
52. Total		(b)	21,394	(b) 1,010,807		(b)		(b)

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions

EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH AND OTHER POLICIES

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	292	233		
2. Issued during year	15	19		
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	307	252		
Deductions during year:				
6. Decreased (net)	14	16		
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	14	16		
9. In force end of year	293	236		
10. Amount on deposit		(a)		(a)
11. Income now payable	293	236		
12. Amount of income payable	(a) 1,416,346	(a) 1,635,083	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	680	73,346	43	2,655
2. Issued during year	69	13,889		1
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Lines 1 to 4)	749	87,235	43	2,656
Deductions during year:				
6. Decreased (net)	47	7,831	7	406
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	47	7,831	7	406
9. In force end of year	702	79,404	36	2,250
Income now payable:				
10. Amount of income payable	(a) 5,227,457	XXX	XXX	(a) 3,369
Deferred fully paid:				
11. Account balance	XXX	(a) 3,626,040,853	XXX	(a) 157,584,353
Deferred not fully paid:				
12. Account balance	XXX	(a)	XXX	(a)

ACCIDENT AND HEALTH INSURANCE

	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	2	982			7	1,066
2. Issued during year						
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. Totals (Lines 1 to 4)	2	XXX		XXX	7	XXX
Deductions during year:						
6. Conversions		XXX	XXX	XXX	XXX	XXX
7. Decreased (net)		XXX		XXX	1	XXX
8. Reinsurance ceded		XXX		XXX		XXX
9. Totals (Lines 6 to 8)		XXX		XXX	1	XXX
10. In force end of year	2	(a) 3,635		(a)	6	(a) 930

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year	81	102
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. Totals (Lines 1 to 4)	81	102
Deductions During Year:		
6. Decreased (net)	1	10
7. Reinsurance ceded		
8. Totals (Lines 6 and 7)	1	10
9. In force end of year	80	92
10. Amount of account balance	(a) 241,133	(a) 115,387

(a) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1	Life Contracts		Direct Business Only			7
		2	3	4	5	6	
	Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1. Alabama	AL	L	5,851,680	93,545		15,737,312	21,682,536
2. Alaska	AK	L	1,019,878				1,019,878
3. Arizona	AZ	L	9,197,847	403,693		14,584,495	24,186,035
4. Arkansas	AR	L	3,400,144			3,904,291	7,304,435
5. California	CA	L	66,978,092	171,488		36,594,207	103,743,786
6. Colorado	CO	L	6,719,188	46,583		2,729,007	9,494,778
7. Connecticut	CT	L	7,988,254	318,756		11,657,310	19,964,319
8. Delaware	DE	L	14,670,599			46,633,705	61,304,304
9. District of Columbia	DC	L	623,215			1,200	624,415
10. Florida	FL	L	23,714,944	329,583	735	37,009,760	61,055,023
11. Georgia	GA	L	11,631,792			12,554,396	24,186,188
12. Hawaii	HI	L	3,987,993	51,925		66,357,065	70,396,983
13. Idaho	ID	L	1,383,289			1,198,775	2,582,063
14. Illinois	IL	L	12,250,060	113,600		38,786,272	51,149,931
15. Indiana	IN	L	5,009,573	66,359		9,730,387	14,806,319
16. Iowa	IA	L	1,920,941	43,971		1,691,290	3,656,202
17. Kansas	KS	L	2,397,712	81,126		1,609,549	4,088,387
18. Kentucky	KY	L	8,241,050			16,819,866	25,060,917
19. Louisiana	LA	L	4,523,465	172,425		12,436,616	17,132,505
20. Maine	ME	L	608,867			1,540,281	2,149,148
21. Maryland	MD	L	16,383,761	444,816	52	31,566,847	48,395,277
22. Massachusetts	MA	L	7,593,402			10,726,690	18,320,091
23. Michigan	MI	L	24,306,083	137,699		49,009,628	73,453,410
24. Minnesota	MN	L	4,695,491			1,547,149	6,242,640
25. Mississippi	MS	L	3,099,080			11,848,124	14,947,204
26. Missouri	MO	L	5,176,444	317,701		8,458,703	13,952,848
27. Montana	MT	L	477,448			132,575	610,023
28. Nebraska	NE	L	9,903,389			2,114,058	12,017,447
29. Nevada	NV	L	2,888,191			448,997	3,337,188
30. New Hampshire	NH	L	838,141			821,514	1,659,655
31. New Jersey	NJ	L	14,578,790	171,568		15,595,680	30,346,038
32. New Mexico	NM	L	548,459	62,293		887,404	1,498,156
33. New York	NY	N	696,384			543,585	1,239,969
34. North Carolina	NC	L	29,530,250	72,032		29,537,206	59,139,487
35. North Dakota	ND	L	678,300			188,581	866,881
36. Ohio	OH	L	38,307,810	613,305		27,493,935	66,415,049
37. Oklahoma	OK	L	1,709,176			3,370,703	5,079,879
38. Oregon	OR	L	4,903,999	101,337		3,322,219	8,327,554
39. Pennsylvania	PA	L	40,958,443	164,415	195	91,716,556	132,839,609
40. Rhode Island	RI	L	4,158,007	115,470		2,135,349	6,408,827
41. South Carolina	SC	L	6,293,569	130,939		3,081,708	9,506,217
42. South Dakota	SD	L	2,426,761			828,316	3,255,077
43. Tennessee	TN	L	8,950,693	13,784	3,533	57,132,880	66,100,890
44. Texas	TX	L	31,913,214	249,779		37,335,269	69,498,262
45. Utah	UT	L	3,767,646			1,880,870	5,648,516
46. Vermont	VT	L	866,463			367,870	1,234,333
47. Virginia	VA	L	18,481,735	202,338	50	8,159,127	26,843,251
48. Washington	WA	L	7,965,311	219,132		1,704,709	9,889,152
49. West Virginia	WV	L	6,356,080			10,246,716	16,602,796
50. Wisconsin	WI	L	3,251,258			5,989,499	9,240,757
51. Wyoming	WY	L	937,495			101,500	1,038,995
52. American Samoa	AS	N	11,718				11,718
53. Guam	GU	N	960			5,880	6,840
54. Puerto Rico	PR	N	3,195			8,268,797	8,271,993
55. U.S. Virgin Islands	VI	N	44,925				44,925
56. Northern Mariana Islands	MP	N					
57. Canada	CAN	N	13,037				13,037
58. Aggregate Other Alien	OT	XXX	227,288			378,517	605,805
59. Subtotal	(a)	50	495,060,974	4,909,660	4,565	758,522,746	1,258,497,946
90. Reporting entity contributions for employee benefits plans		XXX					
91. Dividends or refunds applied to purchase paid-up additions and annuities		XXX	737,926				737,926
92. Dividends or refunds applied to shorten endowment or premium paying period		XXX					
93. Premium or annuity considerations waived under disability or other contract provisions		XXX	148,583				148,583
94. Aggregate or other amounts not allocable by State		XXX					
95. Totals (Direct Business)		XXX	495,947,483	4,909,660	4,565	758,522,746	1,259,384,455
96. Plus reinsurance assumed		XXX	17,413				17,413
97. Totals (All Business)		XXX	495,964,896	4,909,660	4,565	758,522,746	1,259,401,868
98. Less reinsurance ceded		XXX	111,369,307	13,689		751,039,818	862,422,814
99. Totals (All Business) less Reinsurance Ceded		XXX	384,595,589	4,895,971	(b)	4,565	396,979,054
DETAILS OF WRITE-INS							
58001. Foreign - Other		XXX	227,288			378,517	605,805
58002.		XXX					
58003.		XXX					
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX					
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX	227,288			378,517	605,805
9401.		XXX					
9402.		XXX					
9403.		XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page		XXX					
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)		XXX					

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

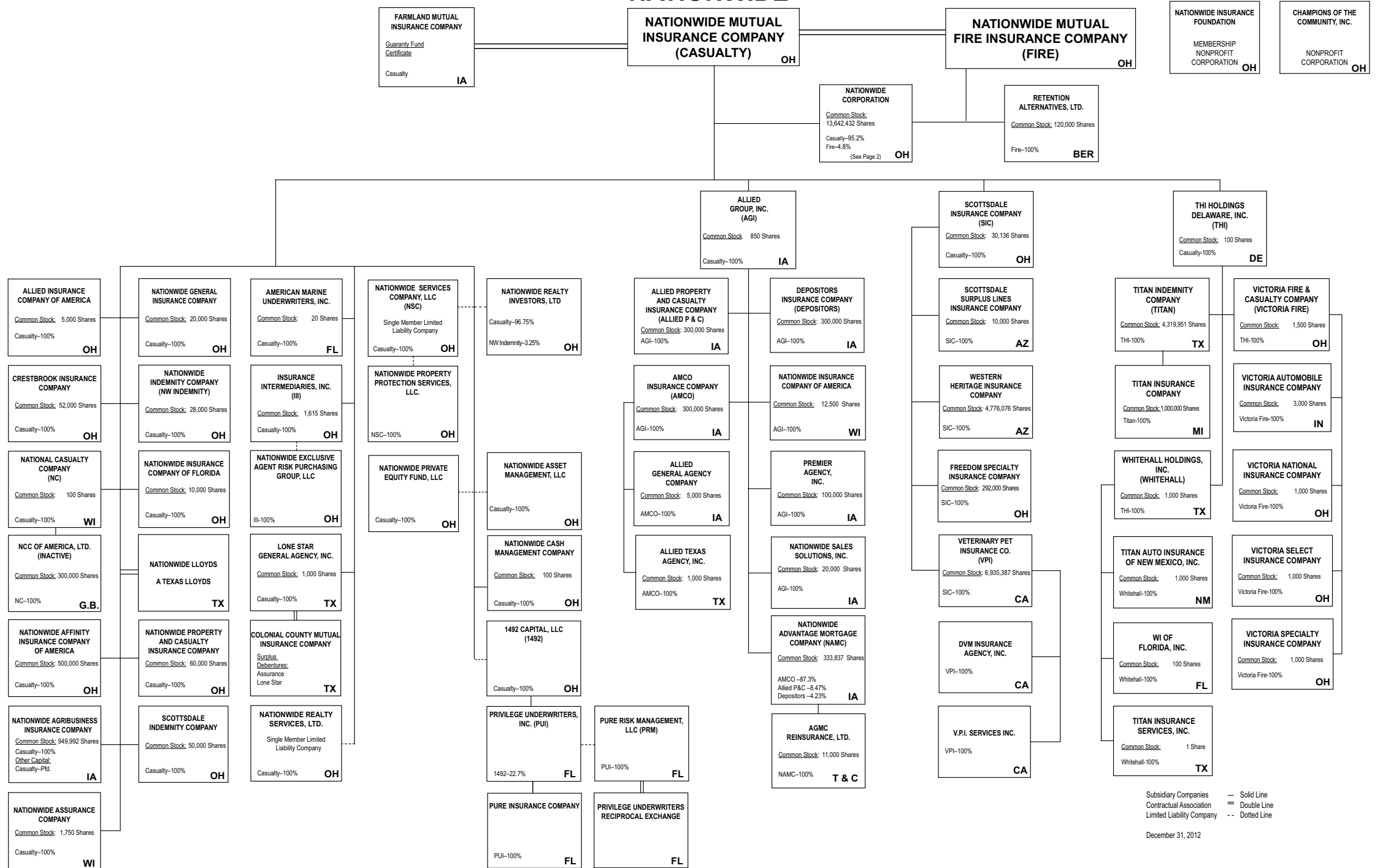
Explanation of basis of allocation by states, etc., of premiums and annuity considerations

Premium income and annuity consideration is assigned to States based on the addresses on the Company's records. All of the Company's Group business are billed to individual certificate holders, and the premiums are assigned to the address of the individual certificate holders

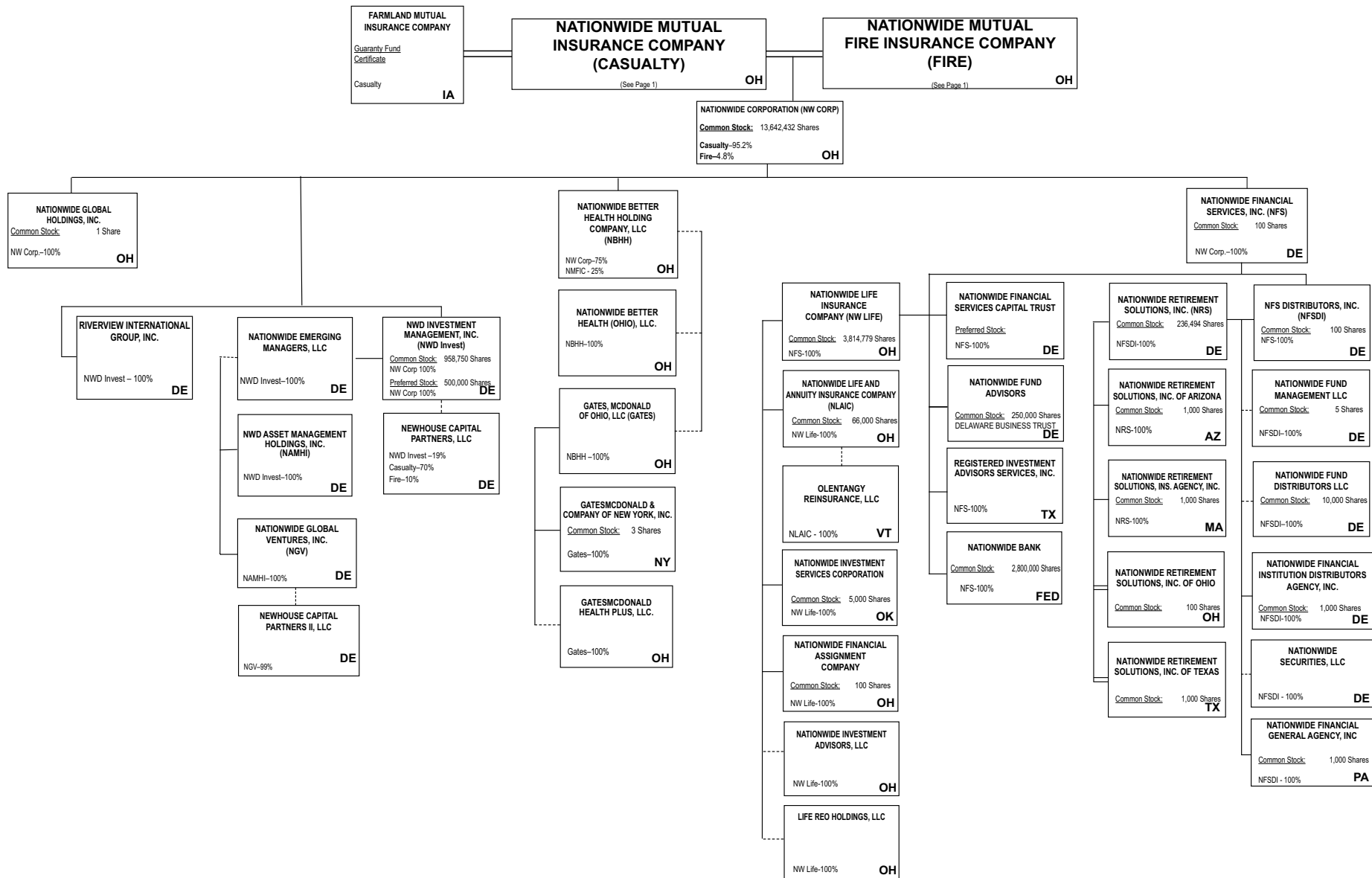
(a) Insert the number of L responses except for Canada and Other Alien.

(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10, or with Schedule H, Part 1, Line 1, indicate which: Schedule H, Part 1, Line 1.....

NATIONWIDE®



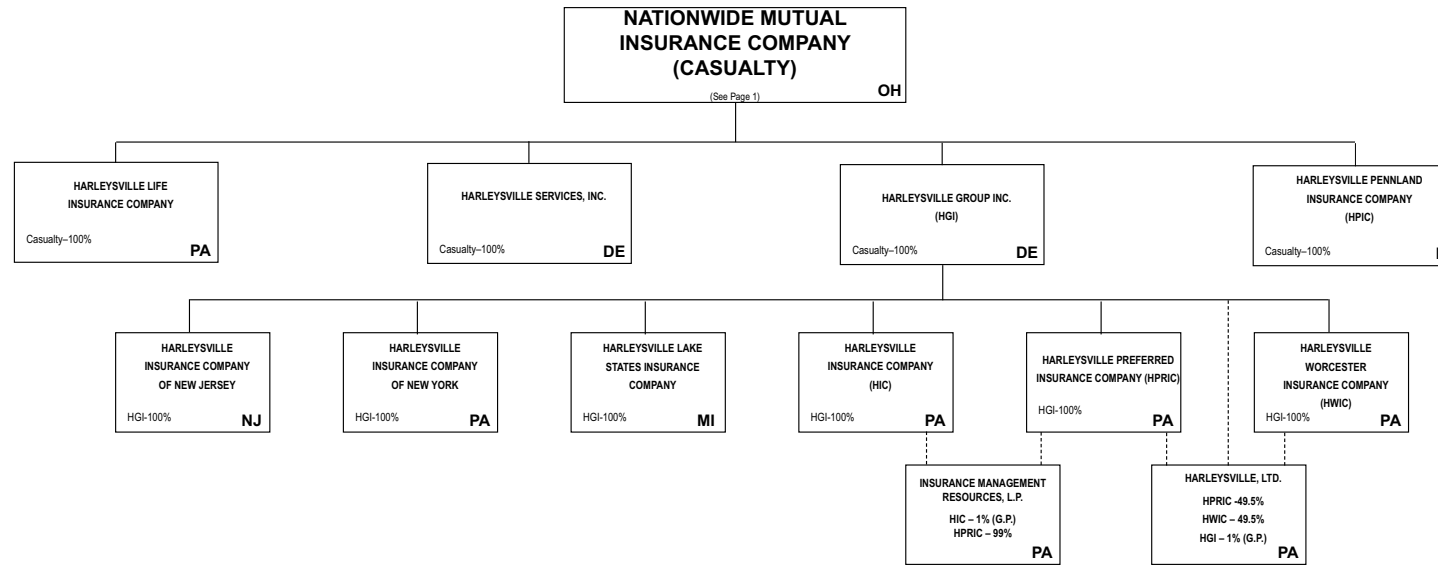
NATIONWIDE®



Subsidiary Companies — Solid Line
 Contractual Association = Double Line
 Limited Liability Company - - Dotted Line

December 31, 2012

NATIONWIDE®



Subsidiary Companies — Solid Line
 Contractual Association = Double Line
 Limited Liability Company - - Dotted Line

December 31, 2012

NATIONWIDE INSURANCE COMPANIES

NAIC Group Code	Group Name	NAIC Company Code	State of Domicile	Federal ID Number	Name of Company
0140	Nationwide	10127	OH	27-0114983	Allied Insurance Company of America
0140	Nationwide	42579	IA	42-1201931	Allied Property and Casualty Insurance Company
0140	Nationwide	19100	IA	42-6054959	AMCO Insurance Company
0140	Nationwide	29262	TX	74-1061659	Colonial County Mutual Insurance Company
0140	Nationwide	18961	OH	68-0066866	Crestbrook Insurance Company
0140	Nationwide	42587	IA	42-1207150	Depositors Insurance Company
0140	Nationwide	13838	IA	42-0618271	Farmland Mutual Insurance Company
0140	Nationwide	22209	OH	75-6013587	Freedom Specialty Insurance Company
0140	Nationwide	23582	PA	41-0417250	Harleysville Insurance Company
0140	Nationwide	42900	NJ	23-2253669	Harleysville Insurance Company of New Jersey
0140	Nationwide	10674	PA	23-2864924	Harleysville Insurance Company of New York
0140	Nationwide	14516	MI	38-3198542	Harleysville Lake States Insurance Company
0140	Nationwide	64327	PA	23-1580983	Harleysville Life Insurance Company
0140	Nationwide	40983	PA	23-2612951	Harleysville Pennland Insurance Company
0140	Nationwide	35696	PA	23-2384978	Harleysville Preferred Insurance Company
0140	Nationwide	26182	PA	04-1989660	Harleysville Worcester Insurance Company
0140	Nationwide	11991	WI	38-0865250	National Casualty Company
0140	Nationwide	26093	OH	48-0470690	Nationwide Affinity Insurance Company of America
0140	Nationwide	28223	IA	42-1015537	Nationwide Agribusiness Insurance Company
0140	Nationwide	10723	WI	95-0639970	Nationwide Assurance Company
0140	Nationwide	23760	OH	31-4425763	Nationwide General Insurance Company
0140	Nationwide	10070	OH	31-1399201	Nationwide Indemnity Company
0140	Nationwide	25453	WI	95-2130882	Nationwide Insurance Company of America
0140	Nationwide	10948	OH	31-1613686	Nationwide Insurance Company of Florida
0140	Nationwide	92657	OH	31-1000740	Nationwide Life and Annuity Insurance Company
0140	Nationwide	66869	OH	31-4156830	Nationwide Life Insurance Company
0140	Nationwide	42110	TX	75-1780981	Nationwide Lloyds
0140	Nationwide	23779	OH	31-4177110	Nationwide Mutual Fire Insurance Company
0140	Nationwide	23787	OH	31-4177100	Nationwide Mutual Insurance Company
0140	Nationwide	37877	OH	31-0970750	Nationwide Property & Casualty Insurance Company
0140	Nationwide	13999	VT	27-1712056	Olentangy Reinsurance, LLC
0140	Nationwide	15580	OH	31-1117969	Scottsdale Indemnity Company
0140	Nationwide	41297	OH	31-1024978	Scottsdale Insurance Company
0140	Nationwide	10672	AZ	86-0835870	Scottsdale Surplus Lines Insurance Company
0140	Nationwide	13242	TX	74-2286759	Titan Indemnity Company
0140	Nationwide	36269	MI	86-0619597	Titan Insurance Company
0140	Nationwide	42285	CA	95-3750113	Veterinary Pet Insurance Company
0140	Nationwide	10644	IN	34-1785903	Victoria Automobile Insurance Company
0140	Nationwide	42889	OH	34-1394913	Victoria Fire & Casualty Company
0140	Nationwide	10778	OH	34-1842604	Victoria National Insurance Company
0140	Nationwide	10105	OH	34-1777972	Victoria Select Insurance Company
0140	Nationwide	10777	OH	34-1842602	Victoria Specialty Insurance Company
0140	Nationwide	37150	AZ	86-0561941	Western Heritage Insurance Company
4664	PURE	12873	FL	20-8287105	Privilege Underwriters Reciprocal Exchange
4664	PURE	13204	FL	26-3109178	PURE Insurance Company

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY
OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Liabilities Line 25

	1 Current Year	2 Prior Year
2504. Derivative liability accrued interest	20,654	
2597. Summary of remaining write-ins for Line 25 from overflow page	20,654	

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