



Conditional Approval #1208
January 2019

December 18, 2018

Mr. David A. Garman, Managing Counsel
Nationwide Mutual Insurance Company
One Nationwide Plaza
Columbus, OH 43215

Re: Applications by Nationwide Bank, Columbus, OH, to make a capital distribution and amend its charter and bylaws
OCC Control Numbers: 2018-CE-Capital&Div-305826 and 2018-CE-BylawCharter-304552 and 305339
Charter Number: 714970

Dear Mr. Garman:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves the application submitted by Nationwide Bank, Columbus, Ohio (Bank), to make an approximate \$400 million capital distribution to its sole shareholder and parent holding company, Nationwide Financial Services, Inc. (NFSI), pursuant to 12 CFR 5.55. In addition, the OCC hereby conditionally approves the applications submitted by the Bank, pursuant to 12 CFR 5.22, to amend its charter and bylaws in connection with its Substantial Asset Change Application (5.53 Application) to limit its activities to trust and fiduciary related services, and thereafter to change its corporate title to Nationwide Trust Company, FSB (NTC). These approvals are subject to the requirements and conditions set out herein.

The Applications

On October 24, 2018, Bank submitted an application to make a capital distribution to NFSI in connection with its 5.53 Application to sell, transfer and dispose of all of its retail related operations and limit its operations to trust and fiduciary activities, which the OCC approved on September 26, 2018. Under 12 CFR 5.55(h), the OCC may approve a capital distribution if the federal savings bank will not be less than adequately capitalized after the proposed capital distribution, the distribution does not raise safety or soundness concerns, and the distribution does not violate, among other things, a condition imposed on the Bank in an application approved by the OCC. The OCC has reviewed Bank's capital distribution request and finds it consistent with regulatory criteria.

Mr. David Garman, Managing Partner
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On August 3 and September 21, 2018, Bank submitted applications to amend its charter and bylaws, respectively, in conjunction with its 5.53 Application. In order to adopt a charter and bylaw amendment, a federal savings bank must comply with certain requirements outlined in 12 CFR 5.22. Bank has complied with these requirements and the OCC finds approval of the proposed charter and bylaw amendments consistent with regulatory criteria.

Section 1818 Conditions

These approvals are subject to the following Conditions:

1. Within seven (7) business days of the OCC's conditional approval of these applications, NTC shall enter into a written Operating Agreement (OA) with the OCC on terms and conditions acceptable to the OCC. NTC shall thereafter implement and comply with the terms of the OA.
2. Within three (3) business days after the effective date of the OA between NTC and the OCC, NTC shall enter into a written Capital and Liquidity Support Agreement (CSA) with NFSI, Nationwide Corporation, Nationwide Mutual Insurance Company (collectively Nationwide Enterprise), and the OCC on terms and conditions acceptable to the OCC, setting forth Nationwide Enterprise's obligations to provide capital and liquidity support to NTC, if and when necessary. NTC shall thereafter comply with the terms of such CSA.
3. Within three (3) business days after the effective date of the OA between NTC and the OCC, NTC shall enter into a written Capital Assurance and Liquidity Maintenance Agreement (CALMA) with the Nationwide Enterprise, on terms and conditions acceptable to the OCC, setting forth the Nationwide Enterprise's obligations to provide capital and liquidity support to NTC, if and when necessary. NTC shall thereafter comply with the terms of such CALMA.

These conditions of approval are conditions "imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 USC 1818. As such, the condition(s) are enforceable under 12 USC 1818.

Consummation Requirements

The approvals set forth herein are granted based on our understanding that other required regulatory notices have been filed, or to the extent application, other approvals, non-objections or waivers with respect to all aspects of the proposed transaction will have been received prior to completing the transaction. Please submit copies of all such approvals to the Central District Licensing Office (CEDO) prior to payment of the capital distribution.

Mr. David Garman, Managing Partner
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- Capital Distribution

The capital distribution should be completed within one year of the date of this letter. Upon completion of the capital distribution, Bank must advise the OCC of the effective date and amount of the distribution, and certify that the Bank retains sufficient capital to satisfy the Minimum Capital Requirement as defined within the OA executed by Bank as a condition of this approval letter, see Section 1818 Conditions above. If you decide not to complete the capital distribution, you must provide written notification to the CEDO within ten (10) days of the decision.

- Charter & Bylaw Amendments

We understand that the proposed amendments will be presented to the Bank's shareholders for approval. After the amendments are approved by the shareholder, please submit material that sets forth the effective date of the amendments.

This approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our approval is based on the bank's representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

You should include the OCC control number on any correspondence related to this filing. If you have any questions, contact Licensing Analyst Valarina Oliver-Dumont at (312) 360-8886 or Valarina.Dumont@occ.treas.gov.

Sincerely,

signed

John A. O'Brien
Director for District Licensing

Enclosures