

Reporting Form
“Breach of the Security of the System”

Name of Business, Individual or State Entity **Nationwide Financial**
Date of Discovery of Breach: **September 7, 2007**
Estimated Number of Affected Individuals: **9 total, 1 NH resident**
Date of Notification to Affected Individuals: **October 19, 2007**
Manner of Notification: [] written notice
 [] electronic notice (email)
 [] telephone notice

Are you requesting substitute notice? [] Yes [] No (If yes, attach justification)

Content of Notification to Affected Individuals: Describe what happened in general terms and what kind of information was involved. Please attach copy of Notice.

Nationwide Financial is a nationally recognized provider of retirement plan investment products and services. One such service, offered to retirement plan sponsors, is the Loan Administration System, a web-based tool hosted by The 401k Company. The 401K Company is a third party vendor of Nationwide Financial. The Loan Administration System (LAS) enables plan sponsors, or their third party plan administrators, to set up participant loans, establish the amortization schedule, repayment schedule, set up loan parameters, and other services necessary for the administration of loans to plan participants from their retirement plans.

On September 7, 2007, a plan sponsor logged on to the Internet Service Center to utilize the “Loan Administration Tool” hosted by the 401k Company in Austin Texas. Incidental to the use of this tool, for the plans sponsor’s own purpose, the sponsor obtained access and viewed another plan sponsor’s participant information. After an investigation into this incident, we have determined that a programming error improperly permitted a plan sponsor access to 9 accounts. These accounts included a participant name and social security number. Although we believe that there is an extremely low risk of misuse of such information, we are notifying affected individuals an offering each a year worth of credit monitoring services at no charge. Please find the notification letter attached.

Name of Business or Individual Contact Person: Kirk Herath
Title: AVP, Chief Privacy Officer, Associate General Counsel
Telephone number: (614) 249-4420
Email: HerathK@nationwide.com

Dated: October 29, 2007
Submitted by: Kirk Herath
Title: AVP, Chief Privacy Officer, Associate General Counsel
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Nationwide®
On Your Side

October XX, 2007

«First_Name» «Last_Name»
«Address_1»
«Address_2», «State» «Postal_Code»

Dear«First_Name» «Last_Name»

You are a valued customer of Nationwide Financial. As such I want to inform you that we recently learned that some of your personal identification information was inadvertently made viewable by a small number of employees of another 401(k) plan sponsor. News of this nature can be unsettling and we want to provide as much information as possible.

A third party vendor, The 401(k) Company, enabled administrators of another plan sponsor to view information that was not linked to their 401(k) plan. The information was limited to your name, Social Security Number, account number and loan information.

We Plan to Help

We take privacy and security very seriously. While we believe there is an extremely low risk of personal information being misused, we are offering you a free credit-monitoring service for one year. To request the credit monitoring service, please see the enrollment instructions on the next page. If you elect this service, offered through our partnership with Equifax, it will provide you with a notification of any changes to your credit information, \$20,000 Identity Fraud Expense Coverage and access to your credit report.

How to Reach Us For More Information

We sincerely apologize for any inconvenience that this may cause you. We very much regret that this situation occurred. Your confidence in our ability to safeguard your personal information and your peace of mind are very important to us.

Please feel free to call **NAME** at **NUMBER**, Monday through Friday from **HOURS AND TIME ZONE**. We'll be happy to assist you with any questions.

Sincerely,

XX
TITLE
Nationwide Financial

Resources for Credit Protection

PE#20070907-001

About the service offered by Nationwide, through our partnership with Equifax Personal Solutions, at no charge to you.

Equifax Credit Watch™ Gold Monitoring

Credit Watch will provide you with an “early warning system” to identify changes to your credit file and help you to understand the content of your credit file at Equifax. The key features and benefits are listed below.

Equifax Credit Watch Gold Monitoring provides you with a one-year membership service, which includes:

- Comprehensive credit file monitoring, with daily notification of key changes to your Equifax credit file.
- Wireless alerts and customizable alerts available
- Copies of your Equifax Credit Report™
 - Phone Enrollment: you’ll receive one copy of your Equifax Credit Report™ and quarterly updates by U.S. mail
 - Online Enrollment: you’ll receive unlimited copies of your Equifax Credit Report™
- Up to \$20,000 Identity Fraud Expense Coverage with \$0 deductible (certain limitations and exclusions apply[†]) at no additional cost to you.
- 24 hours a day, seven days a week live agent Customer Service to help you understand the content of your credit information, to provide personalized identity theft victim assistance and in initiating an investigation of inaccurate information.

How to enroll online

Equifax has a simple Internet-based verification and enrollment process. To enroll, go to www.myservices.equifax.com/gold, and follow these steps:

1. Consumer Information: Complete the form with your contact information (name, address and e-mail address) and click the “Continue” button. The information is provided in a secured environment.
2. Identity Verification: Complete the form with your Social Security Number, Date of Birth, telephone #'s, create a User Name and Password, agree to the Terms of Use and click the “Continue” button. The system will ask you a few security questions to verify your identity.
3. Payment Information: During the “check out” process, provide the following Promotional Code: ENTER PROMOTIONAL CODE HERE in the “Enter Promotion Code” box. (Case sensitive; include the dash, no spaces before or after the code.) After entering your code, press the “Apply Code” button and then the “Submit Order” button at the bottom of the page. This code eliminates the need to provide a credit card number for payment.
4. Order Confirmation: Click “View my Product” to access your Equifax Credit Report.

How to enroll by phone

If you do not have Internet access, you can apply for the US Mail delivery of the product by dialing 866-937-8432 for access to the Equifax Credit Watch automated enrollment process. Note that all credit reports and alerts will be sent to you via US Mail only.

1. Promotion Code: You will be asked to enter your promotion code as shown above (no spaces, **no dash**)
2. Customer Information: You will be asked to enter your home telephone number, home address, name, date of birth and Social Security Number.

PE#20070907-001

3. **Permissible Purpose:** You will be asked to provide Equifax with your permission to access your credit file and to monitor your file. Without your agreement, Equifax can not process your enrollment.
4. **Order Confirmation:** Equifax will provide a confirmation number with an explanation that you will receive your Fulfillment Kit via the US Mail (when Equifax is able to verify your identity) or a Customer Care letter with further instructions (if your identity can not be verified using the information provided).

Fraud Alert

A fraud alert is a consumer statement added to your credit file that lasts 90 days. Once the fraud alert statement is added to your credit file, it alerts creditors of possible fraudulent activity as well as requests that they contact you prior to establishing a credit account in your name. To place a fraud alert on your Equifax credit file, you may contact Equifax's automatic fraud line at 877-478-7625, and follow the simple prompts. Once the fraud alert has been placed with Equifax, a notification will be sent to the other two credit reporting agencies, Experian and TransUnion, on your behalf.

Additional Resources for Credit Protection

We would like to make you aware that there are additional resources available to help protect your personal information. You can request a free copy of your credit report once every 12 months from each of the three major consumer-reporting agencies: Equifax, Experian and TransUnion.

These agencies also offer a free fraud alert, which alerts a person when credit is applied for in his or her name and signals creditors to contact a person for permission to issue credit in his or her name. You only need to contact one agency to have a fraud alert take effect with all three agencies.

To place a fraud alert on your credit or to request a free copy of your credit report, simply contact one of the following agencies:

- **Equifax:** 877-478-7625 or www.equifax.com
- **Experian:** 888-397-3742 or www.experian.com
- **TransUnion:** 800-680-7289 or www.transunion.com

† Identity Fraud Expense Reimbursement Master Policy underwritten by Travelers Casualty and Surety Company of America and its property casualty affiliates, Hartford, CT 06183. Coverage for all claims or losses depends on actual policy provisions. Availability of coverage can depend on our underwriting qualifications and state regulations. Coverage not available for residents of New York. Equifax's credit monitoring products are protected by US Patent 7,208,052