

Objective: The Nationwide Mutual Insurance Company (the “Company”) Office of Chief Legal and Governance Officer (OCLO) expect its Outside Counsel to provide the Company and its affiliates with the highest quality legal services in the most cost-effective manner possible. The Company values the contributions of both In-house and Outside Counsel and strives for a collaborative relationship between the two.

Scope and Applicability

By executing this Policy, Outside Counsel agrees that the terms contained in this Policy, as well as the specific information provided by Nationwide in conjunction with a matter, shall constitute the written engagement, or contract, with the firm for a matter for which it is engaged by OCLO In-house Counsel on behalf of the Company, and such terms shall govern that engagement. Outside Counsel retained by the Company pursuant to this Policy are responsible for ensuring that all attorneys, paralegals, administrative, clerical or other assistants billing on a particular matter are aware of and follow the relevant provisions of this Policy. For engagements initiated by OCLO, this Policy supersedes any prior policies or Engagement/Retention Agreements of the Company or any of its predecessors and is effective immediately for all existing and future legal engagements/matters. This Policy is subject to applicable law (including ethical and state laws governing law firm representation of a corporate client) and such law will control in the event of a conflict. Outside Counsel may depart from the terms of this Policy only with the express written prior approval of the In-house Counsel responsible for the matter.

Roles and Responsibilities

Ultimately, the decision on how the matter will be handled is a Company decision. An In-house Counsel will be assigned to each matter. Outside Counsel is responsible for advising the In-house Counsel of the status of each matter so that he or she can make informed decisions. Correspondence from Outside Counsel to the Company should be directed to the In-house Counsel. The Company may request a copy of all work product for which the Company is billed and may review the entire file upon request.

- 1) The responsible Outside Counsel shall provide In-house Counsel with timely status reports of significant developments in the matter or case. Such status reports need not be in writing, unless otherwise requested by the In-house Counsel.
- 2) Company paralegals shall be used where feasible. The In-house Counsel and Outside Counsel should agree as early as possible on a division of work and reassess that decision as the matter unfolds. The goal should be to use Company resources where available.
- 3) Intra-firm conferences and meetings must be reasonable and appropriate in frequency and duration.
- 4) Absent other instructions or prior approval, all activities (e.g., depositions or hearings) are to be attended by only one attorney from the firm.
- 5) The In-house Counsel will participate in and must approve all material decisions and all projects initiated by or through Outside Counsel that will require a significant expenditure of time, money, and resources. The In-house Counsel must be provided the opportunity to review all significant filings in advance.

When Outside Counsel is retained, the In-house Counsel will define the scope of each assignment and the objectives that the Company is seeking to attain as soon as practicable. It is critical that Outside Counsel and the In-house Counsel fully understand the scope and objectives of the matter before any significant work is done. Throughout the representation, Outside Counsel shall keep the In-house Counsel informed of developments to ensure the In-house Counsel's active participation in the matter's handling. Any issues regarding the Company's policies or liability must be promptly communicated to the In-house Counsel.

Outside Counsel shall monitor the fees and expenses charged to the Company by the firm for the work performed by it to make sure that the charges fairly reflect the value of the services the Company has received. Before an invoice is submitted for payment, it is expected that the Outside Counsel will have reviewed it to ensure that the fees and disbursements are consistent with this Policy. If a research memo is created for the file, the In-house Counsel must receive a copy for future consultation.

Project Initiation

The following describes the process by which the Company's In-house Counsel will initiate all projects with Outside Counsel:

1. Each matter or project with Outside Counsel will be confirmed by an engagement request e-mail(s) from the Company. The e-mail will contain important information detailing the name and matter number for the project. As a rule, separate matters, regardless of size, will be separately requested, although a single matter may include many different tasks, items, and deliverables.
2. All fees and expenses included in invoices must be properly attributed to an authorized matter number, and any invoices that do not list the authorized matter number as received from the Company will be subject to rejection.
3. Outside Counsel will be required to submit a written billing estimate or project budget to assist in this process within 60 days of the engagement.

Communication with the Company

Outside Counsel and In-house Counsel are expected to regularly and fully communicate with one another. Outside Counsel shall be responsive to the Company's requests, shall keep the In-house Counsel posted on developments on a current basis, and shall ask the In-house Counsel to clarify any confusing requests. In turn, the In-house Counsel will strive to give Outside Counsel full and prompt information and support and will provide Outside Counsel with realistic assessments of a matter's importance.

It is especially important that the Company be given adequate advance notice of significant events such as trials, settlement conferences, etc. Outside Counsel is strongly urged to send communications to the Company electronically, rather than by paper copies, whenever possible. The need to send hard copies of documents should be relatively rare. In certain instances, Outside Counsel may be directed to provide documents in hard copy. Further, where documents are sent to the Company for review and comment, they must be sent in editable format, preferably Microsoft Word or for transactional documents in Deltaview.

Settlement and Alternative Dispute Resolution

The Company's goal is prompt, cost-effective resolution of all litigation. For a matter in litigation, the Company expects Outside Counsel to work aggressively with the In-House

Counsel to explore and assess reasonable settlement opportunities as appropriate, including alternative dispute resolution (“ADR”). Outside Counsel may not reject an inquiry regarding alternative dispute resolution or settlement without first consulting In-house Counsel. All settlement offers or overtures should be reported immediately to the In-house Counsel along with a recommendation, and if requested, supporting analysis. Although Outside Counsel should not undertake settlement negotiations without prior approval from the In-house Counsel, the Company encourages Outside Counsel to consider how to obtain the most beneficial and cost-effective resolution of each matter.

Substantive Review of Legal Work

Copies of any memoranda of law, correspondence, or other documents prepared, sent or received by Outside Counsel in connection with any matter should be provided by Outside Counsel to the In-house Counsel on a timely basis as the matter progresses. In addition, notice of the availability of all records is to be provided to the In-house Counsel, in order that copies may be requested if required.

In-house Counsel should be given advance opportunity and sufficient time to review and approve drafts of any significant documents (including filings/pleadings/correspondence) that will be filed or provided to third parties on the Company’s behalf. Absent an emergency situation, no pleading, motion, memorandum, brief or other legal document should be filed on the Company’s behalf unless it has been reviewed and approved in advance by the In-house Counsel or, in his or her absence, another member of the legal department.

Staffing

Each matter will be staffed in a competent and efficient manner. Outside Counsel and the In-house Counsel should agree on which lawyer(s) within Outside Counsel’s firm will have primary responsibility for the matter. Outside Counsel must avoid duplication of effort in handling matters on behalf of the Company.

1. Limits on delegation. The Company hires lawyers, not law firms. When the Company retains Outside Counsel for a matter, it expects that lawyer to be personally involved and, where delegation is appropriate, to select and supervise appropriate personnel in the firm to work on the Company’s matters. The Company expects that Outside Counsel will not delegate significant parts of the handling of a matter without prior discussion with the In-house Counsel. Outside Counsel maintains responsibility for tasks delegated to other personnel within the law firm.
2. Staffing Plans. Outside Counsel should discuss staffing plans for specific matters with the In-house Counsel. Staffing is a critical component of both the quality and cost of the Company’s representation and it is essential that Outside Counsel have the concurrence of the In-house Counsel as to the firm personnel assigned to any matter on its behalf. The In-house Counsel should be consulted before staffing changes are made.

Retention of Local Counsel, Experts and Other Litigation Support Personnel

Outside Counsel is not authorized to retain the services of any outside experts, consultants, local counsel or other litigation support personnel without prior written approval of the In-house Counsel as to the scope and terms of such engagement. Outside Counsel should work with the In-house counsel to identify vendors and should use minority-owned vendors wherever feasible. Invoices for services retained must be collected and submitted in accordance with Fees and Billing Practices below.

Budgeting and Reporting

Budgeting

Outside Counsel will be asked to prepare within 60 days of the initiation of a matter a cost estimate or budget to implement the agreed upon strategy for the conduct of a matter. The budget is meant to assist in evaluating the strategy proposed for the matter and to assist the Company in monitoring legal expenses. As a matter develops, material changes to or departures from the cost estimate or budget must be approved in advance by In-house counsel.

Strategic Planning

The Company may request that Outside Counsel prepare a written strategic plan for the handling of the matter. In-house Counsel will discuss and agree upon the components of this strategic plan with Outside Counsel. The strategic plan should include an identification of the Company's objectives in the matter, the major phases and tasks likely to be required to achieve those objectives (including their timing and sequence), a proposed budget for the matter (including estimated fees and expenses for each identified major phase or task) and the staffing planned for the matter. The plan should be reviewed in draft with the In-house Counsel prior to being finalized and updated periodically, as appropriate, to reflect developments in the matter and evolving understanding of the relevant objectives, facts or issues.

Litigation Early Case Evaluation

The Company is committed to resolving litigation at the earliest possible date, before substantial legal fees are incurred. Therefore, no later than 90 days of receiving a complaint in which the Company is named as a defendant, or as otherwise designated by the In-house Counsel, Outside Counsel should provide a written assessment of the Company's exposure, the likely cost of litigating the case to conclusion, and the amount (if any) for which Outside Counsel recommend that the Company settle the matter. This evaluation should be updated the earlier of every 90 days, or when a significant event has occurred that would change Outside Counsel's evaluation of the case. Similarly, in instances in which Outside Counsel is engaged to represent the Company in litigation in which the Company is to be a plaintiff or is otherwise to be a claimant and prior to the filing of an initial pleading on behalf of the Company, Outside Counsel should prepare a written case assessment of the Company's recovery prospects, the likely cost of litigating the case to conclusion, and the amount for which Outside Counsel recommend that the Company be willing to settle the matter, Outside Counsel should also propose a strategy for resolving the matter in the most cost-effective manner possible (e.g., proposed settlement strategy, motions that are likely to be dispositive, etc.).

Fees and Billing Practices

The Company requires that invoices be submitted, at a minimum, on a quarterly basis. More frequent billing may be required as directed by In-house counsel. Billing for activities or expenses that occurred more than 3 months prior to the invoice date will not be paid.

With respect to a specific matter, the Company shall only be charged the hourly rate(s) agreed upon by the Company and the law firm at the initial matter and the Company shall not be charged any increase above that hourly rate(s) unless the In-house Counsel agrees to that rate change, which shall only be effective from that time forward. Outside Counsel shall bring to the attention of the In-

house Counsel any rate discounts or other preferential billing arrangements that it has in place with any In-house Counsel on any other matter.

The Company expects its Outside Counsel to use good judgment to appropriately manage the number of hours charged to Company matters by each attorney or paralegal. The Company expects the time charges in its invoices for professional services to not exceed what is reasonable and appropriate for the matter, consistent with the Company's objectives and the size and complexity of the matter. The Company will object to payment for duplicative attendance or consultations if not demonstrated by the Outside Counsel to be reasonable and appropriate under the circumstances or without prior approval. The Company also expects its Outside Counsel to use prior relevant research that is available to the firm whenever possible to reduce the number of hours charged to the matter for research.

Alternative Fee Arrangements

The Company supports the use of alternatives to straight hourly billing that encourage risk-sharing, efficiency and alignment of goals, and therefore encourages and expects each law firm to consider alternative billing arrangements. The Company is open to discussing all forms of alternative billing, including flat, fixed fees, volume, blended, and capped fees, etc. In-house Counsel and Outside Counsel should discuss possible alternative billing arrangements at each stage of the matter.

Invoice Format Requirements

Unless otherwise warranted due to an alternate fee arrangement, invoices must include a daily detailed description of service-provided fees broken out by matter, incurred by each timekeeper, and a detailed listing of expenses for which the law firm is seeking reimbursement. Fees should be billed in tenth-of-an-hour increments.

All invoices must comply with the following requirements to ensure prompt payment:

1. Invoiced to the Company or the appropriate subsidiary.
2. Include the Company Matter Name and the TeamConnect Matter Number and the Company disbursement code.
3. Include Invoice Number and Date.
4. Include state in which the matter was filed.
5. Include firm's Federal Employee Tax Identification Number (TIN).
6. Provide a detailed description of services rendered indicating who performed each task and the time spent for each task broken out by matter.
7. Include on the invoice the hourly rates for each person on the case/matter.
8. Include the person's position in the firm (e.g., partner, associate, paralegal, etc.).
9. Include the name of the In-house Counsel.
10. State the period that services were performed.
11. Identify if the bill is interim or final.
12. Itemize disbursements separately.

13. Present all third-party invoices (e.g., consultants, expert witnesses, and local counsel) to the Company as a disbursement on Outside Counsel's monthly statement and attach a copy.
14. List each outstanding invoice (invoices previously submitted by Outside Counsel and shown on the law firm's current invoice as "unpaid") separately by invoice number, invoice date, and amount. Interest charges are not billable to the Company.
15. For litigation matters, invoice should be formatted using the Uniform Task-Based Billing System (UTBMS) code.
16. Discounts should be presented as a separate line item on each bill (and not reflected in the hourly rate) with a subtotal showing the total discount dollar amount and discount percentage.

Procedures for Submitting Electronic Invoices

The Company no longer accepts paper invoices, except in unusual circumstances. The Company requires all Outside Counsel to submit electronic invoices to OCLOACP@nationwide.com in an Adobe Portable Document Format (PDF) or through an electronic billing system as the Company may require.

Records Retention Requirements

Nationwide expects any OCLO Outside Counsel to retain client matter files of the Company (including client files, case files, litigation files, client expense reports and related original receipts) for a minimum period of ten years after the files are no longer active. Outside Counsel shall also maintain, in accordance with Generally Accepted Accounting Principles (GAAP), any records necessary to adequately reflect the accuracy of the charges and invoices for reimbursement. The Company shall also have the right from time to time to inspect and verify all of the above described files at their regular place of business. However, once the retention periods have expired, Outside Counsel will securely destroy the files and provide Company with certificates of destruction.

Expenses/Disbursements

The Company will reimburse for items other than legal fees only as set forth below.

Non-Billable Items

The Company considers the following costs to be part of Outside Counsel's non-reimbursable overhead, and will not accept charges from Outside Counsel for the following items:

1. computer and word processing
2. e-mail and all other such communication/technology charges (other than long distance and legal research charges)
3. rent
4. conference room charges
5. supplies
6. express mail
7. messenger service

8. library staff and library use and materials
9. secretarial staff, proofreaders, support staff salaries, and overtime
10. meals, taxis and limousines for employees to get to and from the office (including at night)
11. organizing files and indexing or collating documents produced in discovery

Travel and Other Time Away from the Office

The Company expects Outside Counsel to use good judgment in selecting the form of travel to minimize costs where reasonably possible. Air travel shall be via coach/economy air fare. Exceptions to this policy must be approved in advance by In-house Counsel. When cost-effective to do so, non-refundable air fares may be utilized. Where appropriate, the Company expects Outside Counsel to avoid unnecessary travel through such alternatives as teleconferencing and videoconferencing. If Outside Counsel is traveling on business for more than one client, his or her travel-related expenses to be apportioned appropriately between the clients.

Meals and Accommodations

Hotel and restaurant expenses charged to the Company should be customary and appropriate for business travel. Personal incidental expenses (e.g., sightseeing and personal entertainment expenses) incurred while traveling on Company matters should not be charged to the Company. In addition, the Company will not pay for meals or other incidental expenses (e.g., taxis, parking, etc.) of Outside Counsel or other law firm personnel when they are working in their normal office location. Appropriate summaries of hotel and restaurant expenses should include the identity of the person making the expenditure, the date and amount of the cost, and the nature of the expenditure (e.g., "meal").

Photocopying

The Company will not pay more than 0.06 cents per page for photocopying. The invoice must show the number of copies made. Where appropriate, the firm should use an outside copying service in order to obtain lower rates. Copies for internal distribution or firm convenience may not be charged to the Company.

Research

Outside Counsel are selected by the Company for a particular case or matter because of their existing expertise. The billing entry should state the approving person.

- 1) Generally, if legal research is required, associates or paralegals should be used, thereby avoiding research time by higher cost personnel. However, the Company recognizes that in certain instances it will be more cost-effective for higher-level personnel to undertake legal research.
- 2) Only the updated portion of previously researched topics may be billed. Charges for routine or elementary legal research will not be paid. Exceptions require the Company's approval. The billing entry should state the approving person. Copies of motions and supporting research, legal notes, memoranda, and briefs produced as a result of the research should be promptly provided to the Company in hard copy or via e-mail. Copies of all memos, whether internal or included in a brief, should be forwarded to the Company.

- 3) Online Legal Databases such as Lexis and Westlaw have become standard tools of legal research. Legal databases are generally purchased under a flat rate for most first rate law firms and considered a cost of doing business, much like the large legal library of the past. Unless specifically pre-approved by In-house Counsel, the Company will pay only for the personnel time expended for online research, subject to the limitations detailed herein.
- 4) In some instances, the Company may decide that it is cost-effective to have legal research handled through an outsourced group, which provides legal research from experts in a given specialty on a fixed fee basis. The Company expects outside counsel to work with such firms and their personnel to serve the best interests of the Company.

Litigation Expenses

The Company will reimburse the law firm for actual charges for filing fees, court reporter fees, expert witness fees, and other such litigation expenses that the Company authorized Outside Counsel to incur on the Company's behalf. Appropriate summaries of litigation expenditures should reflect the date and nature of the expense and the recipient of the payment. Outside Counsel should not request overnight or express service for deposition or court transcripts unless immediate production is essential or has been approved in advance by In-house Counsel.

Privacy

Outside counsel will take all reasonable steps to assure that all confidential material and non-public information obtained in the course of representing the Company will be used solely for the purpose for which such material or information was provided. Outside Counsel will comply with all state and federal privacy laws and regulations, including the provisions of the Gramm-Leach-Bliley Act.

Confidentiality

During the course of the representation, you will be privy to confidential and proprietary information. Any documents or other materials entrusted to you must be maintained in confidence and returned to the Company, if requested, at the conclusion of the matter. Company documents may be destroyed by Outside Counsel only with advance written authorization. Protective orders must be sought prior to producing any confidential or proprietary information through the Discovery process and may not be produced absent authorization by the Company.

Publicity/Public Comment

In the absence of specific authorization from the In-house Counsel, the Company does not authorize Outside Counsel to (a) offer media or other public comment concerning the Company or matters being handled for Company or (b) respond to requests for comment. Any inquiries or proposed public comment concerning Company or a Company matter must be referred to the In-house Counsel or to the Company's Communications Department. The Company will be responsible for determining what comment is appropriate and who should be designated to comment on the Company's behalf.

Ethics/Business Conduct

In addition to applicable Ethical obligations governing the relationships and work hereunder, Company has also adopted a Code of Conduct & Business Practices explicitly requiring employees and Company representatives, including Outside Counsel, to conduct their activities on behalf of the Company with honesty and integrity, and in accordance with high moral and ethical standards. For the convenience of Outside Counsel, the Company's Code of Conduct is located on the Company's

website at <http://www.nationwide.com/about-us/code-of-conduct.jsp> Outside Counsel representing the Company are expected at all times to maintain the highest ethical standards and to be aware of and follow the Company's policies relating to gifts. Coercive, dilatory, or obstructive tactics are not to be used.

Commitment to Diversity

The Company is committed to the principle of diversity, and the OCLO In-house Counsel seeks to hire and retain Outside Counsel who share in this commitment. The Company believes that diversity in people, interests, expertise, and points of view enhances the legal department's ability to provide high quality legal and other professional services to its client, enriches the workplace, and connects the Company to the communities in which Company employees live and work. Nationwide's Chief Legal and Governance Officer is a signatory to the ACC "Call to Action". As a signatory, the Company pledges to make diversity a significant priority in our legal department and encourage our partner law firms to do the same. In making decisions concerning selection and retention of outside counsel, the Company will consider the firm's commitment and progress towards this goal. To assist the Company with these selection and retention decisions, the Company requires Outside Counsel to complete the Vault/MCCA Annual Law Firm Diversity Survey to report diversity-related information. For the convenience of Outside Counsel, the Company's Commitment to Diversity is located at <http://www.nationwide.com/about-us/diversity-philosophy.jsp>

Conflict of Interest

Outside Counsel retained by the Company is expected to be free of any conflicts of interest and, acceptance of an assignment from the Company will be taken as confirmation that no such conflict exists, or that Company has been advised of such conflict or potential conflict, and has agreed in writing in advance to waive. The Company relies on its Outside Counsel to check immediately for any actual or potential conflicts of interest, which may arise from their representation of the Company or any of its parent or affiliated businesses.

Conclusion of Engagement/Termination

If requested, at the conclusion of the matter, Outside Counsel shall conduct a "lessons learned" discussion with In-house Counsel, with a particular emphasis on recommending changes in procedures, policies or practices which would help the Company avoid, or improve its chances of prevailing with respect to, claims against it. Outside Counsel first should discuss this subject orally with In-house Counsel before preparing any written memorandum.

Termination of Representation

At any time, the In-house Counsel for a matter may terminate Outside Counsel's representation of the Company in a matter by notice to Outside Counsel. In the event of such termination, or should Outside Counsel voluntarily withdraw from representing the Company for any reason, then in addition to any obligations imposed by law, regulation, or code of professional responsibility, Outside Counsel will take all steps reasonably requested by the Company to transition such representation to an in-house or other Outside Counsel designated by the In-house Counsel, including without limitation the delivery of all pertinent files, research, memoranda, pleadings, communications, records, drafts, and other related materials.

Billing and Staffing Policy



AGREEMENT

On behalf of the firm, I agree to abide and be bound by the Nationwide OCLO Approved Counsel Billing and Staffing Policy and acknowledge the Company's ownership and right to conduct reviews of all Company matters, files, and billings.

By: _____

Signature: Outside Counsel

Print _____

Firm Name: _____

Title: _____

Date: _____