

REPORT ON EXAMINATION
OF THE
NATIONWIDE LIFE INSURANCE
COMPANY OF DELAWARE
AS OF
NOVEMBER 17, 2008

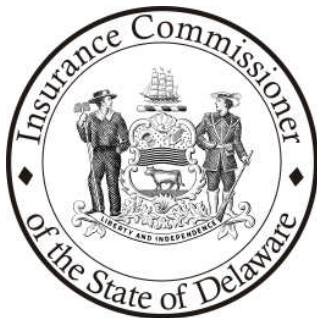
I, Karen Weldin Stewart, Insurance Commissioner of the State of Delaware, do hereby certify that the attached REPORT ON DISSOLUTION EXAMINATION, made as of November 17, 2008 of the

NATIONWIDE LIFE INSURANCE COMPANY
OF DELAWARE

is a true and correct copy of the document filed with this Department.

Attest By: *Sonia C. Harris*

Date: 5 February 2009



In witness whereof, I have hereunto set my hand and affixed the official seal of this Department at the City of Dover, this 5th day of February 2009.

A thick, black, handwritten signature, likely of Karen Weldin Stewart, is written over a horizontal line.

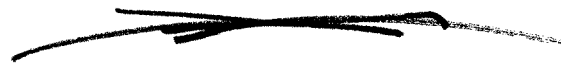
Karen Weldin Stewart, CIR-ML
Insurance Commissioner

REPORT ON DISSOLUTION EXAMINATION
OF THE
NATIONWIDE LIFE INSURANCE COMPANY OF DELAWARE
AS OF
November 17, 2008

The above captioned Report was completed by examiners of the Delaware Insurance Department.

Consideration has duly been given to the comments, conclusions, and recommendations of the examiners regarding the status of the Company as reflected in the Report.

This Report is hereby accepted, adopted, and filed as an official record of this Department.



Karen Weldin Stewart, CIR-ML
Insurance Commissioner

DATED this 5th day of February, 2009.

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November 19, 2008

Honorable Matthew Denn
Insurance Commissioner
State of Delaware
841 Silver Lake Boulevard
Dover, Delaware 19904

Dear Commissioner:

In compliance with instructions contained in Certificate of Authority No # 8.040 a target examination has been made of

NATIONWIDE LIFE INSURANCE COMPANY OF DELAWARE

hereinafter referred to as “NLICD” or “Company”, incorporated under the laws of the State of Delaware.

The report of such examination is respectfully submitted herewith.

SCOPE OF EXAMINATION

This target examination was conducted in accordance with the Company's stated intent to surrender its Certificate of Authority to write business in the State of Delaware and dissolve its corporate charter.

The examination performed the following procedures:

- Reviewed the minutes of the Company.
- Reviewed a pro forma balance prepared by the Company as of November 17, 2008.
- Reviewed the report of the most recent examination of the Company, conducted as of December 31, 2006.
- Reviewed the Company's 2007 Annual Statement.
- Reviewed the Company's sole reinsurance contract.
- Interviewed Company management.

HISTORY

The Company was incorporated in the State of Delaware on August 16, 1989, as a stock life insurance company. At inception, the Company was known as Continental American Life Insurance Company of Delaware. In 1993 the corporate title was changed to Provident Mutual International Life Insurance Company. In 2002 the present name was adopted.

The Company is a wholly owned subsidiary of Nationwide Life Insurance Company of America (NLICA), and through two intermediate holding companies, the ultimate parent is Nationwide Mutual Insurance Company.

The Company's business consisted solely of life insurance assumed from NLICA. The insurance assumed by the Company originated from a block of business no longer marketed by NLICA.

CAPITALIZATION

The Company has 25,000 shares of authorized common stock, with 6,000 shares issued and outstanding with a par value of \$100 per share. At December 31, 2007, the Company's common capital stock totaled \$600,000 and gross paid in and contributed surplus amounted to \$600,000.

CORPORATE RECORDS

On October 13, 2008, the Company's Shareholder approved the following resolutions:

- Resolved, subject to regulatory approval, that the Company surrender its Certificate of Authority to conduct the business of insurance and thereafter dissolve its corporate existence.
- That the officers of the Company are authorized to sell or liquidate any assets of the Company needed to effect the dissolution.
- That the officers of the Company are authorized to take actions to execute the dissolution.

The action of Shareholder was signed by seven directors of parent, Nationwide Life Insurance Company of America, which has the same directors as the Company. The examination noted that no date for the dissolution is stated in the above resolution.

The examiner met with Rich Matarese, named as NLICD's Statutory Statement Contact, who indicated after receiving approval from the Insurance Department, the

Company will surrender its Certificate of Authority and transfer the assets to the parent.

The Company plans to complete this process before December 31, 2008.

GROWTH OF COMPANY

The following information was taken from the Company's filed Annual Statements

<u>Year</u>	<u>Admitted Assets</u>	<u>Capital and Surplus</u>	<u>Premiums</u>	<u>Net Income</u>
2004	\$4,244,007	\$2,909,974	\$91,439	\$69,699
2005	4,240,289	3,000,737	86,094	89,272
2006	4,291,381	3,104,199	74,746	103,463
2007	4,291,937	3,202,290	65,065	98,086

TERRITORY AND PLAN OF OPERATIONS

The Company is licensed to write Life (including Annuities) and Accident and Health insurance in the states of Delaware, North Dakota, Oregon and South Dakota. The Company has never written any direct business. The only business of the Company are assumptions from the parent, Nationwide Life Insurance Company of America.

REINSURANCE

The original contract between the Company and its parent was effective in 1991 (when the Company was Continental American Life Insurance Company of Delaware). Initially the Company assumed 50% of a block of non-participating endorsed Group Graded Benefit Life Insurance policies written by the parent. The percentage was quickly changed to 25% and the block was soon closed, with no new business being written.

Though the Company and its parent changed their names twice, the contract remained in effect until a Notice of Termination, effective October 31, 2008 was received on October 1, 2008.

The examiner reviewed the journal entries used to terminate the assumption from the parent. NLICD wired \$889,263.62 to the parent on November 5, 2008 to cancel the treaty.

The Company has no reinsurance ceded.

FINANCIAL STATEMENT

The Company's financial position, as of November 17, 2008, is presented in the following financial statement (as prepared by the Company):

ASSETS

Bonds	\$403,950
Cash	52,207
Short-term investments	2,855,905
Receivable for securities	8,445
Investment income due and accrued	<u>4,847</u>
Total Assets	<u>\$3,325,354</u>

LIABILITIES

Current federal and foreign income taxes	\$46,847
Payable to parent, subsidiaries and affiliates	<u>1,498</u>
Total Liabilities	<u>\$48,345</u>

CAPITAL AND SURPLUS

Common Capital Stock	\$600,000
Gross Paid in and Contributed Surplus	600,000
Unassigned Funds	<u>2,077,009</u>
Capital and Surplus	<u>\$3,277,009</u>
Total Liabilities and Capital and Surplus	<u>\$3,325,354</u>

SUMMARY COMMENTS

This target examination was conducted in accordance with the Company's stated intent to surrender its Certificate of Authority to write business in the State of Delaware and dissolve its corporate charter.

The Company's Board of Directors and Sole Shareholder have approved the dissolution.

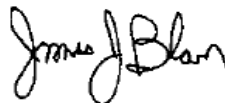
The Company's sole source of business was an assumption agreement with its parent that was terminated effective October 31, 2008. In accordance with the termination, a settlement was executed on November 5, 2008, in which \$889,263.62 was paid to NLICA in return for returning all reserves and accompanying liabilities to the parent.

The examination noted no exceptions.

CONCLUSION

The examination was conducted by the undersigned.

Respectfully submitted,



James J. Blair Jr., CPA, CFE
Examination Supervisor
Insurance Department
State of Delaware