



**Nationwide
Funds®**

On Your Side®

**INCOME FROM NMF INVESTMENTS
IN U.S. GOVERNMENT SECURITIES
FOR CALENDAR YEAR 2011**

During calendar year 2011, certain Nationwide Mutual Funds invested in securities issued by the United States government or other federal agencies (collectively, "U.S. Government Securities"). Under federal law, the interest on these securities is exempt from state taxation. Certain states also exempt from state income tax the dividend income a mutual fund shareholder receives that is derived from a fund's investment in these U.S. Government Securities.

The table on the reverse side provides the percentages of ordinary income dividends derived from the listed Nationwide Mutual Funds' investments in U.S. Government Securities for calendar year 2011. **To determine the amount of dividend income you received that may be exempt from state income tax, multiply the amount reported in box 1a of Form 1099-DIV by the percentage listed on the reverse side for the Nationwide Mutual Fund(s) in which you invested during calendar year 2011.**

California, Connecticut and New York require that a mutual fund maintain certain minimum investments in U.S. Government Securities in order for the dividend income derived from these obligations to be exempt from state income tax. None of the Funds listed in the table on the reverse side met these requirements for calendar year 2011.

This notice is provided to you for informational purposes only, and should not be considered tax advice. Please consult your tax advisor for further assistance. For any other questions, please contact a representative at Nationwide Mutual Funds at 1-800-848-0920.



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Nationwide Mutual Fund	Percentage of Income Derived from U.S. Government Securities During Calendar Year 2011
Nationwide Alternatives Allocation Fund	16.44%
Nationwide Bond Fund	7.04%
Nationwide Bond Index Fund	2.36%
Nationwide Destination 2010 Fund	0.67%
Nationwide Destination 2015 Fund	0.72%
Nationwide Destination 2020 Fund	0.74%
Nationwide Destination 2025 Fund	0.62%
Nationwide Destination 2030 Fund	0.52%
Nationwide Destination 2035 Fund	0.46%
Nationwide Destination 2040 Fund	0.38%
Nationwide Destination 2045 Fund	0.35%
Nationwide Destination 2050 Fund	0.31%
Nationwide Destination 2055 Fund	0.30%
Nationwide Enhanced Income Fund	1.58%
Nationwide Fund	0.00%
Nationwide Government Bond Fund	15.11%
Nationwide Growth Fund	0.00%
Nationwide International Index Fund	0.00%
Nationwide International Value Fund	0.00%
Nationwide Investor Destinations Aggressive Fund	0.25%
Nationwide Investor Destinations Conservative Fund	1.30%
Nationwide Investor Destinations Moderate Fund	0.88%
Nationwide Investor Destinations Moderately Aggressive Fund	0.57%
Nationwide Investor Destinations Moderately Conservative Fund	1.18%
Nationwide Mid Cap Market Index Fund	0.00%
Nationwide Money Market Fund	0.00%
Nationwide Retirement Income Fund	0.52%
Nationwide S&P 500 Index Fund	0.00%
Nationwide Short Duration Bond Fund	5.33%
Nationwide Small Cap Index Fund	0.00%
Nationwide U.S. Small Cap Value Fund	0.00%

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Investors should carefully consider a fund's (and, if applicable, each of its underlying funds') investment objectives, risks, fees, charges and expenses before investing any money. To obtain this and other information on Nationwide Funds, please call 1-800-848-0920 to request a summary prospectus and/or a prospectus, or download a summary prospectus and/or a prospectus at nationwide.com/mutualfunds. Please read it carefully before investing any money.

Nationwide Funds distributed by **Nationwide Fund Distributors LLC**, Member FINRA.
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