

Money Market Fund Update

On September 29, 2008, the U.S. Department of the Treasury opened the enrollment of its Temporary Guarantee Program for Money Market Funds. This program is designed to protect certain shareholders of money market mutual funds from losses if their money market funds are unable to maintain a \$1.00 net asset value (NAV) per share. The program will be in effect for an initial threemonth term. On October 3, 2008, the Nationwide Funds[®] Board of Trustees approved participation in this program by the Nationwide Money Market Fund and two funds within the Nationwide Variable Insurance Trust, NVIT Money Market Fund and NVIT Money Market Fund II.

The Treasury Department's program provides shareholders with a price guarantee that is based upon the number of shares invested in the fund at the close of business on September 19, 2008. Any increase in the number of shares held after the close of business on September 19, 2008 will not be guaranteed. If the number of shares fluctuates over the period, investors will be covered for either the number of shares held as of the close of business on September 19, 2008, or the current amount, whichever is less. If a shareholder closes his or her account with a fund, any future investment in the fund will not be guaranteed.

The Program expires on December 18, 2008, unless extended by the U.S. Treasury. Participation in the initial three months of the Program requires a payment to the U.S. Department of Treasury in the amount of 0.01% based on the net asset of the Fund as of September 19, 2008. This expense will be borne by the Nationwide Money Market Fund without regard to any expense limitation currently in effect for the Fund. The Secretary of the Treasury may extend the Program beyond its initial threemonth term through the close of business on September 19, 2009. If the Program is extended, the Nationwide Funds Board of Trustees will consider whether to continue to participate.

While we don't anticipate having to invoke the guarantee, in view of the present extremely volatile market conditions, we believe it's in the best interest of our shareholders to provide the additional layer of protection that the program offers.

For more information, please read the Nationwide Money Market Fund's prospectus or see the frequently asked questions on the U.S. Department of Treasury's website (link to <http://www.treas.gov/press/releases/hp1163.htm>) and the Investment Company Institute Website (link to http://www.ici.org/home/faqs_guaranty_plan.html).

Investors should carefully consider a fund's investment objectives, risks, fees, charges and expenses before investing any money. To obtain this and other fund information, please call 18008480920 to request a prospectus, or download a prospectus at nationwidefunds.com. Please read it carefully before investing any money.

Except as stated above, an investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the money market.

Nationwide Funds Group (NFG) is the mutual fund arm of Nationwide Financial Services, Inc. (NYSE: NFS). Based in Conshohocken, Pa., a suburb of Philadelphia, NFG comprises Nationwide Fund Advisors, Nationwide Fund Distributors LLC and Nationwide Fund Management LLC. Together they provide advisory, distribution and administration services, respectively, to the Nationwide Funds. Nationwide Life Insurance Company is an affiliate of NFS. NFS is an affiliate of Nationwide Mutual Insurance Company.

The Nationwide Variable Insurance Trust Funds (NVIT) are not publicly traded mutual funds and are not available directly for purchase by the general public. They are only available through variable product policies issued by life insurance companies.

Variable annuity and variable life insurance products are issued by Nationwide Life Insurance Company or Nationwide Life and Annuity Insurance Company, Columbus, Ohio. The general distributor is Nationwide Investment Services Corporation, member FINRA. In MI only: Nationwide Investment Svcs. Corporation.

Nationwide Funds are distributed by Nationwide Fund Distributors LLC, Member FINRA. 1200 River Road, Suite 1000, Conshohocken, Pa. 19428.

The Nationwide framemark and On Your Side are federally registered service marks of Nationwide Mutual Insurance Company. Nationwide Funds is a service mark of Nationwide Mutual Insurance Company.