

FINRA DISPUTE RESOLUTION

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CETERA ADVISOR NETWORKS, LLC and :
FIRST ALLIED SECURITIES, INC., : FINRA Case No.
 :
Claimants, :
 :
--against-- :
 : **STATEMENT OF**
 : **CLAIM**
THE O.N. EQUITY SALES CO., OHIO NATIONAL :
EQUITIES, INC., OHIO NATIONAL LIFE :
ASSURANCE CORPORATION and THE OHIO :
NATIONAL LIFE INSURANCE COMPANY, :
 :
Respondents. :
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Pursuant to Sections 13101 and 13200 of the FINRA Code of Arbitration Procedure, Claimants Cetera Advisor Networks, LLC (“Cetera”) and First Allied Securities, Inc. (“First Allied”) bring this Statement of Claim¹ in connection with Respondents’ wrongful attempts to: (a) breach their contractual obligations to Cetera and First Allied, and their Registered Representatives, by not paying them millions of dollars of compensation they are contractually entitled to receive; (b) deprive thousands of investors, many of them senior citizens and retirees, of the valued services of their financial advisors; and (c) simultaneously coerce those investors into surrendering variable annuity contracts that contain valuable Guaranteed Minimum Income Benefit Riders (“GMIB Rider”).

In particular, in early September 2018, the Respondents announced that, in blatant violation of numerous agreements they had signed with Claimants and other broker-dealers, they

¹ This claim is made pursuant to various agreements executed by the Parties and the By-Laws, Rules and Code of Arbitration Procedure of the Financial Industry Regulatory Authority. Claimants note that while Respondents Ohio National Life Assurance Company and The Ohio National Life Insurance Company are not FINRA members, they both signed agreements to submit disputes with Claimants to FINRA arbitration.

were making the unilateral decision to cease payments of trail commissions in connection with Respondents' annuity contracts that contain a GMIB Rider.

This wrongful, bad faith conduct renders Respondents liable to Claimants for breach of contract, unjust enrichment and breach of the implied covenant of good faith and fair dealing. It likewise entitles Claimants to declaratory and injunctive relief in order to reverse the effects of Respondents' wrongdoing and to ensure they honor their contractual obligations. Finally, Respondents' unfair business practices subject them to liability under California law for Claimants' attorneys' fees. Judgment for the Claimants is clearly warranted here.

BACKGROUND FACTS

1. The Parties

Claimant Cetera is a licensed broker-dealer with its principal place of business in El Segundo, California. First Allied is a licensed broker-dealer with its principal place of business located in San Diego, California. They are collectively referred to hereinafter as "Claimants."

Respondents O.N. Equity Sales Company ("O.N. Equity Sales") and Ohio National Equities, Inc. ("National Equities") are, likewise, both duly licensed broker-dealers. The Ohio National Life Insurance Company ("ONLI") is their parent company and Ohio National Life Assurance Corporation ("ONLA") is an affiliated insurance company that issued some of the variable annuities that form the basis of this arbitration. The Respondents are collectively referred to as "Ohio National" and they all have a principal place of business in Cincinnati, Ohio.

Claimants offer investment and advisory products and services directly to retail investors through agents and brokers who are licensed and registered with FINRA, the SEC and/or state insurance and securities regulatory agencies. Claimants supervise and process the investment business of the financial professionals who affiliate with them; *i.e.* their Representatives. In turn,

Representatives affiliate with Claimants based in part upon their goodwill and reputation of Claimants in the financial services industry.

The financial products selected by Claimants to be available to its Representatives for sale and servicing are issued by third party companies, such as Ohio National, with which Claimants enter into selling and/or distribution agreements.

Claimants are responsible for supervising the activities of their Representatives for compliance with the rules and regulations of FINRA, and with applicable state and federal laws, rules and regulations. In this regard, Claimants devote significant resources to make sure that the initial purchase and subsequent investment recommendations relating to Respondents' securities products are suitable for investors, and that all aspects of the transactions are in compliance with applicable laws, rules and regulations.

Claimants and their Representatives are compensated through commissions received from Respondents, including trail commissions.

2. The Agreements

A. The Distribution Agreement

In or about March 1997, Cetera's predecessor, Financial Network Investment Corporation, and O.N. Equity Sales, ONLI and ONLA entered into a Variable Contract Distribution Agreement (the "Distribution Agreement") pursuant to which, among other things, Cetera agreed to sell Ohio National's variable insurance contracts/annuities ("Contracts") through Cetera's Representatives. The Distribution Agreement is annexed hereto as Exhibit "A".

Under the Distribution Agreement, Ohio National appointed Claimants to sell its Contracts. Paragraph 1 states "[Cetera] is hereby authorized to solicit applications for variable contracts through its registered representatives..." For a Representative to sell Ohio National

Contracts, the Representative must be vetted and appointed as an agent to solicit sales of the Contracts. As part of the Distribution Agreement, Claimants specifically agreed to supervise the activities of its Representatives. See Distribution Agreement ¶8.

In exchange for the services Cetera agreed to provide, Ohio National agreed to compensate Claimants in accordance with a schedule annexed to the agreement. Notably, the Distribution Agreement (¶18) states that to effectuate any change in compensation, it must be in writing and it can only apply prospectively.

B. The Selling Agreement

In March 1999, Cetera and National Equities, ONLI and ONLA executed a Selling Agreement in which Cetera again, among other things, agreed to sell Ohio National variable products. A copy of the Selling Agreement is annexed hereto as Exhibit “B”.

Under the Selling Agreement, Cetera agreed to oversee the sale of Respondents’ Contracts: “ONL ... hereby appoint[s] BD to supervise solicitations of the Contracts, and to facilitate solicitations of sales of the Contracts which are described in the Schedule(s) of Commissions attached hereto.” See Ex. B, ¶1. As part of the Selling Agreement, Cetera specifically agreed that it:

...shall have full responsibility for supervision of all Representatives associated with BD who are engaged directly or indirectly in the offer or sale of the Contracts and all such persons’ activities in connection with the sale of the Contracts.

See Ex. B, ¶5.

Cetera agreed, among other things, to ensure the completeness of all Contract applications, as well as the suitability of all sales. See Ex. B, ¶7. Once a Contract is accepted and issued to a customer, Cetera is required to transfer all premiums paid on the Contract to Ohio National. See Ex. B, ¶8.

Cetera agreed further to take steps to ensure that, once purchased, the Contracts remained in force and were not replaced. Specifically, Cetera expressly agreed “that neither it nor its Representatives will:

... engage in any course of conduct to systematically replace Contracts issued by [Ohio National]; or recommend or cause the surrenders (sic) of cash values of the Contracts to purchase or exchange for insurance policies or annuities issued by other insurance companies, unless such action is in the best interests of the Contract Owner. This provision will continue in force after the termination of this Agreement.

See Ex. B, ¶23.

For the sale of Contracts under the Selling Agreement, Ohio National agreed that:

Commissions payable in connection with the contracts shall be paid to BD according to the Commission Schedule(s) relating to this Agreement as they may be amended from time to time and in effect at the time the Contract Payments are received by [Ohio National].

See Ex. B, ¶9.

C. The Cetera Commission Schedule

The commission schedule provided by Ohio National and incorporated into Cetera’s Selling Agreement (the “Cetera Commission Schedule”) addressed payment of commissions to Cetera and its Representatives regarding three different Variable Annuity Contracts: ONcore Premier FPDA (“Premier”); ONcore Lite FPDA (“Lite”); and ONcore Flex FPDA (“Flex”). See Ex. B. Each of these products contained a GMIB Rider.

The Cetera Commission Schedule also identified three types of commissions that could be paid on a Contract: commissions on initial premiums; commissions on add-on premiums; and trail commissions. See Ex. B. The Cetera Commission Schedule further provided that, for some Contracts, Representatives could choose from commission pay out options. See Ex. B.

Specifically, the Cetera Commission Schedule allowed Cetera and its Representatives, on

certain Contracts, to choose to be paid a greater amount upon the initial sale of the Contract, or to be paid more evenly (in the form of a trail commission) over the life of the Contract. See Ex. B. The Cetera Commission Schedule also provided that, “[t]rail commissions will continue to be paid to the broker dealer of record while the Selling Agreement remains in force and will be paid on a particular contract until the contract is surrendered or annuitized.” See Ex. B.

According to the Cetera Commission Schedule in effect at the time the Selling Agreement was signed, Cetera and its Representatives received a 1% upfront commission, and ongoing trail commissions of 1% per year after year two of the annuity being in force. The Cetera Commission Schedule further provided that trail commissions would continue to be paid “on a particular contract until the contract in surrendered or annuitized.” Thereafter, the Cetera Commission Schedule was later amended to give Representatives different commission options for new annuities that sold after the amendments to the commissions.²

3. **Ohio National Announces It Will No Longer Pay Trail Commissions**

In a letter dated September 24, 2018, Claimants were advised by Ohio National that Ohio National was terminating the Selling Agreements effective December 12, 2018. See Ex. C. The Termination Letter stated also that, “[y]ou will be receiving information shortly about the terms for servicing your clients after termination of the selling agreement.” See Ex. C. Significantly, Ohio National unilaterally has taken the position that, notwithstanding Respondents’ clear contractual obligations, Claimants and their Representatives are no longer entitled to receive trail commissions. Indeed, as described below, in an attempt to get Cetera to agree to this commercially unreasonable arrangement, Ohio National inappropriately decided to stop paying commissions on all variable annuity contracts – even those that do not have a GMIB Rider – unless Claimants sign a servicing contract agreeing to continue to service Ohio National’s GMIB

² First Allied has one or more selling agreements with Ohio National containing similar provisions.

Rider contracts on an ongoing basis without receiving any compensation.

As noted above, Ohio National's stated position – that they can unilaterally cease paying contractually agreed to compensation – is directly contradicted by the Commission Schedule, which provides expressly that such compensation “shall continue to be payable for as long as they are listed as the Broker-Dealer of record[.]” See Ex. C.

4. **Ohio National Offers Cetera a “Servicing Agreement.”**

At the same time it provided notice of termination of the Selling Agreement and its position that it would stop all compensation (including trail compensation), Ohio National claimed in a subsequent letter dated September 24, 2018 (the “Servicing Agreement Letter”) that, if Claimants agreed to sign a new “Servicing Agreement,” Claimants and their Representatives could “continue to service your clients with Ohio National contracts.” See Ex. D.

The Servicing Agreement Letter then stated that, “[t]he Servicing Agreement also provides for a service fee to be paid to you for your clients with Ohio National individual annuity contracts, *except for contracts which contain a Guaranteed Minimum Income Benefit rider.*” See Ex. D. (Emphasis supplied.) The Servicing Agreement Letter stated that the Servicing Agreement was to be completed and returned to Ohio National.

Moreover, under the Servicing Agreement (as opposed to the Selling Agreement) Ohio National would provide compensation only for select Contracts:

In exchange for the Services provided under this Agreement, ONL agrees to pay BD a service fee (the ‘Service Fee’) equivalent to the compensation provided for in the compensation schedules appended to the Selling Agreement for the Contracts listed on the schedule attached to this Agreement (the ‘Listed Contracts’).

Ex. D., ¶8.

As described in the Servicing Letter, GMIB Riders were excluded: “any individual contract that, as of the date of this Agreement, includes a guaranteed minimum income benefit

rider ('GMIB') is excluded.” See Ex. D.

Further, the Servicing Agreement specifically provided that Ohio National can unilaterally terminate the Servicing Agreement and, once terminated, Ohio National will no longer pay Claimants compensation on any Contracts: “Termination of this Agreement, for any reason, shall also terminate any right of BD to receive future compensation payments from [Ohio National][.]” See Ex. D, ¶8.

There is good reason why the Selling Agreement provides for ongoing compensation to Cetera and its Representatives. Servicing a GMIB Rider annuity is demanding and involves ongoing analysis, handling service requests and meetings with clients. When making recommendations, a Representative must consider, among other things, the client’s circumstances, the performance of the investment sub-accounts and whether to recommend any changes to the investments, the amount of permissible withdrawals per year, the timing of the withdrawals, the timing of annuitization, the expected return and various other factors. Deciding whether to recommend that a GMIB Rider annuity be surrendered or exchanged is also a time-intensive and complicated process to analyze and explain to the client.

Now, Respondents are attempting to convince public investors and retirees to give up their valuable GMIB Rider benefits while threatening to deprive them of the services of their financial advisers. In an October 29, 2018 e-mail (Exhibit “E”), Ohio National notified Claimants and their affected Representatives that:

From **November 12, 2018 through February 11, 2019**, Ohio National is offering the opportunity for eligible clients to participate in a Buyout offer of their...variable annuity contract with Guaranteed Minimum Income (GMIB) rider. By accepting this offer, clients will be cancelling their variable annuity contracts and all attached riders in exchange for an Enhanced Contract Value, which they may receive as a cash surrender or transfer to a financial product available from another financial institution.

5. **Ohio National's Unlawful Behavior
Continues to Irreparably Harm Claimants.**

Ohio National's termination of the Distribution Agreement and Selling Agreement and its threat to unlawfully stop paying trail commissions is intended to pressure Claimants to enter into the Servicing Agreement and, thereby, forfeit compensation that they are contractually entitled to receive. The Servicing Agreement would provide no compensation to Claimants or their Representatives for servicing Ohio National GMIB Rider annuities. Additionally, the Servicing Agreement provides that any compensation in the form of a service fee can be withdrawn unilaterally by Ohio National.

Ohio National's unlawful conduct is also intended to induce Claimants and their Representatives to counsel their clients, regardless of whether it is in their clients' best interest, to surrender their GMIB Rider annuities.

As noted, it now appears that Ohio National intends to directly, and unlawfully, induce Claimants' customers to exchange their current GMIB Rider annuities for other, potentially less suitable consideration, while trying to limit the involvement of the Representatives who take care of those clients.

Ohio National's improper conduct has caused and is continuing to cause damage and irreparable harm to Claimants, including the loss of goodwill and the negative impact to Claimants' relationships and reputation with their Representatives and customers.

In sum, Ohio National's improper conduct is designed to pressure Claimants' Representatives to recommend that their clients surrender their GMIB Rider annuities. Moreover, if Claimants do not sign the Servicing Agreement, Ohio National has indicated that, after the termination date of the Selling Agreement, it will not pay them any trail compensation on any

Contracts. Thus, in addition to sizable damages due to Respondents' breaches, Claimants are also seeking injunctive and declaratory relief.

CAUSES OF ACTION

COUNT I

DECLARATORY JUDGMENT RELIEF

Claimants request that the Arbitration Panel declare that Ohio National is obligated to pay all trail compensation to Claimants on all GMIB Annuity Contracts (as defined in the next sentence) for as long as Claimants are broker-dealers of record for the Contracts, and failure to do so is a breach of both the Selling Agreement and the Distribution Agreement. "GMIB Annuity Contract" means a product of Ohio National (including without limitation all variable annuities with a Guaranteed Minimum Income Benefit Rider) which (a) was sold pursuant to a Selling Agreement/Distribution Agreement (Exs. A and B), and (b) remains in force with a Claimant listed as the broker-dealer of record. The trail compensation to be paid by Ohio National to Claimants shall be calculated and paid in the same manner as Ohio National was paying Claimants pursuant to the Selling Agreement immediately prior to the filing of this arbitration.

Claimants further request that the Panel declare that: notwithstanding any provision in the Servicing Agreement, Distribution Agreement or the Selling Agreement, and notwithstanding the termination of the Distribution Agreement and Selling Agreement, if Claimants sign the Servicing Agreement Ohio National still has the same obligations as those set forth in the immediately preceding paragraph.

COUNT II

BREACH OF CONTRACT

Claimants and Ohio National are parties to the Distribution Agreement and Selling Agreement, which are binding and enforceable contracts.

Claimants have at all times fulfilled their obligations under the Distribution Agreement and the Selling Agreement.

Ohio National is contractually required to pay commissions, including trail commissions, to Claimants after the termination of the Distribution Agreement and Selling Agreement.

As noted above, Ohio National has clearly and unequivocally informed Claimants that it will not pay any commissions after the termination of the Distribution Agreement and Selling Agreement.

As a direct and proximate result of Ohio National's breach of contract and unlawful conduct, Claimants will be damaged, and Ohio National is therefore liable to Claimants in an amount to be determined by the Panel after hearing, together with costs, interest and attorneys' fees as allowable by law. In addition, Claimants are entitled to specific enforcement of the terms of the Agreements by way of declaratory judgment and injunctive relief.

COUNT III

BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING

All contracts include an implied covenant of good faith and fair dealing, which requires that neither party take any action that will deprive the other of the benefit of the contract between them. The Distribution Agreement and Selling Agreement both contain an implied covenant of good faith and fair dealing.

Ohio National acted, and continues to act, as set forth above, without good faith and/or in bad faith in connection with breaches of the covenant of good faith and fair dealing. Claimants have been and continue to be damaged as a proximate result of Ohio National's breaches of the covenant of good faith and fair dealing.

By virtue of the foregoing, Ohio National is liable to Claimants for damages in an amount to be determined by the Panel, together with costs and interest to the extent permitted by law. In addition, Claimants are entitled to specific enforcement of the terms of the Agreements by way of declaratory judgment and injunctive relief.

COUNT IV

TORTIOUS INTERFERENCE WITH CLAIMANTS' ACTUAL AND/OR PROSPECTIVE CONTRACTUAL AND/OR BUSINESS RELATIONS

Claimants have contractual and/or prospective business relations with its current and prospective Representatives and clients. Ohio National is aware of those contractual and/or prospective business relationships, and deliberately induced Claimants to enter into contracts with promises that Claimants would be compensated for their services.

Without privilege or justification, Ohio National has purposefully and intentionally interfered with, and is continuing to interfere with, those relationships through improper means and/or with improper motive.

Ohio National's tortious interference with Claimants' contractual and/or prospective business relationships has caused and/or will cause damage to Claimants. As a consequence thereof, Ohio National is liable to Claimants in an amount to be determined by the Panel, together with interest, costs and attorneys' fees as allowable by law, and injunctive relief.

COUNT V

UNJUST ENRICHMENT

Claimants conferred a benefit on Ohio National by selling Ohio National's Variable Annuity to Claimants' customers. Ohio National induced Claimants to invest their time and financial resources and were aware of Claimants' actions in this regard, and knowingly accepted the benefits flowing therefrom. Indeed, Ohio National will continue to receive financial benefits through ongoing fees and expenses that are paid by Claimants' customers to Ohio National. Thus, while Ohio National is stopping payments to Claimants, they are being unjustly enriched by continuing to receive fees and other revenues.

Ohio National has retained and/or will retain that benefit, to Claimants' detriment, in a manner in which the result is unconscionable. Due to their actions, as described above, Ohio National has been or will be unjustly enriched at the expense of Claimants. Ohio National is therefore required to make restitution to Claimants for such unjust enrichment.

By virtue of the foregoing, Ohio National is liable to Claimants in an amount to be determined by the Panel, together with interest, costs and attorneys' fees to the extent permitted by law, and injunctive relief.

COUNT VI

VIOLATION OF SECTION 17200 CALIFORNIA'S BUSINESS AND PROFESSIONS CODE

Based on the foregoing, Ohio National's actions are in clear violation of Section 17200 California's Business and Professions Code which prohibits unfair trade practices such as the ones committed by Respondents. Accordingly, Claimants are entitled to damages, in an amount to be proven at hearing, an injunction enjoining Respondents from wrongfully withholding commissions, and an award of attorneys' fees to Claimants.

COUNT VII

INJUNCTIVE RELIEF

Unless Ohio National is enjoined from the conduct described herein, Claimants will continue to suffer irreparable harm including loss of goodwill, loss of reputation, and financial losses that are presently not calculable.

Claimants have no adequate remedy at law.

The irreparable harm that Claimants will suffer if injunctive relief is denied outweighs the potential harm (if any) to Ohio National if injunctive relief is granted.

Claimants have demonstrated a likelihood of success on the merits and that a balancing of the equities and the public interest favor the issuance of injunctive relief against Ohio National. It is unjust and inequitable to permit Ohio National to benefit from the deliberate disregard of Ohio National's contractual and legal obligations. The injunctive relief that Claimants request would merely maintain the status quo requiring Ohio National to adhere to the Distribution Agreement, the Selling Agreement and its other legal obligations and is appropriate.

WHEREFORE, Claimants Cetera Advisor Networks, LLC and First Allied Securities, Inc. respectfully requests an Award (i) declaring that Respondents are obligated to pay all trail compensation to Claimants on all Contracts for as long as Claimants remain listed as the broker dealer of record for the Contract; (i) awarding Claimants damages in an amount to be determined at hearing; (iii) requiring Respondents to pay all costs of this Proceeding, including all expenses, disbursements, forum fees and attorneys' fees incurred in connection with this arbitration proceeding (iv) for such other and further and other relief as the Arbitrator deems just and equitable.

Dated: November 20, 2018

Respectfully submitted,

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EXHIBIT A

VARIABLE CONTRACT
DISTRIBUTION AGREEMENT

DEC 5 1997

Agreement among and between The O.N. Equity Sales Co. ("ONESCO"), The Ohio National Life Insurance Company ("ONLI"), Ohio National Life Assurance Corporation ("ONLAC") and Financial Network Investment Corporation ("Dealer") effective as of the 8 day of December, 19 97.

WHEREAS, ONESCO is the principal underwriter for variable annuity contracts issued by ONLI and variable life insurance policies issued by ONLAC (collectively, the "variable contracts"); and

WHEREAS, Dealer is a member of the National Association of Securities Dealers, Inc. ("NASD") and has obtained all necessary and appropriate registrations and licensing to enable it and its registered representatives to solicit variable contracts in the jurisdictions in which Dealer proposes to do so;

NOW, THEREFORE, it is agreed as follows:

1. Applications for Contracts. Dealer is hereby authorized to solicit applications for variable contracts through its registered representatives who are duly licensed or appointed with ONLI and ONLAC (the "Representatives"). Applications, together with any and all purchase payments thereon, shall be submitted by Dealer to ONLI or ONLAC, as the case may be, in accordance with the insurer's customary rules for the acceptance of contracts. All applications submitted to Dealer by Representatives shall in turn be promptly transmitted to ONLI or ONLAC. Dealer shall cause the Representatives to comply with all procedures established by ONESCO, ONLI or ONLAC for soliciting, completing and transmitting applications and orders and shall comply with ONLI's or ONLAC's rules and practices in regards to insurance underwriting and acceptance of risks. Dealer's authority to solicit applications for variable contracts is limited to those contracts described in the Compensation Supplement or Supplements added to and made a part of this agreement.
2. Right to Reject Applications. ONLI and ONLAC each reserves the right, in its sole discretion, to reject any application or payment remitted to it, and to refund any payments to the payor.
3. Territory. Dealer's Representatives must reside in the geographic locations (the "Territory") specified in Appendix A. Dealer does not have exclusive rights in the Territory. ONLI and ONLAC each reserves the right to appoint other representatives within the Territory and to do all other things attendant to the proper furtherance of its

business in the Territory. This agreement is made subject to the condition that ONESCO, ONLI and ONLAC are, and shall continue to be, legally authorized to transact business in the Territory; and each of them reserves the right to withdraw from all or any part of the Territory at any time. Designation of a particular state as part of the Dealer's territory does not imply approval by that state of all of the variable contracts listed in the Compensation Supplement to this agreement. No variable contract may be sold in a state until the policy form has been approved by the state insurance department if and to the extent required by state law.

4. Purchase Payments. All funds or checks received by Dealer to be applied as purchase payments for variable contracts shall be promptly remitted to ONLI or ONLAC by Dealer. A payment made to Dealer, or Dealer's receipt of a check or other negotiable instrument payable to ONLI or ONLAC, shall not constitute payment to, or receipt by, ONLI or ONLAC, except for Dealer's receipt of the initial payment necessary to place in force or to reinstate a policy or contract or to effect its delivery. Dealer shall not make any representations to policy owners, contract owners or premium payors contrary to the foregoing.
5. Limits on Authority. Dealer, its officers, employees and Representatives have no authority:
 - (a) to make, modify or discharge any variable contract;
 - (b) to waive any forfeiture under any variable contract;
 - (c) to transmit a payment to ONESCO, ONLI or ONLAC other than by means of an electronic transfer or negotiable instrument acceptable to the payee;
 - (d) to extend the time for any payment due ONESCO, ONLI or ONLAC;
 - (e) to accept any past due payment on behalf of ONESCO, ONLI or ONLAC;
 - (f) to approve evidence of insurability for ONLI or ONLAC;
 - (g) to bind ONESCO, ONLI or ONLAC by making or receiving any promises, representations or notices contrary to or inconsistent with the terms and provisions of the variable contracts, the prospectuses therefor or any sales literature developed or approved by ONESCO, ONLI or ONLAC; nor
 - (h) to obligate ONESCO, ONLI or ONLAC to any indebtedness.
health and insurable condition as represented in the application therefor.

6. Delivery of Contracts. Dealer and its Representatives shall promptly deliver variable contracts to purchasers within the delivery period established by the insurer and pursuant to written instructions provided by the insurer with respect to each policy. No variable life insurance policy shall be delivered unless and until the minimum premium payment required to place the policy in effect has been paid by the purchaser, nor unless Dealer, through its Representatives, is reasonably satisfied, based upon its own knowledge and upon reasonable inquiry to the proposed insured, that the proposed insured is, at the time of policy delivery, in the same health and insurable condition as represented in the application for the policy.
7. State Licensing of Representatives. ONLI and ONLAC will only accept applications for variable contracts from Dealer's Representatives who are duly licensed under state law to represent ONLI or ONLAC for the solicitation of such contracts in the state in which the applicant resides and in which the solicitation occurs. Dealer's Representatives may not represent, nor hold themselves out as representing, ONLI, ONLAC or ONESCO for any other purpose, except as may be specifically authorized by written agreement. Dealer shall be responsible for payment of all state insurance licensing fees and costs except to the extent that ONLI, ONLAC or ONESCO, by practice, may otherwise pay for such fees and costs.
8. Supervision of Representatives. Dealer shall recommend to ONLI and ONLAC for licensing or appointment as insurance agents Representatives who satisfy all requirements for such licensing or appointment under state law. Dealer shall provide ONLI and ONLAC with all information and certifications required by ONLI and ONLAC to license or appoint each Representative. Dealer shall have full and sole responsibility for the training and supervision of its Representatives with regard to the solicitation, sale and servicing of variable contracts. Dealer shall immediately notify ONESCO of the termination of a Representative's employment or contract with Dealer. ONLI and ONLAC reserve the right, at the sole discretion of each, to process, to not process or to cancel the state insurance license or appointment with ONLI or ONLAC of any of Dealer's Representatives whose license or appointment would authorize the Representative to act or to continue to act on behalf of ONLI or ONLAC. Cancellation may be made at any time by ONLI and ONLAC, with or without cause and with or without stating a reason. Simultaneous written notice of the cancellation will be provided to Dealer by ONLI or ONLAC.
9. Dealer Licensing. Dealer, or an agency subsidiary or other person controlled by Dealer and designated by dealer and approved by ONESCO to receive compensation hereunder ("Dealer's Agency"), shall acquire all state insurance licenses or appointments required in order to receive such compensation. Dealer shall fully control and be fully responsible for the activities and business of Dealer's Agency and for full compliance by Dealer's Agency with the terms and conditions of this agreement. Payment of compensation by ONESCO, ONLI and ONLAC to Dealer's Agency shall fully satisfy all obligations hereunder for payment of compensation to Dealer.

10. Confirmations. Confirmations of the purchase of variable contracts shall be sent directly by ONLI or ONLAC to the purchaser, with copies to Dealer. Contemporaneous confirmations are not provided on variable universal life insurance policies for purchase payments made by automatic bank drafts, payroll deduction or other automated and regularly scheduled methods of payment pre-authorized by the purchaser. Confirmation of such payments appears on the annual statement for the policy provided to the policy owner on the occasion of each policy anniversary.
11. Prospectuses. All solicitations of variable contracts shall be made pursuant to currently applicable prospectuses and statements of additional information for the variable contracts and for any mutual funds underlying the contracts. ONESCO will furnish Dealer with reasonable quantities of current prospectuses required by Dealer for the solicitation of the variable contracts.
12. Sales Literature. Only sales literature authorized by ONESCO shall be used in connection with any offer or sale of the variable contracts. No cards, letterheads, forms, scripts, advertisements or marketing materials of any kind, or any other items utilizing ONESCO's, ONLI's or ONLAC's name or logo or promoting its products or services or the services of Representatives in its behalf, shall be printed, published, electronically displayed or used in any way by Dealer or its Representatives unless the same shall have been first approved in writing by ONESCO, ONLI or ONLAC as the case may be.
13. Suitability. Dealer shall be responsible for determining and approving the suitability of each customer's purchase of a variable contract. Dealer shall review all applications for completeness and compliance with the requirements of the insurer.
14. Books and Records. Dealer agrees to account promptly, according to the instructions of ONESCO, ONLI and ONLAC, for all variable contracts, purchase payments, receipts, monies, prospectuses, instruction manuals, computer disks or tapes and software of any kind received by Dealer from ONESCO, ONLIC or ONLAC. Dealer and its Representatives shall keep regular and accurate accounts of all written sales materials used, of all presentations or proposals made, of all applications taken, of all collections made, of all variable contracts delivered and of all service to contract owners. All such accounts and records, including checking account, banking and financial records, shall be open to inspection by ONLI, ONLAC and ONESCO or their authorized representatives at all reasonable times. Dealer shall, at all reasonable times during regular business hours, at any offices of Dealer, permit one or more officers or representatives of ONLI, ONLAC or ONESCO to visit such offices of Dealer in order to interview Dealer's officers, employees and Representatives and to inspect the books and records of Dealer, its Representatives and Dealer's Agency with respect to business conducted by Dealer, its Representatives or Dealer's Agency pursuant to this agreement.

15. Compliance with Laws and Regulations; Indemnity. Dealer and its Representatives will comply with all applicable requirements of federal and state law and the rules of the NASD, including, without limitation, the NASD's Conduct Rules. Dealer shall be responsible for all compliance matters relating to Dealer's Agency and Representatives with respect to all aspects of this agreement. Dealer shall hold ONESCO, ONLI and ONLAC each harmless and indemnify each of them against any adverse consequences resulting from the conduct and activities of Dealer, Dealer's Agency or its Representatives in connection with the offer and sale of variable contracts, including, but not limited to, damages, liabilities, fines or levies and the reasonable costs of defending against the foregoing. ONESCO shall hold Dealer, Dealer's Agency and its Representatives harmless and indemnify each of them against any adverse consequences, including, but not limited to, damages, liabilities, fines or levies and the reasonable costs of defending against the foregoing, arising out of or based upon any untrue statement of a material fact or any failure to state a material fact required to be stated or necessary to make the statements made not misleading in a currently-effective registration statement (including any prospectus or statement of additional information thereunder) for the variable contracts or the underlying Ohio National Fund, Inc.
16. Bond and E & O Insurance; Form B.D. Dealer shall furnish ONESCO, upon ONESCO's request, with evidence to ONESCO's satisfaction that Dealer carries for itself, its employees and its Representatives fidelity bond coverage and professional liability (errors and omissions) insurance in form and amount satisfactory to ONESCO as shown in Appendix A. Failure of Dealer to maintain coverage in at least the amount shown in Appendix A shall give any party to this agreement the right to immediately terminate the agreement as to such party. Dealer shall also furnish ONESCO with a copy of its current NASD registration on Form BD and with all amendments to Form BD filed with the NASD during the continuance of this agreement.
17. Dealer Compensation. In consideration of sales of variable contracts solicited by Representatives of Dealer, so long as this agreement remains in effect, Dealer or Dealer's Agency shall be compensated by ONESCO as shown in Appendix B attached hereto and incorporated herein by reference, except for any purchase payments resulting from an exchange offer for which no sales charge is assessed. Compensation will be paid by ONLI and ONLAC as agents for and on behalf of ONESCO. ONLI or ONLAC will make payment of compensation to Dealer or to Dealer's Agency within 5 business days following the close of each commission accounting period established by ONLI or ONLAC (currently semi-monthly) based on premiums recorded as received by ONLI or ONLAC during the commission accounting period on policies produced by Dealer's Representatives. ONESCO shall have no obligation or liability to pay compensation to Dealer or to Dealer's Agency prior to the scheduled payments thereof by ONLI or ONLAC. Dealer agrees to hold harmless and indemnify ONESCO, ONLI and ONLAC from and against any and all claims made by its Representatives for payment of compensation relating to sales under this agreement.

18. Changes in Compensation Provisions and Schedules. ONESCO, ONLI and ONLAC reserve the right to change the rates of compensation, the products on which payable, and any other compensation elements or factors set forth in this agreement, by giving notice in writing of the change. A change shall be prospective only and shall not affect compensation with respect to any sales made prior to the date when the change becomes effective. ONESCO, ONLI and ONLAC further reserve the right to withdraw from sale any form of contract and to establish compensation due on variable contracts not listed in this agreement which are now, or may hereafter be, issued by them.
19. Application of Current Rules and practices. The then-current rules and practices of ONESCO, ONLI and ONLAC shall govern the payment and adjustment of compensation under the following circumstances:
- (a) if a variable contract is issued in exchange for or, in the judgment of the insurer, to take the place of another policy or contract previously issued by the insurer with respect to the same person, or if a premium is paid in whole or in part from other ONLI or ONLAC contract values or funds;
 - (b) if the applicant or proposed insured resides outside the Territory applicable to this agreement;
 - (c) if issuance of the variable contract is based on any modification of the insurer's rules;
 - (d) if the variable contract issued causes the total insurance for the insured or the total contract value for the annuitant to exceed the insurer's retention limit;
 - (e) if any premium or cost of insurance is waived on account of disability;
 - (f) if any temporary, extra premium or any extra premium on account of travel, residence or aviation is paid on a variable contract; or
 - (g) if no other applicable provision of this agreement controls.
20. Advance Premiums, Interest and Temporary Term Insurance. Compensation will not be paid on any premium paid in advance until its due date. When paid, compensation shall be based on the full premium without any discount. No compensation will be paid on interest or on temporary term insurance premiums.

21. Compensation Chargebacks. If ONESCO, ONLI or ONLAC refunds to the policy owner or premium payor any premium paid or purchase payment made on a variable contract sold under this agreement, whether the refund is made by reason of the terms of the variable contract or otherwise, Dealer or Dealer's Agency shall be charged with, and shall then repay to ONESCO, ONLI or ONLAC, any and all compensation paid in respect of the premium or payment so refunded. ONESCO, ONLI and ONLAC each reserves the right, in its sole discretion when settling disputes, claims or complaints of variable contract owners, to refund any premium paid or payment made on a variable contract sold under this agreement. Premium refunds or credits which are included as part of the death proceeds of any insurance or annuity contract will not result in a charge-back of compensation already paid hereunder.
22. Medical And Inspection Fees. ONLAC will pay all medical examiners and inspection fees relating to insurance policy applications, but fees will be charged to Dealer or Dealer's Agency on policies issued as applied for which do not become paid for and on applications written by Representatives which do not comply with ONLAC's published rules. Dealer, for itself and for Dealer's Agency, agrees to pay to ONLAC, within 30 days, all fees so charged. Amounts not so paid may be deducted from subsequent compensation due hereunder.
23. Expenses. ONESCO, ONLI and ONLAC shall not, by virtue of this agreement, have or assume any responsibility for the expenses incurred by Dealer or by Dealer's Agency or Representatives in furtherance of this agreement, including but not limited to office expenses, transportation, staffing, postage, advertising, telephone or other expenses incidental to the solicitation of business hereunder.
24. Charges for Supplies. In the event Dealer or its Representatives requests ONESCO, ONLI or ONLAC to furnish sales materials supplies or similar items, ONESCO, ONLI or ONLAC may, at its discretion, charge reasonable costs for said items. Dealer agrees to pay all such charges within 30 days after such charges are made. Amounts not so paid may be deducted from subsequent compensation due hereunder.
25. Right of Set Off. Compensation payable to Dealer or to Dealer's Agency is subject to the right of ONESCO, ONLI and ONLAC to set off against such compensation all obligations and liabilities, including indebtedness, of Dealer or Dealer's Agency to ONESCO, ONLI or ONLAC, arising under Sections 21 through 24, inclusive, of this agreement. Any indebtedness owed by Dealer or Dealer's Agency to ONESCO, ONLI or ONLAC shall be first lien and charge against any compensation due under this agreement. Dealer, for itself and for Dealer's Agency, hereby assigns, transfers and sets over to ONESCO, ONLI and ONLAC, any monies that may from time to time become due it under this agreement in order to secure any indebtedness owed to ONESCO, ONLI or ONLAC.

26. Non-Competition. Neither Dealer, Dealer's Agency nor its Representatives shall, while this Agreement is in effect or thereafter, engage directly or indirectly in any conduct or activity which seeks to influence or persuade owners of variable contracts or of other insurance or annuity contracts issued by ONLI or ONLAC to cancel such policies or contracts with ONLI or ONLAC, provided that nothing herein shall be construed so as to prevent or prohibit Dealer from fulfilling its obligations to its customers in keeping with applicable regulatory or legal standards or requirements.
- Nothing herein shall be construed so as to prevent or prohibit any party from fulfilling its obligations to its customers in keeping with applicable regulatory or legal standards or requirements.
27. Waiver. No act, forbearance or failure to insist upon the strict performance of any of the conditions of this agreement, whether express or implied, shall be construed as a waiver by any party of its rights hereunder. Payments by ONESCO, ONLI or ONLAC of any compensation to which Dealer or Dealer's Agency is not entitled hereunder shall not waive the rights of ONESCO, ONLI or ONLAC to discontinue or recover such payments at any time.
28. Assignment. No party may assign, sell or otherwise transfer its interests or duties under this agreement without the written consent of the other parties.
29. Arbitration. Any dispute arising out of, or relating in any way to, this agreement shall be resolved by arbitration under the then applicable Code of Arbitration Procedure of the National Association of Securities Dealers Inc. However, nothing herein shall preclude either party from filing and litigating any cross-claim or third party complaint against the other party in an action brought by a third party. The foregoing arbitration provision shall not be applicable to such cross-claim or third party complaint.
30. Termination. This agreement may be terminated for cause at any time or it may be terminated by any party upon giving thirty days advance written notice to the last known business address of the other parties. Upon termination of this agreement, Dealer's authority and duties hereunder shall cease. Dealer shall then make a final accounting and turn over to ONESCO, ONLI and ONLAC all monies, receipts, notes, reports, contract owner records, manuals, stationery, blank forms, prospectuses, computer disks or tapes and software of any kind and any other property of ONESCO, ONLI or ONLAC which Dealer, Dealer's Agency or any of its Representative possesses or controls. No further compensation of any kind shall be paid to Dealer or to Dealer's Agency after termination of this agreement, except as may be expressly provided in Appendix B.

31. Entire Agreement. This agreement represents the entire agreement between and among the parties relating to the subject matters herein. No modification of this agreement shall bind any party unless made in writing signed by an officer or other person authorized to bind such party.

32. Applicable Law. This agreement shall be construed in accordance with the laws of Ohio.

Signed as of the dates shown below.

THE O.N. EQUITY SALES CO.

By [Signature]
Title President

Date: 12/8/97

P O Box 371

Cincinnati Ohio 45201

(513) 794-6100

DEALER

By [Signature]
Title EXEC VP & COO

Date 12/4/97

Address FINANCIAL NETWORK INV. CORP
2780 SKYPARK DR. - SUITE 300
TORRANCE, CA 90505

Telephone (310) 326-3100

Dealer's Taxpayer Identification Number

95-3845382

THE OHIO NATIONAL LIFE
INSURANCE COMPANY

By [Signature]
Title Sr. Vice President - Sales

Date 12/8/97

P O Box 237
Cincinnati Ohio 45201-0237
(513) 794-6100

OHIO NATIONAL LIFE
ASSURANCE CORPORATION

By [Signature]
Title Sr. Vice President - Sales

Date 12/8/97

P O Box 237
Cincinnati Ohio 45201-0237
(513) 794-6100

APPENDIX A

Territory

Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Louisiana, Maine, Maryland, Massachusetts, Mississippi, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Oregon, South Carolina, Tennessee, Texas, Utah, Vermont, Virginia, Washington, and Wyoming

Fidelity Bond Coverage

Dealer shall at all times carry fidelity bond coverage for itself and each of its employees and Representatives in the following amount (s): \$1,000,000

Professional Liability (Errors and Omissions) Insurance

Minimum amount of coverage for Dealer's employees and those Representatives who are licensed with ONLI/ONLAC under this agreement: \$1,000,000

**APPENDIX B
COMPENSATION SUPPLEMENT**

1. VARIABLE ANNUITIES

Compensation to Dealer for variable annuity contracts produced by Representatives of Dealer shall be paid as a percentage of the purchase payments received by ONLI in the first annuity contract year and in later annuity contract years as shown below:

Annuity Contract	Issue Age	Compensation %	
		First Year	Later Years
Top Tradition	All ages	6.50%	5.25%
Top Spectrum	to age 75	6.50%	5.25%
	76 - 85	3.25%	2.75%
Top Explorer	to age 75	6.20%	4.95%
	76 - 85	3.10%	2.48%
Top Plus	All ages	5.00%	

(A) First Year Commissions

Vari-Vest II

For Vari-Vest II policies issued up to and including age 65, First Year Commissions shall be paid equal to 90% of the premiums received by ONLAC during the policy's first contract year up to the MCP. For issue ages after age 65, the rates of First Year Commissions on such premiums up to the MCP shall be as follows.

Issue Ages	Rates
66 - 70	80%
71 - 75	55%
76 - 80	28%

First Year Commissions shall also be paid for Vari-Vest II policies at the rate of 12% of the premiums received by ONLAC during the policy's first contract year to the extent such premiums are in excess of the MCP but not in excess of the SECGP plus 6% of such premiums in excess of the SECGP.

Vari-Vest IV and Vari-Vest V

For Vari-Vest IV policies issued up to and including age 65, and for Vari-Vest V policies at all issue ages, First Year Commissions shall be paid equal to 92.5% of the premiums received by ONLAC during the policy's first contract year up to the MCP. For Vari-Vest IV policies issued

2. VARIABLE UNIVERSAL LIFE INSURANCE.

Compensation to Dealer for variable universal life insurance policies produced by Representatives of Dealer shall be as set forth below.

Tables showing the Maximum Commissionable Premium ("MCP") and the SEC Guideline Premium ("SECGP"), for each \$1,000 of stated amount of insurance and at varying issue ages, are attached to and made a part of this Supplement.

after age 65, the rates of First Year Commissions on such premiums up to the MCP shall be as follows:

<u>Vari-Vest IV</u>			
Issue		Issue	
<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
66	89.0%	73	55.4%
67	85.7	74	48.7
68	82.3	75	42.0
69	79.0	76	37.0
70	75.6	77	31.9
71	68.9	78	26.9
72	60.5	79	21.8
		80	16.8

First Year Commissions shall also be paid for Vari-Vest IV and Vari-Vest V policies equal to 4.5% of such premiums in excess of the MCP.

- (B) **Renewal Commissions and Service Fees.** For Vari-Vest II, Vari-Vest IV and Vari-Vest V policies, Renewal Commissions and Service Fees shall be paid equal to the percentages shown in the table below of premiums received by ONLAC during the policy's second and later contract years:

<u>Renewal Commissions</u>		
<u>Policy</u>	<u>Renewal Commission Rate</u>	<u>Contract Years (inclusive)</u>
Vari-Vest II	6.0%	2-10
Vari-Vest IV	4.5	2-10
Vari-Vest V	4.5 3.0	2-5 6-10

Service Fees

<u>Policy</u>	<u>Service Fee Rate</u>	<u>Contract Years</u>
Vari-Vest II	6.0%	11 and later
Vari-Vest IV	4.5	11 and later
Vari-Vest V	3.0	11 and later

- (C) **Trail Commissions.** Trail Commissions shall be paid equal to 0.225% of the total qualified cash values (monthly average) on Vari-Vest IV policies and .50% of the total qualified cash values (monthly average) on Vari-Vest V policies. Qualified cash values (monthly average) are determined at the end of each calendar year and are the sum of the cash values, less loans, on each policy's monthiversary, divided by the number of monthiversaries in the calendar year. Only cash values from monthiversaries after a policy's first anniversary are included.

Trail Commissions are paid annually in January for the preceding calendar year but only so long as a duly appointed Representative of Dealer is servicing the policies to ONLAC's satisfaction.

- (D) **Riders.** If an extra benefit rider is included in or added to the policy, the MCP and SECGP for the policy shall be increased by twelve times the minimum monthly premium for any such rider.
- (E) **Increases in Stated Amount.** A portion of the premiums received after an increase in stated amount is allocated to the increased portion of the policy. The amount of premiums so allocated is based upon the ratio of SECGP for the increased portion of the stated amount divided by the SECGP for the entire policy (including the increased amount). A First Year Commission shall be paid to Dealer as provided in Subsection (A) above on the amount of premium allocated to

the increased portion of the policy and received during the first 12 months after the increase takes effect.

(F) **Decreases in Stated Amount and Cancellation of Riders.** If the stated amount is decreased or if a rider is canceled within the first contract year of any Vari-Vest II, Vari-Vest IV or Vari-Vest V policy, the policy shall be treated as having been reissued and the MCP and SECGP shall be recalculated. Any First Year Commission previously paid on such policy or rider based upon the higher MCP or SECGP prior to recalculation shall be charged back against Dealer.

(G) **Plan Type Changes.** A change in plan type shall not affect compensation due hereunder.

(H) **Substandard Risks.** For substandard insurance risks, the per \$1,000 portion of the factors shown in the MCP table for standard risks shall be multiplied by a factor which equals one plus 90% of any extra mortality multiple up to and including substandard table F. Any substandard rating greater than table F shall be treated as though it were table F for MCP purposes. Flat extra mortality charges will not increase the standard rate MCP factors.

3. CHANGE OF DEALER AUTHORIZATION.

Compensation to Dealer with respect to a variable annuity or variable universal life insurance policy will cease if ONESCO receives and accepts a change of dealer authorization signed by the contract owner or policy owner which authorizes another broker-dealer with whom ONESCO has a valid selling agreement to serve as the broker-dealer of record for the contract owner or policy owner.

4. COMPENSATION AFTER TERMINATION

Following the termination of this agreement, Dealer shall have no entitlement, as a matter of right, to compensation of any kind with respect to any variable annuity contract or variable universal life insurance policy sold by Dealer's Representatives. Compensation shall continue to be paid to Dealer after termination of this agreement only if, and only to the extent that, ONESCO continues to recognize Dealer as the broker-dealer of record for one or more such annuity contracts or life insurance policies. Continued recognition of Dealer as the broker-dealer of record will in all events require that Dealer assign a qualified Representative to provide continuing service to annuity contractholders and insurance policyholders. Such service must be provided to the satisfaction of ONESCO and to the satisfaction of ONLI or ONLAC as the issuing company. Notwithstanding the quality or satisfactory level of continuing service being provided by Dealer, ONESCO reserves the right, in its sole and complete discretion, for itself and for ONLI or ONLAC as the issuing company, to reassign one or more or all of such annuity contracts or life insurance policies for servicing to another broker-dealer with whom ONESCO has a selling agreement in effect or to elect to have one or more or all of such annuity contracts or life insurance policies serviced directly by ONESCO and by ONLI or ONLAC, thereby causing Dealer not to be recognized as the broker-dealer of record and thereby causing all compensation to Dealer to cease with respect to the reassigned contracts or policies.

Ohio National Life Assurance Corporation

Issue Age	Maximum Commissionable Premium per Thousand Dollars Stated Amount (a)					
	Var-Vest II and Var-Vest IV					
	Male		Female		Unisex	
Standard	Select and Non-Smoker	Standard	Select and Non-Smoker	Standard	Select and Non-Smoker	
0	3.00		2.04		2.52	
1	3.00		2.04		2.52	
2	3.00		2.04		2.52	
3	3.12		2.16		2.64	
4	3.12		2.16		2.64	
5	3.24		2.28		2.76	
6	3.36		2.28		2.88	
7	3.48		2.40		3.00	
8	3.60		2.52		3.00	
9	3.84		2.52		3.12	
10	3.96		2.64		3.24	
11	4.08		2.76		3.48	
12	4.32		2.88		3.60	
13	4.44		2.88		3.72	
14	4.68		3.00		3.84	
15	4.80		3.12		3.96	
16	5.04		3.24		4.20	
17	5.16		3.36		4.32	
18	5.40	3.48	3.48	2.88	4.44	3.12
19	5.52	3.48	3.60	2.88	4.56	3.24
20	5.64	3.60	3.72	3.00	4.68	3.36
21	5.88	3.72	3.84	3.12	4.92	3.36
22	6.00	3.84	4.08	3.24	5.04	3.48
23	6.24	3.96	4.20	3.24	5.28	3.60
24	6.48	4.08	4.32	3.36	5.40	3.72
25	6.72	4.20	4.56	3.48	5.64	3.84
26	6.96	4.32	4.68	3.60	5.88	3.96
27	7.32	4.56	4.92	3.84	6.12	4.20
28	7.56	4.68	5.04	3.96	6.36	4.32
29	7.92	4.92	5.28	4.20	6.60	4.56
30	8.28	5.16	5.52	4.32	6.84	4.80
31	8.64	5.40	5.76	4.56	7.20	5.04
32	9.00	5.64	6.00	4.80	7.44	5.16
33	9.48	6.00	6.24	4.92	7.80	5.52
34	9.84	6.24	6.48	5.16	8.16	5.76
35	10.32	6.60	6.72	5.52	8.52	6.00
36	10.92	6.96	7.08	5.76	9.00	6.36
37	11.40	7.32	7.44	6.00	9.36	6.60
38	12.00	7.68	7.80	6.36	9.84	6.96
39	12.60	8.04	8.16	6.72	10.32	7.32
40	13.20	8.52	8.64	6.96	10.92	7.80
41	13.80	9.00	9.00	7.32	11.40	8.16
42	14.52	9.48	9.48	7.80	12.00	8.64
43	15.24	9.96	9.96	8.16	12.60	9.00
44	15.96	10.44	10.44	8.52	13.20	9.48
45	16.80	11.04	11.04	9.00	13.92	10.08
46	17.64	11.64	11.52	9.48	14.52	10.56
47	18.48	12.24	12.12	9.96	15.24	11.16
48	19.44	12.96	12.60	10.44	16.08	11.64
49	20.40	13.68	13.32	10.92	16.80	12.36
50	21.36	14.40	13.92	11.52	17.64	12.96
51	22.44	15.24	14.64	12.12	18.48	13.68
52	23.52	16.08	15.36	12.72	19.44	14.40
53	24.72	17.04	16.08	13.44	20.40	15.24
54	25.92	18.12	16.92	14.16	21.48	16.08
55	27.24	19.08	17.88	15.00	22.56	17.04
56	28.56	20.40	18.84	15.84	23.64	18.12
57	30.00	21.60	19.80	16.80	24.96	19.20
58	31.44	23.04	21.00	17.88	26.16	20.40
59	32.88	24.48	22.20	18.96	27.60	21.72
60	34.56	26.04	23.52	20.04	29.04	23.04
61	37.44	27.84	24.96	21.36	31.20	24.60
62	40.56	29.64	26.52	22.80	33.48	26.28
63	44.04	31.68	28.08	24.36	36.12	27.96
64	47.64	33.72	29.88	26.04	38.76	29.88
65	51.60	36.00	31.80	27.72	41.64	31.92
66	55.80	38.40	33.72	29.52	44.76	33.96
67	60.24	40.80	35.76	31.44	48.00	36.12
68	65.16	44.64	37.92	33.48	51.48	39.00
69	70.20	49.08	40.20	35.64	55.20	42.36
70	75.72	53.88	43.56	38.04	59.64	45.96

(a) The Maximum Commissionable Premium for the first policy year is equal to the rate per thousand shown above times the number of thousands of dollars of stated amount of insurance, plus a flat amount of \$60. Table ratings increase the rate per thousand as described in the Compensation Supplement. Flat extras do not. The Maximum Commissionable Premium is also increased by 12 times the minimum monthly premium for any included riders or supplemental benefits.

Ohio National Life Assurance Corporation

Issue Age	Maximum Commissionable Premium per Thousand Dollars Stated Amount (a)						Issue Age
	Vari-Vest V						
	Male		Female		Unisex		
	Preferred NS/ Select NS/NS	Select Smoker Smoker	Preferred NS/ Select NS/NS	Select Smoker Smoker	Preferred NS/ Select NS/NS	Select Smoker Smoker	
0		3.00		2.52		2.76	0
1		3.00		2.52		2.76	1
2		3.24		2.64		2.88	2
3		3.24		2.64		3.00	3
4		3.38		2.76		3.12	4
5		3.48		2.88		3.12	5
6		3.60		3.00		3.24	6
7		3.72		3.12		3.48	7
8		3.84		3.24		3.60	8
9		3.98		3.36		3.72	9
10		4.20		3.48		3.84	10
11		4.32		3.60		3.96	11
12		4.58		3.72		4.20	12
13		4.58		3.86		4.32	13
14		4.80		4.08		4.44	14
15		4.92		4.20		4.56	15
16		5.16		4.44		4.68	16
17		5.28		4.56		4.92	17
18	5.40	6.98	4.44	5.40	4.92	6.24	18
19	5.52	7.20	4.56	5.52	5.04	6.48	19
20	5.64	7.58	4.68	5.76	5.16	6.60	20
21	5.64	7.68	4.80	5.88	5.28	6.96	21
22	5.76	8.04	4.80	6.00	5.28	7.20	22
23	5.88	8.28	4.92	6.24	5.40	7.44	23
24	6.00	8.64	5.04	6.36	5.52	7.56	24
25	6.12	9.00	5.16	6.48	5.64	7.80	25
26	6.36	9.24	5.28	6.72	5.76	8.04	26
27	6.48	9.60	5.40	6.84	6.00	8.28	27
28	6.60	9.84	5.52	7.08	6.12	8.52	28
29	6.84	10.20	5.64	7.20	6.24	8.76	29
30	6.96	10.56	5.76	7.44	6.36	9.12	30
31	7.20	10.92	5.88	7.68	6.60	9.36	31
32	7.44	11.28	6.12	7.92	6.72	9.72	32
33	7.68	11.76	6.24	8.16	6.96	9.96	33
34	7.92	12.12	6.48	8.40	7.20	10.32	34
35	8.16	12.60	6.80	8.76	7.44	10.68	35
36	8.40	13.08	6.84	9.00	7.68	11.16	36
37	8.76	13.68	6.98	9.24	7.92	11.52	37
38	9.00	14.16	7.20	9.60	8.16	12.00	38
39	9.36	14.76	7.44	9.96	8.40	12.36	39
40	9.60	15.36	7.68	10.32	8.64	12.84	40
41	9.96	15.96	7.92	10.56	9.00	13.44	41
42	10.32	16.68	8.16	10.92	9.24	13.92	42
43	10.68	17.40	8.40	11.28	9.60	14.40	43
44	11.16	18.12	8.64	11.76	9.84	15.00	44
45	11.52	18.84	8.88	12.12	10.20	15.60	45
46	12.00	19.68	9.12	12.48	10.56	16.20	46
47	12.48	20.52	9.48	12.96	11.04	16.80	47
48	12.96	21.36	9.72	13.32	11.40	17.40	48
49	13.56	22.32	10.08	13.80	11.88	18.12	49
50	14.16	23.28	10.44	14.28	12.24	18.84	50
51	14.76	24.36	10.80	14.76	12.72	19.56	51
52	15.36	25.44	11.16	15.24	13.32	20.40	52
53	16.08	26.52	11.52	15.72	13.80	21.24	53
54	16.80	27.72	11.88	16.32	14.40	22.08	54
55	17.52	29.04	12.36	16.80	15.00	23.04	55
56	18.36	30.36	12.84	17.40	15.60	23.88	56
57	19.20	31.68	13.20	18.00	16.20	24.84	57
58	20.04	33.12	13.68	18.60	16.92	25.92	58
59	21.00	34.56	14.28	19.32	17.64	27.00	59
60	21.96	36.12	14.76	20.04	18.36	28.08	60
61	24.12	39.12	16.08	21.48	20.04	30.36	61
62	26.40	42.36	17.40	23.16	21.96	32.76	62
63	29.04	45.84	18.96	25.08	24.00	35.52	63
64	31.80	49.56	20.76	27.12	26.28	38.40	64
65	35.04	53.52	22.68	29.40	28.92	41.52	65
66	38.52	57.96	24.84	31.92	31.88	45.00	66
67	42.36	62.84	27.36	34.80	34.92	48.84	67
68	46.44	67.56	30.24	37.92	38.40	52.92	68
69	51.00	72.96	33.36	41.52	42.24	57.36	69
70	56.04	78.72	36.96	45.48	46.56	62.16	70
71	61.44	84.84	41.04	49.92	51.24	67.44	71
72	67.20	91.32	45.48	54.72	56.40	73.20	72
73	73.56	98.08	50.52	60.12	62.16	79.32	73
74	80.40	102.24	56.16	66.00	68.28	84.84	74
75	87.60	107.88	62.40	72.48	75.12	89.76	75
76	95.40	113.88	69.12	79.44	82.32	95.04	76
77	102.36	119.88	76.56	86.88	90.24	100.44	77
78	108.84	126.12	84.60	95.04	97.44	106.32	78
79	115.68	132.72	93.36	102.96	103.92	112.44	79
80	122.88	139.68	102.96	109.92	110.88	119.16	80

(a) The Maximum Commissionable Premium for the first policy year is equal to the rate per thousand shown above times the number of thousands of dollars of stated amount of insurance, plus a flat amount of \$84. Table ratings increase the rate per thousand as described in the Compensation Supplement. Flat extras do not. The Maximum Commissionable Premium is increased by 12 times the minimum monthly premium for any included riders or supplemental benefits.

Ohio National Life Assurance Co. (a) Corporation

Issue Age	SEC Guideline Premium per Thousand Dollars Stated Amount (a)					
	Vari-Vest II					
	Male		Female		Unisex	
	Standard	Select and Non-Smoker	Standard	Select and Non-Smoker	Standard	Select and Non-Smoker
0	3.49		2.67		3.10	
1	3.44		2.65		3.06	
2	3.56		2.73		3.17	
3	3.69		2.83		3.28	
4	3.82		2.93		3.40	
5	3.97		3.03		3.52	
6	4.13		3.14		3.66	
7	4.30		3.26		3.81	
8	4.48		3.39		3.96	
9	4.67		3.53		4.13	
10	4.88		3.67		4.30	
11	5.10		3.82		4.49	
12	5.33		3.98		4.69	
13	5.56		4.15		4.89	
14	5.81		4.33		5.10	
15	6.06		4.51		5.32	
16	6.30		4.70		5.53	
17	6.54		4.89		5.75	
18	6.78	5.13	5.09	4.31	5.97	4.74
19	7.03	5.32	5.30	4.48	6.21	4.92
20	7.29	5.51	5.52	4.66	6.45	5.10
21	7.56	5.71	5.76	4.85	6.70	5.30
22	7.85	5.93	6.00	5.05	6.97	5.51
23	8.16	6.15	6.26	5.27	7.26	5.73
24	8.49	6.40	6.53	5.49	7.56	5.96
25	8.84	6.66	6.82	5.72	7.89	6.21
26	9.22	6.94	7.13	5.97	8.23	6.48
27	9.64	7.24	7.45	6.24	8.60	6.76
28	10.08	7.56	7.78	6.51	9.00	7.06
29	10.55	7.90	8.14	6.80	9.41	7.38
30	11.05	8.27	8.52	7.11	9.86	7.72
31	11.58	8.66	8.92	7.44	10.33	8.08
32	12.15	9.07	9.33	7.78	10.82	8.46
33	12.75	9.50	9.78	8.15	11.35	8.86
34	13.40	9.97	10.25	8.53	11.91	9.28
35	14.08	10.46	10.74	8.94	12.50	9.73
36	14.80	10.97	11.26	9.37	13.13	10.21
37	15.56	11.53	11.81	9.82	13.79	10.71
38	16.37	12.11	12.39	10.30	14.49	11.24
39	17.22	12.72	13.00	10.80	15.22	11.80
40	18.12	13.38	13.63	11.33	15.99	12.40
41	19.08	14.07	14.29	11.88	16.80	13.02
42	20.08	14.80	14.98	12.47	17.66	13.68
43	21.14	15.57	15.71	13.08	18.55	14.38
44	22.25	16.39	16.46	13.73	19.49	15.11
45	23.43	17.27	17.26	14.41	20.48	15.89
46	24.68	18.19	18.09	15.13	21.53	16.72
47	25.99	19.17	18.97	15.90	22.63	17.59
48	27.39	20.22	19.89	16.71	23.79	18.52
49	28.86	21.33	20.87	17.56	25.02	19.51
50	30.43	22.51	21.90	18.47	26.32	20.56
51	32.09	23.78	22.98	19.44	27.70	21.68
52	33.85	25.12	24.13	20.46	29.15	22.86
53	35.71	26.56	25.34	21.54	30.69	24.12
54	37.68	28.09	26.62	22.69	32.31	25.46
55	39.76	29.71	27.96	23.9*	34.02	26.89
56	41.96	31.45	29.39	25.21	35.83	28.40
57	44.28	33.29	30.91	26.60	37.75	30.02
58	46.73	35.27	32.52	28.08	39.78	31.75
59	49.34	37.38	34.26	29.68	41.94	33.60
60	52.11	39.63	36.13	31.39	44.26	35.58
61	55.07	42.05	38.15	33.25	46.74	37.72
62	58.21	44.63	40.32	35.24	49.38	40.01
63	61.53	47.40	42.66	37.39	52.20	42.46
64	65.05	50.36	45.14	39.69	55.19	45.08
65	68.75	53.52	47.78	42.15	58.35	47.89
66	72.65	56.89	50.59	44.79	61.68	50.89
67	76.77	60.50	53.59	47.62	65.23	54.10
68	81.13	64.36	56.81	50.68	69.00	57.56
69	85.78	68.52	60.32	54.00	73.06	61.29
70	90.74	73.00	64.14	57.63	77.43	65.33

(a) The SEC Guideline Premium for the first policy year is equal to the rate per thousand shown above times the number of thousands of dollars of stated amount of insurance.

EXHIBIT B

Financial Network

SELLING AGREEMENT

Agreement, made this _____ date of _____, 199____, by and between The Ohio National Life Insurance Company, an Ohio Corporation; Ohio National Life Assurance Corporation, an Ohio corporation; Ohio National Equities, Inc. ("ONEQ"), an Ohio Corporation, and FINANCIAL NETWORK ("BD"), a CALIFORNIA CORPORATION.
INVESTMENT CORP

Whereas, The Ohio National Life Insurance Company and its subsidiary, Ohio National Life Assurance Corporation (collectively referred to as "ONL"), issue certain variable insurance contracts/policies ("Contracts") described in this Agreement, which are deemed securities under the Securities Act of 1933 ("1933 Act"); and

Whereas, ONEQ is duly licensed as a Broker/Dealer with the National Association of Securities Dealers, Inc. ("NASD") and the Securities and Exchange Commission ("SEC"); and

Whereas, ONL has appointed ONEQ as the Underwriter of the Contracts; and

Whereas, ONL and ONEQ propose to have BD's representatives ("Representatives") who are, or will become, duly licensed insurance agents solicit sales of the Contracts; and

Whereas, ONEQ delegates to BD, to the extent legally permitted, training and certain administrative responsibilities and duties in connection with sales of the Contracts;

NOW THEREFORE, in consideration of the premises and mutual promises contained herein, the parties hereto agree as follows:

1. APPOINTMENT

ONL and ONEQ hereby appoint BD to supervise solicitations of the Contracts, and to facilitate solicitations of sales of the Contracts which are described in the Schedule(s) of Commissions attached hereto.

2. REPRESENTATIONS

a. ONL, ONEQ and BD each represents to the others that it and the above signed officers have full power and authority to enter into this Agreement.

b. ONEQ represents to BD that it is registered as a Broker/Dealer under the Securities Exchange Act of 1934 ("1934 Act") and under the Blue Sky Laws of each jurisdiction in which such registration is required for the sale of the Contracts and that ONEQ is a member of the NASD.

c. BD represents to ONEQ that it is registered as a Broker/Dealer under the 1934 Act and under the Blue Sky Laws of each jurisdiction in which such registration is required for the sale of the Contracts, and that the BD is a member of the NASD.

d. ONL represents to BD that the Contracts, including related separate accounts, shall comply with the registration and all other applicable requirements of the 1933 Act and the Investment Company Act of 1940, and the rules and regulations thereunder, including the terms of any order of the SEC with respect thereto.

e. ONL represents to BD that the Contracts it issues have been duly filed and approved by the state insurance departments in such jurisdictions where it is authorized to transact business, unless otherwise indicated in the Schedule of Commissions.

f. ONL represents to BD that the Contract prospectuses included in ONL's Registration Statement and in post-effective amendments thereto, and any supplements thereto, as filed or to be filed with the SEC, as of their respective dates, contain or will contain, all statements and information which are required to be stated therein by the 1933 Act and in all respects conform or will conform, to the requirements thereof.

3. COMPLIANCE WITH NASD CONDUCT RULES AND FEDERAL AND STATE SECURITIES AND STATE INSURANCE LAWS

BD agrees to abide by all rules and regulations of the NASD, including its Conduct Rules, and to comply with all applicable state and federal laws and the rules and regulations of authorized regulatory agencies affecting the sale of the Contracts.

4. LICENSING AND/OR APPOINTMENT OF REPRESENTATIVES

BD certifies that any Representative who requests appointment from ONL has not been convicted of a felony or a misdemeanor involving fraud or dishonesty. BD shall assist ONL and ONEQ in the licensing and/or appointment of Representatives under applicable insurance laws to sell the Contracts (see attached General Letter of Recommendation). BD understands that ONL reserves the right to refuse to

appoint any Representative or, once appointed, to thereafter terminate the same. BD shall notify ONEQ if any Representative ceases to be a registered representative of BD, or if any Representative becomes the subject of adverse action (e.g., an amended U-4).

5. SUPERVISION OF REPRESENTATIVES

BD shall have full responsibility for training and supervision of all Representatives associated with BD who are engaged directly or indirectly in the offer or sale of the Contracts and all such persons shall be subject to the control of BD with respect to such persons' activities in connection with the sale of the Contracts. BD shall comply with the administrative procedures of ONL and ONEQ involving federal securities law and state insurance law.

Before Representatives engage in the solicitation of applications for the Contracts, BD will cause: (1) the Representatives to be registered representatives of BD; (2) the Representatives to qualify under applicable federal and state laws to engage in the sale of the Contracts; (3) the Representatives to be trained in the sale of the Contracts; and (4) such Representatives to limit solicitations for the Contracts to jurisdictions where ONL has authorized such solicitation.

BD is specifically charged with the responsibility of supervising and reviewing its Representatives' use of sales literature and advertising and all other communications with the public in connection with the Contracts. No sales solicitation, including the delivery of supplemental sales literature or other such materials, shall occur, be delivered to, or used with a prospective purchaser unless accompanied or preceded by appropriate then current prospectus(es).

In the event a Representative fails to meet the BD's rules and standards, BD shall notify ONL and shall act to terminate the sales activities of such Representative relating to the Contracts.

Upon request by ONL, BD shall furnish appropriate records or other documentation to evidence BD's diligent supervision.

6. SALES PROMOTION MATERIAL AND ADVERTISING

No sales promotion materials or advertising relating to the Contracts shall be used by BD unless the specific items have been approved in writing by ONL.

7. SECURING APPLICATIONS

All applications for Contracts shall be made on application forms supplied by ONL. BD will review all sales for suitability and all applications for completeness and

correctness as to form. BD will promptly, but in no case later than the end of the next business day following receipt by BD, forward to ONL all complete and correct applications for suitable transactions, together with any payments received with the applications. ONL reserves the right to reject any Contract application and return any payment made in connection with an application which is rejected. Contracts issued on accepted applications will be forwarded to BD or its Representatives for delivery to the Contract Owner within five (5) days of the date of issue, unless otherwise agreed by the parties hereto.

8. PAYMENTS RECEIVED BY BD

All premium payments (hereinafter collectively referred to as "Payments") are the property of ONL and shall be transmitted to ONL by BD immediately in accordance with the administrative procedures of ONL without any deduction or offset for any reason, unless otherwise agreed by the parties hereto. CUSTOMER CHECKS SHALL BE MADE PAYABLE TO THE ORDER OF "THE OHIO NATIONAL LIFE INSURANCE COMPANY."

9. COMMISSIONS PAYABLE

Commissions payable in connection with the contracts shall be paid to BD according to the Commission Schedule(s) relating to this Agreement as they may be amended from time to time and in effect at the time the Contract Payments are received by ONL. ONL reserves the right to: revise the Commission Schedules at any time upon at least thirty (30) days prior written notice to BD; adjust the compensation payable on sales of ONL products that replace existing ONL contracts; and offset future compensation payable to BD against any compensation to be returned to ONL by BD. Compensation to the BD's Representatives for Contracts solicited by the Representatives and issued by ONL will be governed by agreement between BD and its Representatives and its payment will be the BD's responsibility. In those states where express assignment of commissions is required, BD hereby assigns its representatives' commissions to its affiliated insurance agency for those states.

BD will not pay any compensation to an agent licensed pursuant to this Agreement until such agent is authorized to receive such compensation under applicable state law.

10. CANCELLATION OF POLICY

If ONL is required to refund premiums or return contract values and waive surrender charges on any Contract for any reason, then no commission will be payable with respect to said premiums and any commission previously paid for said premiums must be refunded to ONEQ. ONEQ agrees to notify BD within thirty (30) days after it receives notice from ONL of any premium refund or a commission chargeback.

11. ADDITIONAL PARTY TO THIS AGREEMENT

In the event that BD is not licensed as an insurance agency in any state where it wishes to solicit contracts, but utilizes an affiliated entity to satisfy state insurance laws, such affiliated entity shall sign this Agreement and BD shall countersign this Agreement, and BD and its affiliated entity shall be duly bound thereby. All references to BD in this Agreement shall include any affiliated insurance entity.

12. HOLD HARMLESS AND INDEMNIFICATION PROVISIONS

No party to this Agreement will be liable for any obligation, act or omission of the other. Each party to this Agreement will hold harmless and indemnify ONL, ONEQ, and BD as appropriate, for any loss or expense suffered as a result of the violation of, or noncompliance with, any applicable law or regulation by a party or by an Associated Person of that party. The term "Associated Person" as used herein shall be defined consistently with the definition of such term as contained in Article I of the NASD By-laws.

13. NON-ASSIGNABILITY PROVISION

This Agreement may not be assigned by any party except by mutual consent.

14. NON-WAIVER PROVISION

Failure of any party to terminate the Agreement for any of the causes set forth in this Agreement will not constitute a waiver of the right to terminate this Agreement at a later time for any of these causes.

15. AMENDMENTS

Except as stated in Paragraph 9, no amendment to this Agreement will be effective unless it is in writing and signed by all the parties hereto.

16. INDEPENDENT CONTRACTORS

BD and its Representatives are independent contractors with respect to ONL and ONEQ.

17. NOTIFICATION OF DISCIPLINARY PROCEEDINGS

BD agrees to notify ONEQ in a timely fashion of any disciplinary proceedings against any of BD's Representatives arising from the solicitation of sales of the Contracts or any threatened or filed arbitration action or civil litigation arising out of BD's solicitation of the Contracts.

18. BOOKS AND RECORDS

ONL, ONEQ and BD agree to maintain their books, accounts and records so as to clearly and accurately disclose the nature and details of transactions and to assist each other in the timely preparation of records. ONEQ and BD shall each submit such records to the regulatory and administrative bodies which have jurisdiction over ONL or the underlying mutual fund shares.

Each party to this Agreement shall promptly furnish to the other party any reports and information which the other party may request for the purpose of meeting its reporting and recordkeeping requirements under the insurance laws of any state, and under federal and state securities laws or the rules of the NASD.

19. LIMITATIONS

No party other than ONL shall have the authority on behalf of ONL to make, alter, or discharge any Contract issued by ONL, to waive any forfeiture or to grant, permit, or extend the time of making any Payments, or to alter the forms which ONL may prescribe, or to substitute other forms in place of those prescribed by ONL; or to enter into any proceeding in a court of law or before a regulatory agency in the name of or on behalf of ONL.

20. TERMINATION

This Agreement may be terminated at the option of any party upon ~~sixty (60) days~~ written notice to the other parties, or without notice at the option of any party hereto upon a material breach by any party of the covenants and terms of this Agreement.

21. NOTICE

All notices to ONL and ONEQ relating to this Agreement should be sent to One Financial Way, Cincinnati, Ohio 45242, ATTN: Legal Department. All notices to BD will be duly given if mailed to the address shown below.

22. GOVERNING LAW/ SEVERABILITY

This agreement will be construed in accordance with the laws of the State of Ohio. Should any provision of this Agreement be held unenforceable, those provisions not affected by the determination of unenforceability shall remain in full force and effect.

23. GENERAL CONDUCT OF BD

BD expressly agrees that neither it nor its Representatives will: induce agents to leave ONL; engage in any course of conduct to systematically replace Contracts issued by ONL; or recommend or cause the surrenders of cash values of the

Contracts to purchase or exchange for insurance policies or annuities issued by other insurance companies, unless such action is in the best interests of the Contract Owner; or otherwise do anything prejudicial to ONL's interests or that of its Contract Owners. This provision will continue in force after the termination of this Agreement.

24. REQUIRED ELEMENTS OF THIS AGREEMENT

This agreement is not complete unless it includes a Commission Schedule, and the General Letter of Recommendation, both of which are incorporated herein by reference.

THE OHIO NATIONAL LIFE INSURANCE COMPANY
OHIO NATIONAL LIFE ASSURANCE CORPORATION

BY: Thomas A. Barzuld
Title: Jr. Vice President

OHIO NATIONAL EQUITIES, INC.

BY: Thomas A. Barzuld
Title: Jr. Vice President

BROKER DEALER

Financial Network Investment Corp.
(Name)

2780 SKYPARK DRIVE STE. 300
(Street Address)

TORRANCE, CALIF 90505
(City, State, Zip)

BY: JR A Barzuld
Title: SR. EXEC. V.P. & COO

BROKER-DEALER INSURANCE AFFILIATE

BY: FN Insurance Services of Ohio
Title: JR A Barzuld
SR. EXEC. V.P. & COO

GENERAL LETTER OF RECOMMENDATION

The undersigned broker-dealer, on behalf of itself and its insurance affiliate, if any, certifies to the following in conjunction with the submission of licensing/appointment papers for any applicant as agent of The Ohio National Life Insurance Company or Ohio National Life Assurance Corporation ("ONL"), and broker-dealer will, upon request, forward proof of compliance with same to ONL in a timely manner.

1. We have made a thorough and diligent inquiry and investigation into the character and background of this applicant, as well as identity, residence, personal history, experience and instruction, and are satisfied that the applicant is of good moral character, financially responsible, trustworthy and qualified to act as your agent.
2. We have on file a current U-4 form which was completed by the applicant, and we have fulfilled all the necessary investigative requirements for the registration of the applicant as a registered representative of our NASD member firm. The applicant is presently registered as an NASD registered representative.
3. We certify that the applicant meets all state-specific requirements for the states in which the applicant wishes to be appointed, including all educational requirements, and that we have obtained all necessary information about the applicant (including, where applicable, current credit reports).
4. We hereby warrant that the applicant is not applying for a license with ONL in order to place insurance chiefly and solely on his life, or lives of his relatives or associates.
5. In states where insurance agents may not solicit business for an insurance company until they are appointed with that company, we will not permit any applicant to transact insurance as an agent of ONL until duly licensed or appointed by ONL. No applicant in any of those restricted states has been permitted to write, solicit business, or act as an agent in any capacity, and they will not be so permitted until the certificate of authority or license applied for is received.

BROKER-DEALER

By:


Its SR EXEC VP & COO

FIXED AND VARIABLE INSURANCE ADDENDUM

WHEREAS, the parties hereto have entered into a Selling Agreement in order to enable BD and its Representatives to sell ONL variable products, namely ONcore variable annuities; and

WHEREAS, the parties wish to authorize BD and its Representatives to sell ONL life insurance products, which include variable life insurance ("variable contracts") and insurance and annuity contracts which are not variable contracts and not subject to regulation as securities under federal or state law ("fixed contracts"); and

WHEREAS, ONL desires to market the fixed contracts through BD's affiliated insurance agency ("Agency") and BD's Representatives;

WHEREAS, BD understands and agrees that it may not sell any Ohio National Life insurance contract, other than Variable Universal Life insurance contracts, in any of the following states: Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Pennsylvania (except Philadelphia), South Dakota, West Virginia and Wisconsin; and

NOW, THEREFORE, the parties hereto agree to supplement the Agreement, with regard to sales of variable life insurance policies, as follows:

1. Incorporation by Reference. The terms and provisions of the Selling Agreement are incorporated herein and made applicable to the solicitation, delivery and servicing of variable contracts and fixed contracts, except as follows:

(a) Ohio National Equities, Inc. ("ONEQ"), the principal underwriter of ONL's variable products, is only a party to this addendum with respect to variable life contracts. ONL, including both The Ohio National Life Insurance Company and Ohio National Life Assurance Corporation, is the issuer of the fixed contracts.

(b) References in the Selling Agreement to Contracts shall, for purposes of this addendum, also be references to fixed annuities and fixed life insurance policies issued by ONL.

(c) The compensation supplement attached to, and incorporated into, this addendum, shall apply to the sales of variable contracts and fixed contracts issued by ONL. The compensation payable to the Agency under said compensation supplement is subject to such future changes as are made applicable to the variable and fixed contracts described therein.

2. Underwriting. BD shall cause its Representatives to comply with all procedures established by ONEQ or ONL for soliciting, completing and transmitting applications and orders and shall comply with ONL's rules and practices in regards to insurance underwriting and acceptance of risks.

3. Purchase Payments. A payment made to BD, or BD's receipt of a check or other negotiable instrument payable to ONL, shall not constitute payment to, or receipt by, ONL, except for BD's receipt of the initial payment necessary to place in force or to reinstate a policy or to effect its delivery. BD shall not make any representations to policy owners or premium payors contrary to the foregoing.

4. Limits on Authority. BD and its Representatives have no authority to accept any past due payment on behalf of ONEQ or ONL; to approve evidence of insurability for ONL; or to bind ONEQ or ONL by making or receiving any promises, representations or notices contrary to or inconsistent with the terms and provisions of the variable or fixed contracts, the prospectuses therefor (if any) or any sales literature developed or approved by ONL or ONEQ.

5. Delivery of Policies. No variable or fixed insurance policy shall be delivered unless and until the minimum premium payment required to place the policy in effect has been paid by the purchaser, nor unless BD, through its Representatives, is reasonably satisfied, based upon its own knowledge and upon reasonable inquiry to the proposed insured, that the proposed insured is, at the time of policy delivery, in the same health and insurable condition as represented in the application for the policy.

6. Confirmations. Contemporaneous confirmations are not provided on variable universal life policies for purchase payments made by automatic bank drafts, payroll deduction or other automated and regularly scheduled methods of payment pre-authorized by the purchaser. Confirmation of such payments appears on the annual statement for the policy provided to the policy owner on the occasion of each policy anniversary.

7. Application of ONL Rules and Practices. The then-current rules and practices of ONEQ and ONL shall govern the payment and adjustment of compensation under the following circumstances:

- (a) if issuance of the policy is based on any modification of the insurer's rules;
- (b) if the policy issued causes the total insurance for the insured to exceed the insurer's retention limit;
- (c) if any premium or cost of insurance is waived on account of disability;
- (d) if any temporary, extra premium or any extra premium on account of travel, residence or aviation is paid; or
- (e) if no other applicable provision of this Agreement controls

**THE OHIO NATIONAL LIFE INSURANCE COMPANY
OHIO NATIONAL LIFE ASSURANCE CORPORATION**

By: Thomas A. Paraguld
Title: Senior Vice President
Date: 8-5-99

OHIO NATIONAL EQUITIES, INC.

By: Thomas A. Paraguld
Title: Senior Vice President
Date: 8-5-99

**BROKER DEALER (identified in Agreement)
(on behalf of itself and Agency)**

Firm: FINANCIAL Network Investment CORP
By: [Signature]
Title: SR Exec V.P. & COO
Date: July 28, 1999

FIXED AND VARIABLE INSURANCE ADDENDUM

WHEREAS, the parties hereto have entered into a Selling Agreement in order to enable BD and its Representatives to sell ONL variable products, namely ONcore variable annuities; and

WHEREAS, the parties wish to authorize BD and its Representatives to sell ONL life insurance products, which include variable life insurance ("variable contracts") and insurance and annuity contracts which are not variable contracts and not subject to regulation as securities under federal or state law ("fixed contracts"); and

WHEREAS, ONL desires to market the fixed contracts through BD's affiliated insurance agency ("Agency") and BD's Representatives;

NOW, THEREFORE, the parties hereto agree to supplement the Agreement, with regard to sales of variable life insurance policies, as follows:

1. **Incorporation by Reference.** The terms and provisions of the Selling Agreement are incorporated herein and made applicable to the solicitation, delivery and servicing of variable contracts and fixed contracts, except as follows:

(a) Ohio National Equities, Inc. ("ONEQ"), the principal underwriter of ONL's variable products, is only a party to this addendum with respect to variable life contracts. ONL, including both The Ohio National Life Insurance Company and Ohio National Life Assurance Corporation, is the issuer of the fixed contracts.

(b) References in the Selling Agreement to Contracts shall, for purposes of this addendum, also be references to fixed annuities and fixed life insurance policies issued by ONL.

(c) The compensation supplement attached to, and incorporated into, this addendum, shall apply to the sales of variable contracts and fixed contracts issued by ONL. The compensation payable to the Agency under said compensation supplement is subject to such future changes as are made applicable to the variable and fixed contracts described therein.

2. **Underwriting.** BD shall cause its Representatives to comply with all procedures established by ONEQ or ONL for soliciting, completing and transmitting applications and orders and shall comply with ONL's rules and practices in regards to insurance underwriting and acceptance of risks.

3. **Purchase Payments.** A payment made to BD, or BD's receipt of a check or other negotiable instrument payable to ONL, shall not constitute payment to, or receipt by, ONL, except for BD's receipt of the initial payment necessary to place in force or to reinstate a policy or to effect its delivery. BD shall not make any representations to policy owners or premium payors contrary to the foregoing.

4. **Limits on Authority.** BD and its Representatives have no authority to accept any past due payment on behalf of ONEQ or ONL; to approve evidence of insurability for ONL; or to bind ONEQ or ONL by making or receiving any promises, representations or notices contrary to or inconsistent with the terms and provisions of the variable or fixed contracts, the prospectuses therefor (if any) or any sales literature developed or approved by ONL or ONEQ.

5. **Delivery of Policies.** No variable or fixed insurance policy shall be delivered unless, and until the minimum premium payment required to place the policy in effect has been paid by the purchaser, nor unless BD, through its Representatives, is reasonably satisfied, based upon its own knowledge and upon reasonable inquiry to the proposed insured, that the proposed insured is, at the time of policy delivery, in the same health and insurable condition as represented in the application for the policy.

6. **Confirmations.** Contemporaneous confirmations are not provided on variable universal life policies for purchase payments made by automatic bank drafts, payroll deduction or other automated and regularly scheduled methods of payment pre-authorized by the purchaser. Confirmation of such payments appears on the annual statement for the policy provided to the policy owner on the occasion of each policy anniversary.

7. **Application of ONL Rules and Practices.** The then-current rules and practices of ONEQ and ONL shall govern the payment and adjustment of compensation under the following circumstances:

- (a) if issuance of the policy is based on any modification of the insurer's rules;
- (b) if the policy issued causes the total insurance for the insured to exceed the insurer's retention limit;
- (c) if any premium or cost of insurance is waived on account of disability;
- (d) if any temporary, extra premium or any extra premium on account of travel, residence or aviation is paid; or
- (e) if no other applicable provision of this Agreement controls.

**THE OHIO NATIONAL LIFE INSURANCE COMPANY
OHIO NATIONAL LIFE ASSURANCE CORPORATION**

By: Thomas A. Barzagli
Title: SVP
Date: 3-10-99

OHIO NATIONAL EQUITIES, INC.

By: Thomas A. Barzagli
Title: SVP
Date: 3-10-99

**BROKER DEALER (identified in Agreement)
(on behalf of itself and Agency)**

By: JR. A. Smith
Title: SE EXEC VICE PRES
Date: 3/8/99

ADDENDUM TO SELLING AGREEMENT

RE: No Commission Annuity Product

The Ohio National Life Insurance Company ("ONLIC") and Ohio National Equities, Inc. ("ONEQ") are pleased to provide registered representatives, and their immediate family members, the opportunity to purchase an ONcore Value contract or ONcore Xtra contract as owner which provides for an earnings credit of 5% (in addition to any other credit provided for under the contract) to be added to the contract upon payment of any purchase payments to the contract. Notwithstanding Section 9 of the existing Selling Agreement, no commissions will be paid to the broker dealer on these annuity contracts purchased by registered representatives and members of their immediate family. Immediate family members include the registered representative's spouse and children.

For each such purchase, ONLIC must receive written notice (which may include electronic mail and facsimile) authorized by the branch manager or OSJ supervisor indicating the names of the owner, annuitant and registered representative, and the relationship of the parties. ONLIC will treat the credits as earnings on the annuity contract and will generally tax report upon withdrawal from the annuity contract. ONLIC makes no warranties or representation as to the tax treatment of the credit. If the contract is cancelled under the Right to Cancel provision of the contract, ONLIC will recoup the credit plus any interest paid on the credit amount if the credit was deposited in the enhanced dollar cost averaging account. Applicable withdrawal charges will apply to the credit if it is withdrawn from the contract before the expiration of the surrender charge period.

The sale of such contract is not a direct sale and is subject to the terms of our current Selling Agreement, except as such agreement is modified. Please sign below to provide your authorization to effectuate the amendment to the terms of our current Selling Agreement.

THE OHIO NATIONAL LIFE INSURANCE COMPANY

BY: Thomas A. Barefield

NAME: THOMAS A. BAREFIELD

TITLE: VP IS MARKETING

OHIO NATIONAL EQUITIES, INC.

BY: Thomas A. Barefield

NAME: THOMAS A. BAREFIELD

TITLE: VP IS MARKETING

Acknowledged and agreed to:

BROKER DEALER: Financial Network Investment CORP

BY: Stanley R Smiley

NAME: Stanley R Smiley

TITLE: Vice President

ADDENDUM TO SELLING AGREEMENT

The Selling Agreement by and between The Ohio National Life Insurance Company and Ohio National Life Assurance Corporation (collectively referred to as "ONL"), Ohio National Equities, Inc. ("ONEQ"), and your firm ("BD"), is amended as follows.

1. All references to the National Association of Securities Dealers ("NASD") contained within the Selling Agreement are hereby deleted and replaced with the Financial Industry Regulatory Authority ("FINRA").

2. Section 7 of the Selling Agreement is hereby amended by inserting the following at the end of the section:

"BD may use electronic order tickets with the consent of ONL; provided that the order is not for a sale which is a replacement. If BD submits electronic order tickets for Contracts, BD represents and warrants that the electronic order ticket for the purchase of a Contract operates as an electronic signature from the registered representative representing that no replacement is involved in the sale."

3. Section 18 of the Selling Agreement is hereby amended by inserting the following at the end of the section:

"BD agrees to provide periodic evidence and to certify that it is in compliance with all applicable state insurance laws, federal and state securities laws and rules of FINRA as requested by ONL and ONEQ."

SCHEDULE OF COMMISSIONS - Oncore Lite 4yr Surrender, Effective June 26, 2009

Oncore Lite 4yr Surrender

COMMISSIONS FOR PURCHASERS AGE 80 and UNDER

	Option 1	Option 2
Initial Premium**	5.50%	2.50%
Add-on premiums	5.50%	2.50%
Trails*		
Deposit Yrs 2-4	0.00%	1.00%
Deposit Yrs 5+	1.0%	1.00%

COMMISSIONS FOR PURCHASERS AGE 81 to 85

	Option 1	Option 2
Initial Premium	2.75%	1.25%
Add-on premiums	2.75%	1.25%
Trails*		
Deposit Yrs 2-4	0.00%	1.00%
Deposit Yrs 5+	1.0%	1.00%

You must select either A** or B:

A: Firm allows Registered Representative to choose from the following options:

Option 1	Option 2

**If A is selected, part 2 must be completed.

A2: If individual broker fails to select option, default will be:

Option 1	Option 2

B: Firm chooses one option for all business:

Option 1	Option 2

No commission chargeback will occur at death of annuitant. Annuitant must be living at time of policy delivery. There will be a 100% chargeback if the policy is not taken during the free look period.

*Trail commissions, will be paid on the quarterly anniversary.

Option 1: starting in 51st mo. and calculated using asset value on anniversary less premium pymts. rec'd in last 48 mos.

Option 2: starting in 15th mo. and calculated using asset value on anniversary less premium pymts. rec'd in last 12 mos.

Trail commissions will continue to be paid to broker dealer of record while the Selling Agreement remains in force and will be paid on a particular contract until the contract is surrendered or annuitized.

We reserve the right to adjust commissions on policies annuitized during the first contract year.

* Mailed on July 1st 2009 *

June 2009

We're pleased to announce new commission options on our competitive ONcore Lite^{II} product, effective June 26, 2009! These new choices are available for the new version of the ONcore Lite product, in states where approved.

Please see the enclosed document for additional information on these new options.

Unless we hear otherwise, we will assume that these commission options are available and that the default option is commission option I. If they are not approved in your system, or you would like to change your firm's default commission option, please notify us no later than July 15th, 2009 by selecting the options on the attached commission schedule and faxing the completed form to the attention of Brittany Felts at 513.794.4625.

Enclosed please find the new commission schedule and a current state approval chart. For more information on our new Lite commission options or any of your ONcore needs, please call the Marketing Desk at 888.744.7355.

Sincerely,

Institutional Sales Marketing Department

Enclosure

Variable annuities are sold by prospectuses, which contain more complete information including fees, contingent deferred sales charges and other costs that may apply.

Clients should read the product and fund prospectuses carefully before investing or sending money. Investors should consider the investment objectives, strategies, risk factors, charges and expenses of the underlying variable portfolios carefully before investing. The fund prospectus contains this and other information about the underlying variable portfolios.

Early withdrawals or surrenders may be subject to surrender charges (contingent deferred sales charges). Withdrawals may also be subject to ordinary income tax and, if taken prior to age 59 1/2, a 10 percent federal tax penalty may apply. Withdrawals may reduce the death benefit, cash surrender value and any living benefit amount. Product, product features and rider availability vary by state. Issuer not licensed to conduct business and products not distributed in AK, HI, or NY.

NOT A DEPOSIT	NOT FDIC INSURED
NOT GUARANTEED BY ANY BANK	MAY LOSE VALUE
NOT INSURED BY ANY GOVERNMENT AGENCY	

FOR REPRESENTATIVE USE ONLY. NOT FOR USE WITH THE GENERAL PUBLIC.

T-9417-IS 6-09

LIFE INSURANCE COMMISSION SCHEDULE Ohio National Financial Services

First-Year Commission (as a percentage of first year premiums paid on policies produced by Dealer's Representatives)

Variable Universal Life ⁽¹⁾	Rate	Whole Life	Rate
Vari-Vest V	90	XPXL	90
Vari-Vest Asset Builder	80	LPWL	\$5,000-99,999 105
Vari-Vest Survivor	80	LPWL	\$100,000+ 100
Universal Second-to-Die ⁽¹⁾		EVP65	AGES 0-50 \$25,000-99,999 85
Survivor Life LP	90	EVP65	AGES 51-55 \$25,000-99,999 80
Flex Term Series II		EVP65	AGES 0-55 \$100,000+ 80
10/10, 10/10 Plus	90	EVP65	AGES 51-55 \$100,000+ 70
15/15, 15/15 Plus	90	EVPI0	AGES 56-65 \$25,000-99,999 70
20/20, 20/20 Plus	90	EVPI0	AGES 56-65 \$100,000+ 60
Universal Life ⁽¹⁾		API Rider	3
Virtus Value	100	YRT Rider	80
Virtus 100	100	PRO10 Rider	60
Virtus LP	100		
Virtus CV	90		

⁽¹⁾ Commission rates shown payable to Maximum Commissionable Premium (MCP). Amount in excess of MCP is paid at Renewal Commission rates.

Renewal Commissions (as a percentage of premiums paid in the second and later policy years).

POLICY PLANS	POLICY YEARS										
	2	3	4	5	6	7	8	9	10	11+	
Whole Life	15%	15%	7.5%	7.5%	3%	3%	3%	3%	3%	3%	3%
API Riders	3	3	3	3	3	3	3	3	3	3	3
Term Riders (YRT and PRO 10)	12	12	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Virtus LP, Virtus Value, Virtus 100, Survivor Life LP	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Vari-Vest V	4.5	4.5	4.5	4.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Vari-Vest Asset Builder	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Vari-Vest Survivor	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0

Trail Commissions (Vari-Vest V only)

Trail Commissions shall be paid equal to .50% of the total qualified cash values (monthly average) on Vari-Vest V policies. Qualified cash values (monthly average) are determined at the end of each calendar year and are the sum of the cash values, less loans, at the end of each policy month divided by the number of such months in the calendar year. Only cash values from policy months after a policy's first anniversary are included. Trail Commissions are paid annually in January for the preceding calendar year but only so long as a duly appointed Representative of Dealer is servicing the policies to ONLAC's satisfaction.

COMMISSION SCHEDULE FOR INSURANCE CONTRACTS

First-Year Commission (as a percentage of first year premiums paid on policies produced by Dealer's Representatives)

Variable Universal Life ⁽¹⁾		Rate	Whole Life		Rate
Vari-Vest V		90	LPWL	\$5,000-99,999	105
Universal Second-to-Die ⁽¹⁾			LPWL	\$100,000+	100
SURVIVOR LIFE LP		90	EVP65	AGES 0-50 \$25,000-99,999	90
Term			EVP65	AGES 51-55 \$25,000-99,999	80
Q10, Q15, Q20		90	EVP65	AGES 0-50 \$100,000+	80
Q10 ULTRA <\$1,000,000		85	EVP65	AGES 51-55 \$100,000+	75
Q10 ULTRA \$1,000,000+		60	EVP10	AGES 56-65 \$25,000-99,999	70
Q10 ULTRA VALUE <\$1,000,000		75	EVP10	AGES 56-65 \$100,000+	65
Q10 ULTRA VALUE \$1,000,000+		50	API Rider		3
Q15 ULTRA, 20 ULTRA <\$1,000,000		75	YRT Rider		80
Q15 ULTRA, 20 ULTRA \$1,000,000+		60	PRO10 Rider		60
Q15 ULTRA, 20 ULTRA Value <\$1,000,000		65			
Q15 ULTRA, 20 ULTRA Value \$1,000,000+		50			
Universal Life ⁽¹⁾					
VIRTUS LP		100			

⁽¹⁾Commission rates shown payable to Maximum Commissionable Premium (MCP). Amount in excess of MCP is paid at Renewal Commission rates.

Renewal Commissions (as a percentage of premiums paid in the second and later policy years).

POLICY PLANS	POLICY YEARS										
	2	3	4	5	6	7	8	9	10	11+	
Whole Life	15%	15%	7.5%	7.5%	3%	3%	3%	3%	3%	3%	
API Riders	3	3	3	3	3	3	3	3	3	3	
Term Riders (YRT and PRO 10)	12	12	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	
Level Term (Q10, Q15, Q20)	7.5	7.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	
Level Term (Q10 Ultra, Q10 Ultra Value)	3	3	3	3	3	3	3	3	3	3	
Level Term (Q15, Q20 Ultra, Q15, Q20 Ultra Value)	3	3	3	3	1.5	1.5	1.5	1.5	1.5	1.5	
Survivor Life LP, Virtus LP	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	
Vari-Vest	4.5	4.5	4.5	4.5	3.0	3.0	3.0	3.0	3.0	3.0	

Trail Commissions (Vari-Vest V only)

Trail Commissions shall be paid equal to .50% of the total qualified cash values (monthly average) on Vari-Vest V policies. Qualified cash values (monthly average) are determined at the end of each calendar year and are the sum of the cash values, less loans, at the end of each policy month divided by the number of such months in the calendar year. Only cash values from policy months after a policy's first anniversary are included.

Trail Commissions are paid annually in January for the preceding calendar year but only so long as a duly appointed Representative of Dealer is servicing the policies to ONLAC's satisfaction.

SCHEDULE OF COMMISSIONS (effective 5/1/1990)

	Option 1	Option 2	Option 3
Initial Premium	6.00%	5.00%	1.00%
Add-on premiums	6.00%	5.00%	1.00%
Trails [®]			
Deposit Yrs 2-6	0%	0.25%	1.00%
Deposit Yrs 7 +	1.00%	1.00%	1.00%

You must select either A[®] or B:

A: Firm allows Registered Representative to choose from the following options:

Option 1	Option 2	Option 3
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**If A is selected, part 2 must be completed.

B: Firm chooses one option for all business.

Please select one:

Option 1	Option 2	Option 3
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

No commission chargeback will occur at death of annuitant. There will be a 100% chargeback if the policy is not taken during the free look period. After the free look period, there will be no chargeback. We reserve the right to adjust commissions on policies annuitized during the first contract year.

A2: If individual broker fails to select option, default will be:

Option 1	Option 2	Option 3
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

COMMISSIONS FOR PURCHASERS AGE 61 AND OVER:

Initial premium	3.00%
Add-on premiums	3.00%
Trails [®]	
Deposit Yrs 2-6	0%
Deposit Yrs 7 +	1.00%

	Option 1	Option 2	Option 3
Initial Premium	5.00%	4.00%	0.70%
Add-on premiums	5.00%	4.00%	0.70%
Trails [®]			
Deposit Yrs 2-6	0%	0%	0.70%
Deposit Yrs 7 +	0%	0.50%	0.70%

You must select either A[®] or B:

A: Firm allows Registered Representative to choose from the following options:

Option 1	Option 2	Option 3
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**If A is selected, part 2 must be completed.

B: Firm chooses one option for all business.

Please select one:

Option 1	Option 2	Option 3
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

No commission chargeback will occur at death of annuitant. There will be a 100% chargeback if the policy is not taken during the free look period. After the free look period, there will be no chargeback. We reserve the right to adjust commissions on policies annuitized during the first contract year.

A2: If individual broker fails to select option, default will be:

Option 1	Option 2	Option 3
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

COMMISSIONS FOR PURCHASERS AGE 61 AND OVER:

Initial premium	2.50%
Add-on premiums	2.50%
Trails [®]	
Deposit Yrs 2-6	0%
Deposit Yrs 7 +	0.50%

SCHEDULE OF COMMISSIONS

ONcore Premier FPDA

	Option 1	Option 2	Option 3	Option 4	Option 5
Initial Premium	6.00%	5.00%	1.00%	7.00%	3.00%
Add-on premiums	6.00%	5.00%	1.00%	7.00%	3.00%
Trails*					
Deposit Yrs 2-6	0.00%	0.25%	1.00%	0.00%	0.80%
Deposit Yrs 7 +	1.00%	1.00%	1.00%	0.00%	0.80%

Commissions for purchasers age 81 and over (Options 1,4 and 5 only):

	Option 1	Option 4	Option 5
Initial Premium	3.00%	3.50%	1.50%
Add-on premiums	3.00%	3.50%	1.50%
Trails*			
Deposit Yrs 2-6	0.00%	0.00%	0.40%
Deposit Yrs 7 +	1.00%	0.00%	0.40%

You must select either A** or B:

A: Firm allows Registered Representative to choose from the following options:

Option 1	Option 2	Option 3	Option 4	Option 5

**If A is selected, part 2 must be completed.

A2: If individual broker fails to select option, default will be:

Option 1	Option 2	Option 3	Option 4	Option 5

B: Firm chooses one option for all business:

Option 1	Option 2	Option 3	Option 4	Option 5

No commission chargeback will occur at death of annuitant. Annuitant must be living at time of policy delivery. There will be 100% chargeback if the policy is not taken during the free look period. After the free look period, there will be no chargeback.

A chargeback of 1% will apply to contracts surrendered in years one and two if option 4 was chosen. We reserve the right to adjust commissions on policies annuitized during the first contract year.

*Trail commissions will be paid on the quarterly anniversary, starting in the 15th month and will be calculated using the asset value on the anniversary less premium payments received in the last 12 months.

Trail commissions will continue to be paid to the broker dealer of record while the Selling Agreement remains in force and will be paid on a particular contract until the contract is surrendered or annuitized.

720-514-4444
PRIME
609-666-6666
www.prime.com

**Puerto Rico - Commission Schedule for Fixed Annuity
Foundation Plus Single Premium Deferred Annuity**

Premium Deposit	1-Yr Fixed Rate issue age 0-80	4.00%
	1-Yr Fixed Rate issue age 81-85	1.50%
Premium Deposit	3-Yr Fixed Rate issue age 0-80	4.00%
	3-Yr Fixed Rate issue age 81-85	1.50%
Premium Deposit	6-Yr Fixed Rate issue age 0-80	4.00%
	6-Yr Fixed Rate issue age 81-85	1.50%

No commission chargeback will occur at death of annuitant.
We reserve the right to adjust commissions on contracts annuitized within the first contract year.
Annuitant must be living at time of policy delivery.

COMMISSION CHARGEBACK:

1. 100 % if the policy is not taken during the free look period.
2. 100% if the policy is surrendered during months 1 through 6 of the first contract year.
3. 50% if the policy is surrendered during months 7 through 12 of the first contract year.

PUERTO RICO - SCHEDULE OF COMMISSIONS - IBD

Oncore Premier FPDA

	Option 1	Option 2	Option 3	Option 4
Initial Premium	5.00%	4.00%	6.00%	2.00%
Add-on premiums	5.00%	4.00%	6.00%	2.00%
Trails*				
Deposit Yrs 2-6	0.00%	0.25%	0.00%	0.80%
Deposit Yrs 7 +	1.00%	1.00%	0.00%	0.80%

Commissions for purchasers age 81 - 88:

	Option 1	Option 3	Option 4
Initial Premium	2.00%	2.50%	0.50%
Add-on premiums	2.00%	2.50%	0.50%
Trails*			
Deposit Yrs 2-6	0.00%	0.00%	0.40%
Deposit Yrs 7 +	1.00%	0.00%	0.40%

You must select either A** or B:

A: Firm allows Registered Representative to choose from the following options:		
Option 1	Option 2	Option 5

**If A is selected, part 2 must be completed.

A2: If individual broker fails to select option, default will be:		
Option 1	Option 2	Option 5

B: Firm chooses one option for all business:		
Option 1	Option 2	Option 5

No commission chargeback will occur at death of annuitant. Annuitant must be living at time of policy delivery. There will be 100% chargeback if the policy is not taken during the free look period. After the free look period, there will be no chargeback.

We reserve the right to adjust commissions on policies annuitized during the first contract year.

*Trail commissions will be paid on the quarterly anniversary, starting in the 15th month and will be calculated using the asset value on the anniversary less premium payments received in the last 12 months.

Trail commissions will continue to be paid to the broker dealer of record while the Selling Agreement remains in force and will be paid on a particular contract until the contract is surrendered or annuitized.

PUERTO RICO - SCHEDULE OF COMMISSIONS - IBD

ONCore Xtra FPDA

	Option 1	Option 2	Option 3	Option 4
Initial Premium	4.00%	3.00%	3.00%	2.00%
Add-on premiums	4.00%	3.00%	3.00%	2.00%
Trails*				
Deposit Yrs 2 - 8	0.00%	0.25%	0.00%	0.25%
Deposit Yrs 9 +	0.00%	0.25%	1.00%	1.00%

You must select either A or B:**

A: Firm allows Registered Representative to choose from the following options:

Option 1	Option 2	Option 3	Option 4

**If A is selected, part 2 must be completed.

A2: If individual broker fails to select option, default will be:

Option 1	Option 2	Option 3	Option 4

B: Firm chooses one option for all business:

Option 1	Option 2	Option 3	Option 4

No commission chargeback will occur at death of annuitant. Annuitant must be living at time of policy delivery. There will be a 100% chargeback if the policy is not taken during the free look period.

*Trail commissions, will be paid on the quarterly anniversary, Options 2 & 4: starting in 15th mo. and calculated using asset value on anniversary less premium payments received in last 12 months. Option 3: starting in 99th month and calculated using asset value on anniversary less premium payments received in last 12 months.

Trail commissions will continue to be paid to broker dealer of record while the Selling Agreement remains in force and will be paid on a particular contract until the contract is surrendered or annuitized. We reserve the right to adjust commissions on policies annuitized during the first contract year.

ONCore Lite FPDA

	Option 1	Option 2
Initial Premium	3.50%	1.50%
Add-on premiums	3.50%	1.50%
Trails*		
Deposit Yrs 2-3	0.00%	1.00%
Deposit Yrs 4+	1.0%	1.00%

COMMISSIONS FOR PURCHASERS AGE 81 - 85:

	Option 1	Option 2
Initial Premium	1.25%	0.25%
Add-on premiums	1.25%	0.25%
Trails*		
Deposit Yrs 2-3	0.00%	1.00%
Deposit Yrs 4+	1.0%	1.00%

You must select either A or B:**

A: Firm allows Registered Representative to choose from the following options:

Option 1	Option 2

**If A is selected, part 2 must be completed.

A2: If individual broker fails to select option, default will be:

Option 1	Option 2

B: Firm chooses one option for all business:

Option 1	Option 2

No commission chargeback will occur at death of annuitant. Annuitant must be living at time of policy delivery. There will be a 100% chargeback if the policy is not taken during the free look period.

*Trail commissions, will be paid on the quarterly anniversary, Option 1: starting in 39th mo. and calculated using asset value on anniversary less premium pymts.rec'd in last 36 mos. Option 2: starting in 15th mo. and calculated using asset value on anniversary less premium pymts.rec'd in last 12 mos. Trail commissions will continue to be paid to broker dealer of record while the Selling Agreement remains in force and will be paid on a particular contract until the contract is surrendered or annuitized. We reserve the right to adjust commissions on policies annuitized during the first contract year.

EXHIBIT C



An Ohio National Financial Services affiliate

Correspondence for
New York office only:

810 Seventh Avenue
Suite 3600
New York, New York 10019
nslac.com

One Financial Way
Cincinnati, Ohio 45242

Post Office Box 237
Cincinnati, Ohio 45201-0237
513.794.6100
ohionational.com

September 24, 2018

Cetera Advisor Networks LLC
2780 Skypark Dr #300
Torrance, CA 90505

RE: Selling Agreement

To Whom It May Concern:

This letter is to provide notice of termination of any and all selling agreements, as amended, by and between you and any of your affiliates and National Security Life and Annuity Company and Ohio National Equities, Inc. Termination will be effective December 12, 2018.

You will be receiving information shortly about the terms for servicing your clients after termination of the selling agreement(s).

If you have any questions, please direct them to legal@ohionational.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Therese S. McDonough', written in a cursive style.

Therese S. McDonough
Secretary



An Ohio National Financial Services affiliate

Correspondence for
New York office only:

810 Seventh Avenue
Suite 3600
New York, New York 10019
nslac.com

One Financial Way
Cincinnati, Ohio 45242

Post Office Box 237
Cincinnati, Ohio 45201-0237
513.794.6100
ohionational.com

September 24, 2018

First Allied Securities
655 W Broadway 11th Floor
San Diego, CA 92101

RE: Selling Agreement

To Whom It May Concern:

This letter is to provide notice of termination of any and all selling agreements, as amended, by and between you and any of your affiliates and National Security Life and Annuity Company and Ohio National Equities, Inc. Termination will be effective December 12, 2018.

You will be receiving information shortly about the terms for servicing your clients after termination of the selling agreement(s).

If you have any questions, please direct them to legal@ohionational.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Therese S. McDonough', written in a cursive style.

Therese S. McDonough
Secretary

EXHIBIT D



An Ohio National Financial Services affiliate

Correspondence for
New York office only:

810 Seventh Avenue
Suite 3600
New York, New York 10019
nslac.com

One Financial Way
Cincinnati, Ohio 45242

Post Office Box 237
Cincinnati, Ohio 45201-0237
513.794.6100
ohionational.com

September 24, 2018

Cetera Advisor Networks LLC
200 N. Pacific Coast Highway
Suite 1300
El Segundo, California 90245

RE: Servicing Agreement

To Whom It May Concern:

Recently, you received notice of termination of your selling agreement with National Security Life and Annuity Company and Ohio National Equities, Inc. (collectively "National Security") effective December 12, 2018. Pursuant to your selling agreement, all individual annuity trail compensation under the selling agreement will cease at that time. All life insurance renewal commissions will continue to be paid per the terms of the selling agreement.

This letter is to provide you a Servicing Agreement with National Security that will allow you to continue to service your clients with National Security contracts. The Servicing Agreement also provides for a service fee to be paid to you for your clients with National Security individual annuity contracts, except for contracts which contain a Guaranteed Minimum Income Benefit rider.

Please return a signed copy of the agreement to us in the enclosed return envelope.

If you have any questions, please direct them to legal@ohionational.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Therese S. McDonough'.

Therese S. McDonough
Secretary



An Ohio National Financial Services affiliate

Correspondence for
New York office only:

810 Seventh Avenue
Suite 3600
New York, New York 10019
nslac.com

One Financial Way
Cincinnati, Ohio 45242

Post Office Box 237
Cincinnati, Ohio 45201-0237
513.794.6100
ohionational.com

September 24, 2018

First Allied Securities Inc.
655 W. Broadway
12th Floor
San Diego, California 92101

RE: Servicing Agreement

To Whom It May Concern:

Recently, you received notice of termination of your selling agreement with National Security Life and Annuity Company and Ohio National Equities, Inc. (collectively "National Security") effective December 12, 2018. Pursuant to your selling agreement, all individual annuity trail compensation under the selling agreement will cease at that time. All life insurance renewal commissions will continue to be paid per the terms of the selling agreement.

This letter is to provide you a Servicing Agreement with National Security that will allow you to continue to service your clients with National Security contracts. The Servicing Agreement also provides for a service fee to be paid to you for your clients with National Security individual annuity contracts, except for contracts which contain a Guaranteed Minimum Income Benefit rider.

Please return a signed copy of the agreement to us in the enclosed return envelope.

If you have any questions, please direct them to legal@ohionational.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Therese S. McDonough'.

Therese S. McDonough
Secretary

SERVICING AGREEMENT

This Servicing Agreement (this “Agreement”), made this 13th date of December, 2018, is entered into by and between The Ohio National Life Insurance Company, an Ohio corporation; Ohio National Life Assurance Corporation, an Ohio corporation; Ohio National Equities, Inc. (“ONEQ”), an Ohio corporation; and each of their successors and assigns; and Cetera Advisor Networks LLC (“BD”), a _____ corporation.

WHEREAS, The Ohio National Life Insurance Company and its subsidiary, Ohio National Life Assurance Corporation (collectively, “ONL”), have issued certain variable insurance contracts and policies, which are deemed securities under the Securities Act of 1933 (the “1933 Act”) and for which BD is designated as broker-of-record and its registered representatives (the “Representatives”) are designated as representatives-of-record (the “Variable Contracts”) and certain non-variable insurance policies and fixed annuity contracts, including fixed indexed annuity contracts, for which the Representatives are designated as agents-of-record (collectively with the Variable Contracts, the “Contracts”);

WHEREAS, BD is duly registered as a broker-dealer with the Securities and Exchange Commission (“SEC”) and a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”);

WHEREAS, a selling agreement (the “Selling Agreement”) among ONL, ONEQ and BD for the distribution of the Contracts was terminated December 12, 2018; and

WHEREAS, ONL desires to provide BD with the ability to perform ongoing servicing to holders of the Contracts, pursuant to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the premises and mutual promises contained herein, the parties hereto agree as follows:

1. Services.

BD, or its Representatives, shall provide ongoing servicing to holders of the Contracts, where BD is broker-of-record and maintains the customer account relationship (the “Services”).

2. Representations.

- a. ONL, ONEQ, and BD each represents to the others that it and the below signed officers have full power and authority to enter into this Agreement.
- b. BD represents to ONL and ONEQ that it is registered as a broker-dealer with the SEC and a member of FINRA, and also registered under the securities laws of each jurisdiction in which such registration is required for the servicing of the Contracts.

3. Compliance with FINRA Rules and Federal and State Securities and State Insurance Laws

In servicing the Contracts, BD agrees to abide by all applicable rules and regulations of FINRA and to comply with all applicable state and federal laws and the rules and regulations of authorized regulatory agencies affecting the servicing of the Contracts.

4. Licensing of Representatives

BD certifies that any Representative servicing, or who will service the Contracts, has not been convicted of a felony or a misdemeanor involving fraud or dishonesty. BD shall notify ONL if any Representative servicing the Contracts ceases to be a registered representative of BD, or if any Representative becomes the subject of adverse action (e.g., an amended U-4). In the event that BD requests a change in the representative-of-record for a Contract(s), BD certifies that any new registered representative whom BD requests be designated as representative-of-record for the Contract(s) will be appropriately licensed under applicable state insurance laws and registered under applicable securities laws in order to service the Contract(s).

5. Supervision of Representatives

BD shall have full responsibility for training and supervision of all Representatives who are engaged in providing Services to the Contracts, and all such persons shall be subject to the control of BD with respect to their activities and services provided under this Agreement. BD shall also have responsibility for supervising and reviewing the Representatives' use of communications related to the Contracts and all other public communications, to the extent applicable, in connection with the Services provided to the Contracts. In the event a Representative fails to meet the BD's rules and standards with respect to the servicing of the Contracts, BD shall act to terminate the servicing activities of such Representative relating to the Contracts.

6. Contract Material

In connection with the servicing the Contracts, no materials or advertising related to the Contracts shall be used by BD, or its Representatives, unless the specific items have been approved in writing by ONL.

7. Payments Received by BD

To the extent that there are any subsequent premium payments on the Contracts, all premium payments (hereinafter collectively referred to as "Payments") are the property of ONL and shall be transmitted to ONL by BD immediately in accordance with the administrative procedures of ONL without any deduction or offset for any reason. In remitting the Payments to ONL, the customer checks shall be made payable to the order of "Ohio National Life."

8. Compensation for Services

In exchange for the Services provided under this Agreement, ONL agrees to pay BD a service fee (the "Service Fee") equivalent to the compensation provided for in the compensation schedules appended to the Selling Agreement for the Contracts listed on the schedule attached to this Agreement (the "Listed Contracts"). The Service Fee shall be paid with respect to the Listed Contracts in accordance with such compensation schedules as in effect at termination of the Selling Agreement. ONL reserves the right to revise the list of Listed Contracts or the Service Fee at any time upon at least thirty (30) days prior written notice to BD. Termination of this Agreement, for any reason, shall also terminate any right of BD to receive future compensation payments from ONL in connection with the Services provided under this Agreement, except for the compensation already owed to BD prior to termination of this Agreement. Cancellation of a Listed Contract, for any reason, by ONL, BD, or the customer, or the removal of BD as broker-of-record for a Listed Contract shall also terminate any right of BD to receive future compensation payments from ONL with respect to such Listed Contract, except for compensation already owed to BD prior to the cancellation of the Listed Contract or removal of BD.

9. Hold Harmless and Indemnification Provisions

No party to this Agreement will be liable for any obligation, act, or omission of the other with respect to the terms of this Agreement or the Services provided hereunder. Each party to this Agreement will hold harmless and indemnify ONL, ONEQ, and BD as appropriate, for any loss or expense suffered as a result of the actual or alleged violation of, or noncompliance with, any applicable law or regulation or for a breach of this Agreement by an Associated Person of that party. The term "Associated Person" as used herein shall be defined consistently with the definition of such term as contained in Article I of the FINRA By-Laws.

10. Non-Assignability Provision

This Agreement may not be assigned by any party except by mutual consent.

11. Non-Waiver Provision

Failure of any party to terminate this Agreement for any of the causes set forth in this Agreement will not constitute a waiver of the right to terminate this Agreement at a later time for any of these causes.

12. Amendments

ONL and ONEQ each reserves the right to unilaterally amend this Agreement in order to comply with any law, rule, or regulation, provided, however, that any such change or amendment shall become effective after thirty (30) days prior written notice is delivered to the address provided. Any other changes or amendments to this Agreement shall not

be effective unless thirty (30) days prior written notice is provided and unless agreed to by the parties in writing.

13. Independent Contractors

BD and its Representatives are independent contractors with respect to ONL and ONEQ.

14. Notification of Disciplinary Proceedings

BD agrees to notify ONL in a timely fashion of any disciplinary proceedings against BD or any of its Representatives relating to the Contracts or arising from the Services provided under this Agreement, or any threatened or filed arbitration action or civil litigation relating to the Contracts or arising out of the Services provided under this Agreement.

15. Books and Records

To the extent applicable for the servicing of the Contracts, ONL, ONEQ, and BD agree to maintain their books and records in accordance with all applicable law, and to assist each other in the timely preparation of certain required records. Each party to this Agreement shall promptly furnish to the other party any reports and information which the other party may reasonably request for the purpose of meeting its reporting and recordkeeping requirements under the insurance laws of any state, under federal and state securities laws, or under the rules of FINRA, with respect to the Services provided to the Contracts.

16. Termination

This Agreement may be terminated at the option of any party upon sixty (60) days written notice to the other parties, or without notice at the option of any party hereto upon a material breach by any party of the covenants and terms of this Agreement.

17. Notice

All notices to ONL and ONEQ relating to this Agreement shall be sent to One Financial Way, Cincinnati, Ohio 45242, ATTN: Legal Department. All notices to BD shall be duly given if mailed to the address shown below. Notices may otherwise be delivered in a manner mutually agreed upon before the attempted delivery.

18. Governing Law/Severability

This Agreement shall be construed in accordance with the laws of the State of Ohio. Should any provision of this Agreement be held unenforceable, those provisions not affected by the determination of unenforceability shall remain in full force and effect.

19. General Conduct of BD

In providing the Services, BD expressly agrees that neither it nor its Representatives shall: engage in any course of conduct to systematically replace issued and outstanding Contracts; cause the customers to surrender the issued and outstanding Contracts; cause the surrender proceeds, if any and to the extent applicable, to be used to purchase or exchange for insurance policies or annuities issued by other insurance companies, unless such action is in the best interest of the customer; or otherwise do anything prejudicial to ONL's interest or that of the customer. This provision shall survive the termination of this Agreement.

20. Customer Complaints

If a complaint is received by ONL or ONEQ from a customer relating to BD, a Representative or a Contract, ONL or ONEQ will advise BD as soon as possible of the existence and nature of the complaint. BD shall have a reasonable amount of time, not to exceed ten (10) days unless otherwise agreed by the parties, to resolve the complaint. In the event the complaint is not resolved, ONL may, in its sole discretion, act to resolve the customer's complaint. In the event a complaint is made by a customer to a state or federal regulatory agency or filed with an appropriate self-regulatory organization, BD shall fully cooperate with ONL in responding to the complaint, including providing all documents and records reasonably requested by ONL.

21. Anti-Money Laundering

BD represents that it has adopted, implemented, and will maintain an anti-money laundering compliance program as required by law, including conducting due diligence and ongoing risk monitoring of the Contracts serviced by this Agreement. BD agrees to provide periodic evidence and details of its anti-money laundering procedures as requested by ONL and ONEQ.

22. Privacy

To the extent applicable, and in connection with the Services provided to the Contracts, BD represents that it has adopted and implemented procedures to safeguard customer information and records that are reasonably designed to (i) insure the security and confidentiality of BD's customer records and information; (ii) protect against any anticipated threats or hazards to the security or integrity of customer records and information; (iii) protect against unauthorized access to or use of BD's customer records or information that could result in substantial harm or inconvenience to any customer; (iv) protect against unauthorized disclosure of non-public personal information to unaffiliated third parties; and (v) otherwise ensure BD's compliance with Regulation S-P.

BD agrees to indemnify ONL against any and all claims, liability, expense, or loss in any way arising out of BD's failure to adopt and implement these and such other privacy or confidentiality procedures that may be in the future required by law or regulation.

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be executed as of the date first written above.

**The Ohio National Life Insurance Company
Ohio National Life Assurance Corporation**



Name: William C. Price

Title: Senior Vice President & Assistant General Counsel

Date: September 19, 2018

Ohio National Equities, Inc.



Name: Thomas J. DeGaetano

Title: Vice President, Annuities

Date: September 19, 2018

Cetera Advisor Networks LLC

Name: _____

Title: _____

Date: _____

Street Address: _____

Street Address: _____

City, State: _____

Zip Code: _____

**SCHEDULE
LISTED CONTRACTS**

- All individual variable annuity contracts; provided, however that any individual contract that, as of the date of this Agreement, includes a guaranteed minimum income benefit rider (“GMIB”) is excluded.
- All fixed and fixed indexed annuity contracts.

SERVICING AGREEMENT

This Servicing Agreement (this “Agreement”), made this 13th date of December, 2018, is entered into by and between The Ohio National Life Insurance Company, an Ohio corporation; Ohio National Life Assurance Corporation, an Ohio corporation; Ohio National Equities, Inc. (“ONEQ”), an Ohio corporation; and each of their successors and assigns; and First Allied Securities Inc. (“BD”), a _____ corporation.

WHEREAS, The Ohio National Life Insurance Company and its subsidiary, Ohio National Life Assurance Corporation (collectively, “ONL”), have issued certain variable insurance contracts and policies, which are deemed securities under the Securities Act of 1933 (the “1933 Act”) and for which BD is designated as broker-of-record and its registered representatives (the “Representatives”) are designated as representatives-of-record (the “Variable Contracts”) and certain non-variable insurance policies and fixed annuity contracts, including fixed indexed annuity contracts, for which the Representatives are designated as agents-of-record (collectively with the Variable Contracts, the “Contracts”);

WHEREAS, BD is duly registered as a broker-dealer with the Securities and Exchange Commission (“SEC”) and a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”);

WHEREAS, a selling agreement (the “Selling Agreement”) among ONL, ONEQ and BD for the distribution of the Contracts was terminated December 12, 2018; and

WHEREAS, ONL desires to provide BD with the ability to perform ongoing servicing to holders of the Contracts, pursuant to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the premises and mutual promises contained herein, the parties hereto agree as follows:

1. Services.

BD, or its Representatives, shall provide ongoing servicing to holders of the Contracts, where BD is broker-of-record and maintains the customer account relationship (the “Services”).

2. Representations.

- a. ONL, ONEQ, and BD each represents to the others that it and the below signed officers have full power and authority to enter into this Agreement.
- b. BD represents to ONL and ONEQ that it is registered as a broker-dealer with the SEC and a member of FINRA, and also registered under the securities laws of each jurisdiction in which such registration is required for the servicing of the Contracts.

3. Compliance with FINRA Rules and Federal and State Securities and State Insurance Laws

In servicing the Contracts, BD agrees to abide by all applicable rules and regulations of FINRA and to comply with all applicable state and federal laws and the rules and regulations of authorized regulatory agencies affecting the servicing of the Contracts.

4. Licensing of Representatives

BD certifies that any Representative servicing, or who will service the Contracts, has not been convicted of a felony or a misdemeanor involving fraud or dishonesty. BD shall notify ONL if any Representative servicing the Contracts ceases to be a registered representative of BD, or if any Representative becomes the subject of adverse action (e.g., an amended U-4). In the event that BD requests a change in the representative-of-record for a Contract(s), BD certifies that any new registered representative whom BD requests be designated as representative-of-record for the Contract(s) will be appropriately licensed under applicable state insurance laws and registered under applicable securities laws in order to service the Contract(s).

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16. Termination

This Agreement may be terminated at the option of any party upon sixty (60) days written notice to the other parties, or without notice at the option of any party hereto upon a material breach by any party of the covenants and terms of this Agreement.

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20. Customer Complaints

If a complaint is received by ONL or ONEQ from a customer relating to BD, a Representative or a Contract, ONL or ONEQ will advise BD as soon as possible of the existence and nature of the complaint. BD shall have a reasonable amount of time, not to exceed ten (10) days unless otherwise agreed by the parties, to resolve the complaint. In the event the complaint is not resolved, ONL may, in its sole discretion, act to resolve the customer's complaint. In the event a complaint is made by a customer to a state or federal regulatory agency or filed with an appropriate self-regulatory organization, BD shall full cooperate with ONL in responding to the complaint, including providing all documents and records reasonable requested by ONL.

21. Anti-Money Laundering

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22. Privacy

To the extent applicable, and in connection with the Services provided to the Contracts, BD represents that it has adopted and implemented procedures to safeguard customer information and records that are reasonably designed to (i) insure the security and confidentiality of BD's customer records and information; (ii) protect against any anticipated threats or hazards to the security or integrity of customer records and information; (iii) protect against unauthorized access to or use of BD's customer records or information that could result in substantial harm or inconvenience to any customer; (iv) protect against unauthorized disclosure of non-public personal information to unaffiliated third parties; and (v) otherwise ensure BD's compliance with Regulation S-P.

BD agrees to indemnify ONL against any and all claims, liability, expense, or loss in any way arising out of BD's failure to adopt and implement these and such other privacy or confidentiality procedures that may be in the future required by law or regulation.

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be executed as of the date first written above.

**The Ohio National Life Insurance Company
Ohio National Life Assurance Corporation**



Name: William C. Price

Title: Senior Vice President & Assistant General Counsel

Date: September 19, 2018

Ohio National Equities, Inc.



Name: Thomas J. DeGaetano

Title: Vice President, Annuities

Date: September 19, 2018

First Allied Securities Inc.

Name: _____

Title: _____

Date: _____

Street Address: _____

Street Address: _____

City, State: _____

Zip Code: _____

**SCHEDULE
LISTED CONTRACTS**

- All individual variable annuity contracts; provided, however that any individual contract that, as of the date of this Agreement, includes a guaranteed minimum income benefit rider (“GMIB”) is excluded.
- All fixed and fixed indexed annuity contracts.

EXHIBIT E

Click here to permanently delete this message.

From: annuityinfo@ohionational.com [mailto:annuityinfo@ohionational.com]

Sent: Monday, October 29, 2018 9:15 AM

Subject: Announcing GMIB Buyout Offer - November 12, 2018



October 2018

From **November 12, 2018 – February 11, 2019**, Ohio National is offering the opportunity for eligible clients to participate in a Buyout Offer of their ONcore variable annuity contract with a Guaranteed Minimum Income Benefit (GMIB) rider. By accepting this offer, clients will be cancelling their variable annuity contracts and all attached riders in exchange for an Enhanced Contract Value, which they may receive as a cash surrender or transfer to a financial product available from another financial institution.

You are receiving this notification because you have one or more clients that are eligible for this Buyout Offer (see enclosed list). This offer may not be suitable for all clients so it's important to review their contracts in full.

About this Buyout Offer

If your client elects the Buyout Offer, they will receive an Enhancement Amount added to their current Contract Value. This value is calculated using an Enhancement Percentage determined based on whether the client's existing contract has an Annual Reset Death Benefit Rider (ARDBR). To see additional information about the calculation involved, please refer to the enclosed sample client letters. The Enhancement Percentage is guaranteed for the duration of the Buyout Offer, however, because the current Contract Value and the GMIB rider's Guaranteed Earnings Income Base value can change before a client accepts, **the Enhanced Contract Value may change by the date all requirements are received**. If your client is interested in obtaining updated values during the offer window, please contact our Annuity Product Specialists at 833.810.4642.

Why is Ohio National offering this buyout?

We believe this Buyout Offer may be mutually beneficial to Ohio National and those contract owners who have decided they no longer need or want the benefits offered by their existing contract and rider(s).

Ohio National could gain a financial benefit if the buyout is elected. Due to regulatory changes and a prolonged period of low interest rates, supporting the guarantees associated with the variable annuity contracts and GMIB riders may be more expensive for us.

Enclosed with this letter

The following items accompany this letter:

- A list of clients eligible for the offer
- A sample of the letters that your eligible clients will receive
- A copy of the GMIB Buyout Offer Acceptance form

Please note that the prospectus can be found at www.ohionational.com/fundinfo

Accepting the Buyout Offer

If a client decides to accept the Buyout Offer, the GMIB Buyout Offer Acceptance form will need to be completed. This form will need to be received in good order at Ohio National by the close of the offer window, **February 11, 2019**. If the client elects to transfer their Enhanced Contract Value to another carrier, they will have 30 calendar days from the close of the offer window to submit transfer paperwork and other applicable requirements in good order. The Enhanced Contract Value will be determined when all requirements are received in good order. Once accepted, this offer is not revocable.

To learn more about this Buyout Offer, please call our Annuity Product Specialists at 833.810.4642. We look forward to meeting your needs, and those of your clients.

Enclosures

NOT A DEPOSIT	NOT FDIC INSURED	NOT GUARANTEED BY ANY BANK
NOT INSURED BY ANY GOVERNMENT AGENCY		MAY LOSE VALUE

Variable annuity issuer: The Ohio National Life Insurance Company

Variable annuity issuer: The Ohio National Life Insurance Company

Variable annuity distributor: Ohio National Equities, Inc. Member FINRA

Variable annuities are long-term investment vehicles designed for retirement. Variable annuities are sold by prospectuses, which contain more complete information including fees, surrender (contingent deferred sales) charges and other costs that may apply.

There is no additional tax-deferral benefit for contracts purchased in an Individual Retirement Account (IRA) or other tax-qualified plan because these are already afforded tax-deferred status. An annuity should only be purchased in an IRA or qualified plan if the client values some of the other features of the annuity and is willing to incur any additional costs associated with the annuity

Clients should read the product and fund prospectuses carefully before investing or sending money. Investors should consider the investment objectives, strategies, risk factors, charges and expenses of the underlying variable portfolios carefully before investing. The fund prospectus contains this and other information about the underlying variable portfolios.

Guarantees are based upon the claims-paying ability of The Ohio National Life Insurance Company. Guarantees do not apply to the investment performance or account value of the underlying variable portfolios. As with any investment, investing in variable portfolios involves risk, including possible loss of principal.

Product, product features and rider availability vary by state. Certain features may vary by broker-dealer. Issuer not licensed to conduct business in New York.

Early withdrawals or surrenders may be subject to surrender charges. Withdrawals are also subject to ordinary income tax and, if taken prior to age 59½, a 10% federal tax penalty may apply. Tax rules require that withdrawals be taken first from any unrealized gain in the contract. Federal and state tax laws applicable to this product are subject to change. Clients are encouraged to consult a personal tax adviser for further information.

FOR REGISTERED REPRESENTATIVE USE ONLY. THIS MATERIAL IS FOR GENERAL USE AND IS NOT INTENDED TO PROVIDE INVESTMENT ADVICE FOR ANY INDIVIDUAL.

T-394278 10-18

The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and destroy any copies of this document.