

You may have read an article yesterday in *Investment News* written by Greg Iacurci claiming that Ohio National is eliminating advisor compensation on variable annuities and terminating service agreements. The article also incorrectly claims that terminating such service agreements means that advisors' client accounts are no longer connected to their advisory firms, thereby cutting advisors out of the client relationship and severely restricting or even barring them from servicing these clients.

I want to take this opportunity to set the record straight:

- While the majority of our selling agreements are being replaced with a service agreement or service letter as a result of our new strategy to no longer sell new annuity contracts, **all advisors continue to have access to their client information and can continue to service them.**
- Information within these service agreements and letters clearly indicates this and is cited here:

Service letter: *As you know, we recently notified you of a termination of your firm's selling agreement with ONL and Ohio National Equities, Inc. for the distribution of the Contracts, effective December 12, 2018. However, ONL will continue to maintain the designations of your firm and your Representatives as broker-of-record and representative-of-record, and provide you customer information through ON-Net, customer service, written correspondence and, where available, through the DTCC (collectively the "Customer Information Services") to continue to service the Contracts, in the case of each Contract until the Contract is canceled or your firm is no longer designated as broker-of-record for the Contract, subject to the following paragraph.*

So long as your firm and your Representatives continue to access information related to the Contracts through the Customer Information Services, your firm shall, and shall cause your Representatives to, comply with all applicable laws and regulations related to the servicing of the Contracts. Your firm shall, and shall cause your Representatives to, comply with ONL's policies and procedures regarding the security and privacy of information related to the Contracts made available to you or your Representative through the Customer Information Services, including compliance with all applicable cybersecurity laws and regulations. In addition, your firm shall hold harmless and indemnify ONL for any loss or expense suffered as a result of any violation of, or noncompliance with, any applicable law or regulation, related to the servicing of the Contracts or to any information accessed or information or orders entered via the Customer Information Services or any fraudulent use of the Customer Information Services.

Service agreement:

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").

As we said when we rolled out our new strategy focusing on growing life insurance and disability income insurance and our Latin American operations, and consistent with our more than 100-year history, we will continue to service and support all our existing annuity and retirement plan contract owners now and going forward.

As always, we appreciate your support and your business.



H. Doug Cooke, III, FLMI
Vice Chairman and Chief Distribution Officer