

**Investment Objective and Strategy:**

The Small-Mid Cap Portfolio seeks long-term capital appreciation. The Portfolio invests primarily in equity securities, principally common stocks, of relatively small U.S. companies with market capitalizations in the range of the Russell 2000 Index that the Investment Manager believes are undervalued based on their earnings, cash flow or asset values. The Portfolio generally invests at least 80 percent of its total assets in equity securities of small U.S. companies. In addition to the characteristics set forth earlier, these securities generally have one or more of the following characteristics:

- are undervalued relative to their earnings, cash flow or asset values;
- have an attractive price/value relationship and in the Investment Manager's opinion, some potential catalyst that will enhance value within two years;
- have low projected price-to-earnings or price-to-cash flow multiples.

The Portfolio may invest up to 20 percent of its assets in equity securities of larger U.S. companies. The Portfolio may

engage, to a limited extent, in various investment techniques, such as options and futures transactions and lending portfolio securities.

The Portfolio typically sells a stock when it is no longer considered a value company, appears less likely to benefit from the current market and economic environment, shows deteriorating fundamentals or falls short of the Investment Manager's expectations.

**Portfolio Manager:** The Portfolio is managed on a team basis. The names of the principal persons who are primarily responsible for the day-to-day management of the assets of the Portfolio are as follows: Andrew D. Lacey (since May 2003), Daniel Breslin (since May 2007) and Michael DeBernardis (since September 2007).

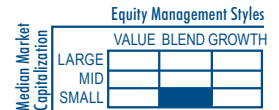
The risks associated with investments in small companies include less experienced management, limited product lines and financial resources, shorter operating histories, less publicly available information, reduced liquidity and increased price volatility.

**Top Portfolio Holdings\***

1. Cimarex Energy Co.	1.7%
2. Central Garden & Pet Co. - Class A	1.6%
3. TD Ameritrade Holding Corp.	1.6%
4. UDR, Inc.	1.5%
5. PacWest Bancorp.	1.5%
6. Haemonetics Corp.	1.5%
7. Lance, Inc.	1.5%
8. Home BancShares, Inc.	1.5%
9. Kilroy Realty Corp.	1.5%
10. Tenet Healthcare Corp.	1.5%

**Top Sector Weightings\***

1. Financials	17.6%
2. Consumer Discretionary	16.4%
3. Information Technology	16.2%
4. Industrials	15.8%
5. Health Care	10.9%
6. Materials	7.2%
7. Energy	5.4%
8. Consumer Staples	4.0%
9. Utilities	2.0%



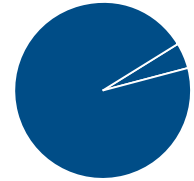
**Portfolio Facts**

Net Assets \$148.1 Million  
 Inception Date 11/4/97

**Benchmark**

Russell 2000 Index

**Portfolio Composition**



95.5% Domestic Equities  
 4.5% Cash & Equivalents

For registered products this information must be preceded or accompanied by prospectuses. Variable products are sold by prospectuses, which contain more complete information including fees, contingent deferred sales charges and other costs that may apply.

**Contact your registered representative or visit <http://fundinfo.ohionational.com> to obtain current prospectuses. Please read the product and fund prospectuses carefully before you invest or send 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.**

Variable products, and their underlying portfolios, are not insured or guaranteed by the FDIC or any other government agency, are not a deposit and are subject to risk, including loss of principal. Variable annuities are long-term investment vehicles designed for retirement purposes. Withdrawals from annuities are subject to applicable surrender charges, ordinary income tax, and if taken prior to age 59½, a 10 percent federal tax penalty may apply. Variable life insurance is an insurance product with investment features. It is most appropriate when there is a need for life insurance protection. If tax-free loans are taken, and the policy lapses, a taxable event may occur. Loans and withdrawals from life insurance policies that are classified as modified endowment contracts may be subject to tax at the time the loan or withdrawal is made. Loans and withdrawals reduce the death benefit, cash surrender value and any living benefit amount. Consult a qualified tax adviser regarding individual circumstances.

Variable annuities are sold by prospectuses.

Product availability varies by state.

Some portfolios contain different investments than similarly named retail funds offered by the portfolio manager. Investment results may be higher or lower.

\* The information presented regarding the portfolio's holdings, weightings and composition are accurate as of the date indicated and are subject to change at any time.