AMENDED FILING EXPLANATION

The company amended the Statment of Cash Flows (page 5) to reclassify certain non-cash transactions in order to better comply with *Statement of Statutory Accounting Principle 69 - Statement of Cash Flows*. The changes to the Statement of Cash Flows are summarized in the table below:

Page Number	Line Number(s)	Column Number(s)	As Filed	As Amended	Change
5	1	1	2,530,483,069	2,536,803,615	6,320,546
5	2	1	344,848,357	344,933,790	85,433
5	3	1	594,064,745	287,875,721	(306,189,024)
5	4	1	3,469,396,171	3,169,613,126	(299,783,045)
5	5	1	1,873,372,836	1,573,133,637	(300,239,199)
5	7	1	458,165,538	455,989,154	(2,176,384)
5	10	1	3,043,729,933	2,741,314,350	(302,415,583)
5	11	1	425,666,238	428,298,776	2,632,538
5	12.7	1	18,205,511	0	(18,205,511)
5	12.8	1	668,485,183	650,276,672	(18,208,511)
5	15	1	(340,713,248)	(358,921,759)	(18,208,511)
5	16.1	1	76,291	0	(76,291)
5	16.6	1	100,956,021	116,608,285	15,652,264
5	17	1	9,039,213	24,615,186	15,575,973

Updated Supplemental Disclosures for non-cash transactions for Cash Flow (Page 5).

Updated Five Year Historical (Page 22) to reflect Statement of Cash Flow changes mentioned above.

Added Note 23(E) and 23(F).

Added Note 10(M).

Updated amounts in table for Note 5(H)(1) Row B.

Updated Schedule S Part 4 to reflect items related to non-affiliate reinsurance.

* 6 7 1 7 2 2 0 1 5 2 0 1 0 0 1 0 5 *

ANNUAL STATEMENT

For the Year Ended December 31, 2015

of the Condition and Affairs of the

OHIO NATIONAL LIFE INSURANCE COMPANY

NAIC Group Code.....0704, 0704 (Current Period) (Prior Period) | NAIC Company Code..... 67172 | Employer's ID Number..... 31-0397080

Organized under the Laws of Ohio | State of Domicile or Port of Entry Ohio | Country of Domicile US

Incorporated/Organized..... September 9, 1909 | Commenced Business..... October 10, 1910

Statutory Home Office	One Financial Way….. Cincinnati ..... OH ..... US ..... 45242 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	One Financial Way….. Cincinnati ..... OH ..... US..... 45242 *(Street and Number) (City or Town, State, Country and Zip Code)*	513-794-6100 *(Area Code) (Telephone Number)*
Mail Address	Post Office Box 237….. Cincinnati ..... OH ..... US ..... 45201 *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	One Financial Way….. Cincinnati ..... OH ..... US ..... 45242 *(Street and Number) (City or Town, State, Country and Zip Code)*	513-794-6100-6015 *(Area Code) (Telephone Number)*
Internet Web Site Address	N/A	
Statutory Statement Contact	Amber Dawn Roberts *(Name)*	513-794-6100-6015 *(Area Code) (Telephone Number) (Extension)*
	amber_roberts@ohionational.com *(E-Mail Address)*	513-794-4516 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
Gary Thomas Huffman	President, Chairman & Chief Executive Officer	Therese Susan McDonough	Secretary
Doris Lee Paul #	Treasurer	Ronald John Dolan	Vice Chairman

OTHER

Thomas Abdo Barefield	Vice Chairman & Chief Distribution Officer	Christopher Allen Carlson	Vice Chairman & Chief Investment Officer
Harry Douglas Cooke, III	Senior Vice President	Nancy Arline Dalessio	Executive Vice President & Chief Administrative Officer
Michael Joseph DeWeirdt #	Senior Vice President & Chief Risk Officer	Anthony Gerard Esposito	Senior Vice President & Chief Human Resources Officer
Diane Sue Hagenbuch	Senior Vice President	Kristal Elaine Hambrick	Executive Vice President & Chief Product Officer
Kush Vijay Kotecha #	Senior Vice President & Chief Corporate Actuary	Charles Thomas Lanigan #	Senior Vice President
John Matthew Lennon #	Senior Vice President	Arthur James Roberts	Senior Vice President & Chief Financial Officer
Dennis Lee Schoff	Senior Vice President & General Counsel, Assistant Secretary	Barbara Ann Turner #	Senior Vice President

DIRECTORS OR TRUSTEES

Thomas Abdo Barefield	Jack Elliott Brown	Joseph Alex Campanella	Christopher Allen Carlson
Ronald John Dolan	Victoria Buyniski Gluckman	John Weber Hayden	Gary Thomas Huffman
James Francis Orr	John Russell Phillips	John Michael Schlotman	Gary Edward Wendlandt

State of........ Ohio
County of..... Hamilton

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions* and *Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
Gary Thomas Huffman	Therese Susan McDonough	Doris Lee Paul
(Printed Name)	(Printed Name)	(Printed Name)
President, Chairman & Chief Executive Officer	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This ______ day of May 2016

a. Is this an original filing? Yes [ ] No [X]
b. If no
1. State the amendment number 1
2. Date filed
3. Number of pages attached

Roxanna S Allphin, Notary Public

May 11, 2019

CASH FLOW

		1 Current Year	2 Prior Year
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	2,536,803,615	2,755,339,898
2.	Net investment income	344,933,790	334,967,898
3.	Miscellaneous income	287,875,722	535,790,475
4.	Total (Lines 1 through 3)	3,169,613,127	3,626,098,271
5.	Benefit and loss related payments	1,573,133,637	1,814,478,307
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	669,130,903	1,075,197,796
7.	Commissions, expenses paid and aggregate write-ins for deductions	455,989,154	416,655,766
8.	Dividends paid to policyholders	68,144,063	59,119,054
9.	Federal and foreign income taxes paid (recovered) net of $.....(872,561) tax on capital gains (losses)	(25,083,407)	10,649,600
10.	Total (Lines 5 through 9)	2,741,314,350	3,376,100,523
11.	Net cash from operations (Line 4 minus Line 10)	428,298,777	249,997,748
	CASH FROM INVESTMENTS		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	501,050,499	548,837,650
	12.2 Stocks	2,459,170	6,163,864
	12.3 Mortgage loans	121,766,995	127,841,482
	12.4 Real estate	0	3,319,593
	12.5 Other invested assets	25,000,008	159,225
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
	12.7 Miscellaneous proceeds	0	5,678,551
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	650,276,672	692,000,365
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	799,090,404	757,278,094
	13.2 Stocks	22,250,000	15,696,000
	13.3 Mortgage loans	115,205,850	80,197,000
	13.4 Real estate	3,604,159	3,556,164
	13.5 Other invested assets	0	8
	13.6 Miscellaneous applications	14,729,936	42,843,567
	13.7 Total investments acquired (Lines 13.1 to 13.6)	954,880,349	899,570,833
14.	Net increase (decrease) in contract loans and premium notes	54,318,082	52,220,959
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	(358,921,759)	(259,791,427)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes	0	76,292
	16.2 Capital and paid in surplus, less treasury stock	0	0
	16.3 Borrowed funds	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	(1,993,099)	142,408,935
	16.5 Dividends to stockholders	90,000,000	60,000,000
	16.6 Other cash provided (applied)	116,608,284	(48,924,855)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	24,615,185	33,560,372
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	93,992,203	23,766,693
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	345,335,694	321,569,001
	19.2 End of year (Line 18 plus Line 19.1)	439,327,897	345,335,694

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001	Change in securities lending collateral	18,208,511	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of The Ohio National Life Insurance Company (the Company) are presented on the basis of accounting practices prescribed or permitted by the Ohio Insurance Department.

The Ohio Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio.

		State of Domicile		2015	2014
Net Income					
(1)	Net (Loss) Income	OH	$	62,664,496	90,391,359
(2)	State prescribed practices: NONE			-	-
(3)	State permitted practices: NONE			-	-
(4)	Net Income, NAIC SAP		$	62,664,496	90,391,359
Surplus					
(5)	Statutory capital and surplus	OH	$	1,087,220,327	1,097,073,789
(6)	State prescribed practices: NONE			-	-
(7)	State permitted practices: NONE			-	-
(8)	Statutory capital and surplus, NAIC SAP		$	1,087,220,327	1,097,073,789

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Life premiums are recognized as income over the premium-paying period of the related policies. Annuity considerations are recognized as revenue when received. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition cost such as sales commissions, are charged to operations as incurred.

The amount of dividends to be paid to participating policyholders is determined annually by the Company's Board of Directors. The aggregate amount of participating policyholders' dividends is related to actual interest, mortality, morbidity, and expense experience for the year and judgment as to the appropriate level of statutory surplus to be retained by the Company.

In addition, the company uses the following accounting policies:

(1) Short-term investments are stated at amortized cost.

(2) Bonds not backed by other loans are stated at amortized cost using the modified scientific method.

(3) Common Stocks are stated at market except where investments in stocks of wholly owned insurance subsidiaries and affiliates are carried on the equity basis, in accordance with SSAP No. 97.

(4) Preferred stocks rated NAIC 1-3 are stated at cost. Preferred stocks rated NAIC 4-6 are stated at the lower of cost of market value.

(5) Conventional Mortgage loans on real estate are stated at unpaid principal balances less unaccrued discount, not to exceed 80% of appraised value. Mortgage loans on real estate insured and guaranteed by U.S. Agencies are stated at unpaid principal balances less unaccrued discount.

(6) Loan-backed securities are stated at amortized cost. The retrospective adjustment methodology is used for asset-backed, CMO, and Mortgage-backed securities.

(7) The Company reports the insurance subsidiaries at statutory equity. The non-insurance companies are reported at audited GAAP equity adjusted for statutory invested asset valuation rules.

(8) The Company has no material ownership interests in joint ventures, partnerships and limited liability companies. The Company carries these interests based on the underlying audited GAAP equity of the investee.

(9) Derivative instruments and foreign currency holdings are accounted for at fair value with the changes in fair value recorded as unrealized gains or unrealized losses. Upon termination of a derivative or foreign currency holding, the gain or loss shall be recognized in income.

Any gains, losses, and expenses on the GMIB and GLWB Hedge Programs are accounted for under a Funds Withheld (Ceding Company) Reinsurance Arrangement.

(10) The Company does not utilize the anticipated investment income as a factor in premium deficiency calculation.

(11) Liabilities for losses for individual accident and health policies.

(a) Individual Disability Income policies represent 100% of the policies and 100% of the liabilities. Claim Reserves are calculated using the 1985 Commissioner's Individual Disability Table C or the 1964 Commissioner's Disability Table with various interest rates depending on the year of the claim.

NOTES TO FINANCIAL STATEMENTS

(b) An additional liability is established for any scheduled claim payments that are due but not yet paid as of the statement date.

(c) Incurred but not reported reserves are estimated by applying factors to the total amount of monthly income in-force.

(12) The Company has not modified its capitalization policy from the prior period.

(13) Pharmaceutical Rebates Receivable - Not applicable

2. Accounting Changes and Corrections of Errors

During the year, the Company elected to change the valuation method for reserves on certain annuity products. The Company switched from the Continuous Method to the Curtate Method for valuation. This resulted in an increase to income before taxes of approximately $13.9 million in the current period. The impact of the change relating to reserves as of December 31, 2014 and prior was $67.9 million and is reflected as an increase to surplus.

The Company adopted a change in accounting principle relating to the recording and valuation of futures in the Asset Valuation Reserve (AVR). The cumulative effective of the change in AVR was an increase of $7.9 million to the AVR and was recorded on Page 3, line 24.01. The cumulative effect on the change in AVR was recorded on Page 4, Line 49 as a decrease to surplus.

The Company's December 31, 2015 financial statements reflect a prior period adjustment relating to the recording of income taxes related to dividends paid from a subsidiary and variable annuity tax reserves. The events contributing to the understatement of taxes impact surplus as follows:

Federal and foreign income taxes incurred (excluding taxes on capital gains) (P4, L32, C1)	2,162,478
Decrease in surplus (P4,L53,C1)	$ (2,162,478)

The Company's December 31, 2015 financial statements reflect a prior period adjustment relating to the recording of whole life and term reserves. As of December 31, 2014, reserves were understated by $6,372,262. As a result, surplus was overstated by $4,141,970. The events contributing to the reserve understatement impact surplus as follows:

Increase in aggregate reserves for life and accident and health contracts (P4,L19,C1)	$ (6,372,262)
Federal and foreign income taxes incurred (excluding taxes on capital gains) (P4, L32, C1)	2,230,292
Decrease in surplus (P4,L53,C1)	$ (4,141,970)

The Company's December 31, 2015 financial statements reflect a prior period adjustment relating to the recording of variable annuity reserves. As of December 31, 2014, reserves were overstated by $4,282,390. As a result, surplus was understated by $2,783,554. The events contributing to the reserve overstatement impact surplus as follows:

Increase in aggregate reserves for life and accident and health contracts (P4,L19,C1)	$ 4,282,390
Federal and foreign income taxes incurred (excluding taxes on capital gains) (P4, L32, C1)	(1,498,837)
Increase in surplus (P4,L53,C1)	$ 2,783,554

The Company's December 31, 2015 financial statements reflect a prior period adjustment relating to the recording of fixed annuity reserves. As of December 31, 2014, reserves were overstated by $580,890. As a result, surplus was understated by $377,579. The events contributing to the reserve overstatement impact surplus as follows:

Increase in aggregate reserves for life and accident and health contracts (P4,L19,C1)	$ 580,890
Federal and foreign income taxes incurred (excluding taxes on capital gains) (P4, L32, C1)	(203,312)
Increase in surplus (P4,L53,C1)	$ 377,579

The Company's December 31, 2015 financial statements reflect a prior period adjustment relating to the recording of disability insurance reserves. As of December 31, 2014, reserves were understated by $362,204. As a result, surplus was overstated by $235,433. The events contributing to the reserve understatement impact surplus as follows:

Increase in aggregate reserves for life and accident and health contracts (P4,L19,C1)	$ (362,204)
Federal and foreign income taxes incurred (excluding taxes on capital gains) (P4, L32, C1)	126,771
Decrease in surplus (P4,L53,C1)	$ (235,433)

NOTES TO FINANCIAL STATEMENTS

The Company's December 31, 2014 financial statements reflect a prior period adjustment relating to a review of policy, procedures and calculations in the determination of reserves and loading. As a result, reserves were understated by $6,335,298 and loading was overstated by $2,560,961 as of December 31, 2013. The events contributing to the adjustment impact surplus as follows:

Increase in aggregate reserves for life and accident and health contracts (P4, L19, C1)	$ 6,335,298
Decrease in loading on deferred and uncollected premiums (P4, L25, C1)	(2,560,961)
Federal and foreign incomes taxes incurred (P4,L32,C1)	1,321,018
Increase in surplus (P4, L53, C1)	$ 2,453,319

The Company's December 31, 2014 financial statements reflect a prior period adjustment relating to the recording of reserves for disability insurance in the December 31, 2013 financial statements. The reserves were understated at December 31, 2013, resulting in overstating surplus as of December 31, 2013 by $1,302,818. The events contributing to the adjustment impact surplus as follows:

Increase in aggregate reserves for life and accident and health contracts (P4,L19,C1)	$ 1,302,818
Federal and foreign income taxes incurred (excluding taxes on capital gains) (P4, L32, C1)	(455,986)
Increase in surplus (P4,L53,C1)	$ 846,832

The Company's December 31, 2014 financial statements reflect a prior period adjustment relating to the recording of Traditional Life reserves. As of December 31, 2013, reserves were overstated by $1,113,000. The events contributing to the adjustment impact surplus as follows:

Increase in aggregate reserves for life and accident and health contracts (P4,L19,C1)	$ 1,112,669
Federal and foreign income taxes incurred (excluding taxes on capital gains) (P4, L32, C1)	(389,434)
Increase in surplus (P4,L53,C1)	$ 723,235

The Company's December 31,, 2014 financial statements reflect a prior period adjustment relating to the calculation and recording of the deferred tax asset (DTA) on investment futures. The net DTA as of December 31, 2013 was understated by $4,901,309. The events contributing to the adjustment impact surplus as follows:

Change in net deferred income tax (P4, L40 ,C1)	$ (4,901,309)
Increase in surplus (P4, L40, C1)	$4,901,309

The Company's December 31, 2014 financial statements reflect a prior period adjustment relating to the recording of Immediate Annuity reserves. As of December 31, 2013, reserves were understated by $8,509,252. As a result, surplus was overstated by $5,531,014. The events contributing to the reserve overstatement impact surplus as follows:

Increase in aggregate reserves for life and accident and health contracts (P4,L19,C1)	$ (8,509,252)
Federal and foreign income taxes incurred (excluding taxes on capital gains) (P4, L32, C1)	2,978,238
Decrease in surplus (P4,L53,C1)	$ (5,531,014)

3. Business Combinations and Goodwill

A. Statutory Purchase Method – Not Applicable

B. Statutory Merger – Not Applicable

C. Assumption Reinsurance – Not Applicable

D. Impairment Loss – Not Applicable

4. Discontinued Operations – NONE

NOTES TO FINANCIAL STATEMENTS

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The minimum and maximum lending rates for mortgage loans during 2014 were:

Farm loans N/A
Residential loans N/A
Commercial mortgages 3.125% to 6.0%

(2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 75%.

(3) Assessments

	Current Year	Prior Year
Taxes, assessments and any amounts advanced and not included in the mortgage loan total	$ -	$ -

(4) Age Analysis of Mortgage Loans

	Farm	Insured	All Other	Insured	All Other	Mezzanine	Total
(a) Current Year							
1. Recorded Investment (All)							
a. Current	$ -	$ -	$ -	$ -	$ 779,707,886	$ -	$ 779,707,886
b. 30-59 Days Past Due	-	-	-	-	10,506,797	-	10,506,797
c. 60-89 Days Past Due	-	-	-	-	-	-	-
d. 89-179 Days Past Due	-	-	-	-	-	-	-
e. 180+ Days Past Due	-	-	-	-	-	-	-
2. Accruing Interest 90-179 Days Past Due							
a. Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
b. Interest Accrued	-	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
a. Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
b. Interest Accrued	-	-	-	-	-	-	-
4. Interest Reduced							
a. Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
b. Number of Loans	-	-	-	-	-	-	-
c. Percent Reduced	-	-	-	-	-	-	-
(b) Prior Year							
1. Recorded Investment (All)							
a. Current	$ -	$ -	$ -	$ -	$ 795,645,788	$ -	$ 795,645,788
b. 30-59 Days Past Due	-	-	-	-	-	-	-
c. 60-89 Days Past Due	-	-	-	-	-	-	-
d. 89-179 Days Past Due	-	-	-	-	-	-	-
e. 180+ Days Past Due	-	-	-	-	1,125,000	-	1,125,000
2. Accruing Interest 90-179 Days Past Due							
a. Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
b. Interest Accrued	-	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
a. Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
b. Interest Accrued	-	-	-	-	-	-	-
4. Interest Reduced							
a. Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
b. Number of Loans	-	-	-	-	-	-	-
c. Percent Reduced	-	-	-	-	-	-	-

(5) Investment in Impaired Loans With or Without Allowances or Credit Losses – NONE

(6) Investment in Impaired Loans - Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting - NONE

(7) Allowance for credit losses - NONE

(8) Mortgage Loans Derecognized as a Result of Foreclosure – NONE

(9) The Company recognizes interest income on its impaired loans upon receipt.

B. Debt Restructuring – NONE

C. Reverse Mortgages – NONE

NOTES TO FINANCIAL STATEMENTS

D. Loan-Backed Securities

(1) Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from broker dealer survey values or internal estimates.

(2) Recognized OTTI - NONE

(3) The following table represents each security that recognized other-than-temporary impairment due to the fact that the present value of the cash flows expected to be collected were less than the amortized cost basis of the securities:

CUSIP	Book/Adj Carry Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-than-temporary Impairment in Current Period	Amortized Cost After Other-than-temporary Impairment	Fair Value at Time of OTTI	Date of Financial Statement Where Reported
21075WBX2	436,338	345,102	91,236	345,102	345,102	3/31/2015
92922FKX5	1,920,704	1,864,792	55,912	1,864,792	1,595,990	3/31/2015
03072SLT0	1,793,511	1,739,439	54,072	1,739,439	1,760,441	6/30/2015
759950CU0	2,325,716	2,285,510	40,206	2,285,510	2,310,250	6/30/2015
22540VMK5	869,469	534,533	334,936	534,533	839,983	6/30/2015
03072SP90	98,933	95,962	2,971	95,962	98,613	6/30/2015
126694CV8	348,701	323,956	24,745	323,956	347,763	6/30/2015
74927DAL0	1,781,638	1,702,717	78,921	1,702,717	1,776,238	6/30/2015
22540VZZ8	3,630,901	2,191,590	1,439,311	2,191,590	3,321,640	6/30/2015
03072SLT0	1,793,511	1,739,439	54,072	1,739,439	1,760,441	6/30/2015
759950CU0	2,325,716	2,285,510	40,206	2,285,510	2,310,250	6/30/2015
21075WBA2	100,139	49,907	50,232	49,907	49,213	9/30/2015
52520MAE3	1,784,860	1,751,428	33,432	1,751,428	1,784,107	9/30/2015
12669GC82	1,933,122	1,793,279	139,843	1,793,279	1,867,975	12/31/2015
759950CU0	2,295,551	2,240,403	55,148	2,240,403	2,293,400	12/31/2015
759950CU0	2,295,551	2,240,403	55,148	2,240,403	2,293,400	12/31/2015
Total	$ 25,734,361	$ 23,183,970	$ 2,550,391	$ 23,183,970	$ 24,754,806	

(4) All impaired securities (fair value is less than cost or amortized cost) for which a other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

(a) The aggregate amount of unrealized losses

(1)	Less than 12 Months	$ 7,313,380
(2)	12 Months or Longer	$ 3,379,775

(b) The aggregate related fair value of securities with unrealized losses

(1)	Less than 12 Months	$ 478,854,572
(2)	12 Months or Longer	$ 91,494,384

E. Repurchase Agreements and/or Securities Lending Transactions

(1) For Securities Lending Agreements, the Company requires a minimum of 102% and 105% of the fair value of the domestic and foreign securities loaned at the outset of the contract as collateral. If at any time the fair value of collateral declines to less than 102% and 105% of the domestic and foreign securities purchase price, the counterparty is obligated to provide additional collateral to bring the total collateral held by the Company to at least 102% and 105% of the securities' purchase price.

(2) The Company has not pledged any of its assets as collateral.

NOTES TO FINANCIAL STATEMENTS

(3) Collateral Received

(a) Aggregate Amount of Cash Collateral Received

(1) Repurchase Agreement – NONE

(2) Securities Lending

		Fair Value
(a)	Open	$ 124,574,226
(b)	30 Days or Less	-
(c)	31 to 60 Days	-
(d)	61 to 90 Days	-
(e)	Greater than 90 days	-
(f)	Sub-Total	124,574,226
(g)	Securities Received	-
(h)	Total Collateral Received	$ 124,574,226

(3) Dollar Repurchase Agreement - NONE

(b) The aggregate fair value of all securities acquired from the sale, trade or use of the accepted collateral is $124,574,226.

(c) Cash collateral received from borrowers on the loaned securities is remitted to US Bank for investment in accordance with the Company's Reinvestment guidelines. Cash collateral, if any, is reinvestment in short-term investments.

(4) N/A

(5) Collateral Reinvestment

(a) Aggregate Amount of Cash Collateral Reinvested

(1) Repurchase Agreement – NONE

(2) Securities Agreement

		(1) Amortized Cost	(2) Fair Value
(a)	Open	$ 124,574,226	$ 124,574,226
(b)	30 Days or Less	-	-
(c)	31 to 60 Days	-	-
(d)	61 to 90 Days	-	-
(e)	91 to 120 Days	-	-
(f)	121 to 180 Days	-	-
(g)	181 to 365 Days	-	-
(h)	1 to 2 Years	-	-
(i)	2 to 3 Years	-	-
(j)	Greater than 3 Years	-	-
(k)	Sub-Total	124,574,226	124,574,226
(l)	Securities Received	-	-
(m)	Total Collateral Reinvested	$ 124,574,226	$ 124,574,226

(3) Dollar Repurchase Agreement – NONE

(6) Cash flow modeling was performed on all of these securities using current and expected market based assumptions, which showed that the investor will receive cash flow the percent of value of which is equal to the adjusted statement value. Therefore, any impairment is considered not other than temporary.

(7) N/A

F. Real Estate

(1) There were no impairment losses recorded on real estate investments during the years presented.

(2) The Company has not sold or classified real estate investments as held for sale.

(3) The Company has not experienced changes to a plan of sale for an investment in real estate.

(4) The Company does not engage in retail land sales operations.

(5) The Company does not hold real estate investments with participating mortgage loan features.

G. Investments in low-income housing tax credits (LIHTC) – NONE

NOTES TO FINANCIAL STATEMENTS

H. Restricted Assets

(1)

	Restricted Asset Category	Gross Restricted – Current Year – 1 Total General Account	2 G/A Supporting S/A Restricted Assets (a)	3 Total Separate Account Restricted Assets	4 S/A Assets Supporting G/A Activity (b)	5 Total	6 Total From Prior Year	7 Increase/ (Decrease)	8 Total Current Year Admitted Restricted	Percentage – 9 Gross Restricted to Total Assets	10 Admitted Restricted to Total Admitted Assets
a.	Subject to contractual obligation for which liability is not shown	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
b.	Collateral held under security lending arrangements	129,579,742	-	-	-	129,579,742	135,457,136	(5,877,394)	129,579,742	0.47%	0.47%
c.	Subject to repurchase agreements	-	-	-	-	-	-	-	-		
d.	Subject to reverse repurchase agreements	157,000,000	-	-	-	157,000,000	105,000,000	52,000,000	157,000,000	0.57%	0.57%
e.	Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-		
f.	Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-		
g.	Placed under option contract	-	-	-	-	-	-	-	-		
h.	Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-	-		
i.	FHLB capital stock	36,552,000	-	-	-	36,552,000	36,552,000	-	36,552,000	0.13%	0.13%
j.	On deposit with state	9,211,562	-	-	-	9,211,562	9,586,555	(374,993)	9,211,562	0.03%	0.03%
k.	On deposit with other regulatory bodies	-	-	-	-	-	-	-	-		
l.	Pledged as collateral to FHLB (including assets backing funding agreements)										
m.	Pledged as collateral not captured in other categories	412,549,221	-	-	-	412,549,221	396,400,680	16,148,541	412,549,221	1.49%	1.50%
n.	Other restricted assets	-	-	-	-	-	-	-	-		
o.	Total restricted assets	$ 744,892,525	$ -	$ -	$ -	$ 744,892,525	$682,996,371	$ 61,896,154	$744,892,525	2.69%	2.70%

(2)

Collateral Agreement	Gross Restricted – Current Year – 1 Total General Account	2 G/A Supporting S/A Restricted Assets (a)	3 Total Separate Account Restricted Assets	4 S/A Assets Supporting G/A Activity (b)	5 Total	6 Total From Prior Year	7 Increase/ (Decrease)	8 Total Current Year Admitted Restricted	Percentage – 9 Gross Restricted to Total Assets	10 Admitted Restricted to Total Admitted Assets
FHLB Funding Agreement	$ 412,549,221	$ -	$ -	$ -	$ 412,549,221	$ 396,400,680	$ 16,148,541	$ -	1.61%	0.00%
Total	$ 412,549,221	$ -	$ -	$ -	$ 412,549,221	$ 396,400,680	$ 16,148,541	$ -	1.61%	0.00%

(3) Detail of Other Restricted Assets – NONE

I. Working Capital Finance Investments (WCFI) – NONE

J. Offsetting and Netting of Assets and Liabilities – NONE

K. Structured Notes – NONE

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies - NONE

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceeded 10% of its admitted assets.

B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7. Investment Income

A. Due and accrued income was excluded from investment income on the following basis:

Bonds - where collection of interest is uncertain, are placed on non-accrual status.

Due and accrued income was excluded from surplus on the following basis: all investment income due and accrued on bonds in default as to principal and interest.

The total amount excluded: NONE

8. Derivative Instruments

A. Market risk, credit risk and cash requirements

As of December 31, 2015, the Company holds over-the-counter equity put options in order to hedge the equity market risk in of the guarantees in its variable annuity riders. The options increase in value if the equity index on which a given option is written goes down. If the equity index on which a given option is written goes up, the options decrease in value, but cannot fall by more than the purchase price. To the extent the options have value; the Company does have credit exposure to the dealers ("counterparties") from which the Company purchased the options. The Company has managed its credit exposure by diversifying its counterparties and requiring collateral as specified in its ISDA agreements for all trades (except some legacy put options with value less than $1MM). All put options have been entered into with counterparties that have a current credit rating of A/A1 or higher. The only cash requirement of these options is the initial purchase price.

As of December 31, 2015 the Company holds a position in exchange-traded futures on various equity indices and currencies to hedge the equity market risk of the guarantees in its variable annuity contracts. These futures increase in value when the equity index on which a given contract is written goes down and decrease in value when that index goes up. Margin for the change in value is calculated every day, and must be posted if there is a deficit and credited if there is a surplus. Additionally, initial margin is posted by participants on each side of a futures trade. Together, these collateral support mechanisms minimize the credit risk of futures. There is no premium charge to enter into a future, but cash or Treasury Securities must be posted for initial margin and cash exchanged each subsequent day for changes in value, as noted above.

As of December 31, 2015 the Company holds a position in an over-the-counter equity total return swap ("ETRS") to hedge the equity market risk of the guarantees in its variable annuity contracts. Similar to futures contracts, The ETRS increases in value when the equity index on which the contract is written goes down and decrease in value when that index goes up. The ETRS contract has a fair value of zero at the time of trade execution, and thus has no upfront cash requirement. Upon movement in the equity index on which the contract is written, collateral is posted by the Company to its counterparty(ies) should the value of the contract go in the counterparty's favor, or collateral is posted to the Company by the counterparty(ies) should the value of the contract move in the Company's favor. The ETRS trade is fully collateralized according to the ISDA agreement in place between the Company and its counterparty(ies). As of December 31, 2015 the Company holds a position in a cross currency swap converting Euro currency flows to U.S. Dollar flows on a Euro-denominated bond.

B. Company objectives for using derivatives

The objective of ONLIC's use of equity puts, equity futures, equity total return swaps and currency futures is to hedge against a decline in equity and currency markets. These instruments are employed as fair value hedges against the Company's obligations. The primary Company obligation is a guaranty of the investment portfolios held by policyholders.

The objective of ONLIC's sale of treasury futures during 2013 was to facilitate an "Identified Mixed Straddle" in which the interest rate risk of a portfolio of fixed rate bonds from the Company's general account was hedged against rising rates. This hedge was treated as a constructive sale for tax purposes and was unwound before year end.

The objective of ONLIC's cross currency swap is to exchange Euro currency flows for U.S. Dollar currency flows, which is the primary currency of the investment portfolio.

C. Derivative Accounting Policies

Futures and foreign currency holdings are accounted for at fair value with the changes in fair value recorded as unrealized gains or unrealized losses. Upon termination of a derivative or foreign currency holding, the gain or loss shall be recognized in income. During 2015, the Company recognized $39,322,060 in losses in the statement of operations of which $35,945,134 is Funds Withheld for the benefit of Sycamore Re (an affiliate), netting to $3,376,926 which represented as part of the Summary of Operations line 34. During 2014, the Company recognized $50,352,532 in losses in the statement of operations of which $42,973,772 is Funds Withheld for the benefit of Sycamore Re (an affiliate), netting to $7,378,760 which is represented as part of the Summary of Operations Line 34.

The put options are carried at fair value. In 2015, the realized loss from maturing put options was $28,855,278 in the statement of operations of which $25,105,959 is Funds Withheld for the benefit of Sycamore Re (an affiliate) netting to $3,749,319 which is represented as part of the Summary of Operations Line 34. In 2014, the realized loss from maturing put options was $5,528,691 in the statement of operations of which $2,328,082 is Funds Withheld for the benefit of Sycamore Re (an affiliate) netting to $3,200,609 which is represented as part of the Summary of Operations Line 34.

D. Change in unrealized gain or loss during the year – NONE

E. Change in unrealized gain or loss during the year for hedges that no longer qualify for hedge accounting – NONE

F. Derivatives accounted for as cash flow hedges - NONE

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of the net deferred asset/ (liability) at December 31, 2015 and December 31, 2014 are as follows:

1.

		12/31/2015		
		(1)	(2)	(3)
		Ordinary	Capital	(Col 1+2) Total
(a)	Gross Deferred Tax Assets	$ 248,418,592	$ 8,333,439	$ 256,752,031
(b)	Statutory Valuation Allowance Adjustment	-	-	-
(c)	Adjusted Gross Deferred Tax Assets (1a-1b)	248,418,592	8,333,439	256,752,031
(d)	Deferred Tax Assets Nonadmitted	92,459,481	-	92,459,481
(e)	Subtotal Net Deferred Tax Assets (1c - 1d)	155,959,111	8,333,439	164,292,550
(f)	Deferred Tax Liabilities	61,595,061	1,071,081	62,666,142
(g)	Net Admitted Deferred Tax Assets/(Net Deferred Liability) (1e-1f)	$ 94,364,050	$ 7,262,358	$ 101,626,408

		12/31/2014		
		(1)	(2)	(3)
		Ordinary	Capital	(Col 1+2) Total
(a)	Gross Deferred Tax Assets	$ 234,145,571	$ 3,887,369	$ 238,032,940
(b)	Statutory Valuation Allowance Adjustment	-	-	-
(c)	Adjusted Gross Deferred Tax Assets (1a-1b)	234,145,571	3,887,369	238,032,940
(d)	Deferred Tax Assets Nonadmitted	80,489,215	-	80,489,215
(e)	Subtotal Net Deferred Tax Assets (1c - 1d)	153,656,356	3,887,369	157,543,725
(f)	Deferred Tax Liabilities	51,133,464	-	51,133,464
(g)	Net Admitted Deferred Tax Assets/(Net Deferred Liability) (1e-1f)	$ 102,522,892	$ 3,887,369	$ 106,410,261

		Change		
		(7)	(8)	(9)
		(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a)	Gross Deferred Tax Assets	$ 14,273,021	$ 4,446,070	$ 18,719,091
(b)	Statutory Valuation Allowance Adjustment	-	-	-
(c)	Adjusted Gross Deferred Tax Assets (1a-1b)	14,273,021	4,446,070	18,719,091
(d)	Deferred Tax Assets Nonadmitted	11,970,266	-	11,970,266
(e)	Subtotal Net Deferred Tax Assets (1c - 1d)	2,302,755	4,446,070	6,748,825
(f)	Deferred Tax Liabilities	10,461,597	1,071,081	11,532,678
(g)	Net Admitted Deferred Tax Assets/(Net Deferred Liability) (1e-1f)	$ (8,158,842)	$ 3,374,989	$ (4,783,853)

NOTES TO FINANCIAL STATEMENTS

2.

		12/31/2015		
		(1)	(2)	(3)
		Ordinary	Capital	(Col 1+2) Total
Admission Calculation Components - SSAP 101				
(a)	Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	$ 35,905,254	$ 8,333,439	$ 44,238,693
(b)	Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation (the lesser of 2(b) 1 and 2(b)2 below)	57,387,715	-	57,387,715
1.	Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	57,387,715	-	57,387,715
2.	Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	147,770,296
(c)	Adjusted Gross Deferred Tax Assets (Excluding the amount of Deferred Tax Assets from 2 (a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	62,666,142	-	62,666,142
(d)	Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a)+2(b)+(2c)	$ 155,959,111	$ 8,333,439	$ 164,292,550

NOTES TO FINANCIAL STATEMENTS

			12/31/2014	
		(4)	(5)	(6)
		Ordinary	Capital	(Col 4+5) Total
Admission Calculation Components - SSAP 101				
(a)	Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	$ 51,837,441	3,887,369	$ 55,724,810
(b)	Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation (the lesser of 2(b) 1 and 2(b)2 below)	50,685,451	-	50,685,451
	1. Adjusted Gross Deferred Tax Assets Expected to be Realized Follow ing the Balance Sheet Date	50,685,451	-	50,685,451
	2. Adjusted Gross Deferred Tax Assets Allow ed per Limitation Threshold	XXX	XXX	147,072,171
(c)	Adjusted Gross Deferred Tax Assets (Excluding the amount of Deferred Tax Assets from 2 (a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	51,133,464	-	51,133,464
(d)	Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a)+2(b)+(2c)	$ 153,656,356	$ 3,887,369	$ 157,543,725

NOTES TO FINANCIAL STATEMENTS

		Change		
		(7)	(8)	(9)
		(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
Admission Calculation Components - SSAP 101				
(a)	Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	$ (15,932,187)	$ 4,446,070	$ (11,486,117)
(b)	Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation (the lesser of 2(b) 1 and 2(b)2 below)	6,702,264	-	6,702,264
	1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	6,702,264	-	6,702,264
	2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	698,125
(c)	Adjusted Gross Deferred Tax Assets (Excluding the amount of Deferred Tax Assets from 2 (a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	11,532,678	-	11,532,678
(d)	Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a)+2(b)+(2c)	$ 2,302,755	$ 4,446,070	$ 6,748,825

3.

	Impact of Tax Planning Strategies	2015	2014
(a)	Ratio Percentage Used To Determine Recovery Period and Threshold Limitation Amount	1172%	1056%
(b)	Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 above	1,129,006,623	980,481,143

NOTES TO FINANCIAL STATEMENTS

4.

	12/31/2015		
	(1)	(2)	(3) (Col 1+2)
	Ordinary Percent	Capital Percent	Total Percent
Impact of Tax Planning Strategies			
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage			
1 Adjusted Gross DTAs amount from Note 9A1(c)	248,418,592	8,333,439	256,752,031
2 Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0%	0%	0%
3 Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	155,959,111	8,333,439	164,292,550
4 Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of taxs planning strategies	0%	3%	3%

	12/31/2014		
	(4)	(5)	(6) (Col 1+2)
	Ordinary Percent	Capital Percent	Total Percent
Impact of Tax Planning Strategies			
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage			
1 Adjusted Gross DTAs amount from Note 9A1(c)	234,145,571	3,887,369	238,032,940
2 Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0%	2%	2%
3 Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	153,656,356	3,887,369	157,543,725
4 Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of taxs planning strategies	0%	2%	2%

	Change		
	(7) (Col 1-4)	(8) (Col 2-5)	(9) (Col 7-8)
	Ordinary Percent	Capital Percent	Total Percent
Impact of Tax Planning Strategies			
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage			
1 Adjusted Gross DTAs amount from Note 9A1(c)	14,273,021	4,446,070	18,719,091
2 Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0%	-2%	-2%
3 Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	2,302,755	4,446,070	6,748,825
4 Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of taxs planning strategies	0%	1%	1%

(b) Does the company's tax-planning strategies include the use of reinsurance? Yes __ No _X_

NOTES TO FINANCIAL STATEMENTS

B. Unrecognized deferred tax liabilities

(1) There are no temporary differences for which deferred tax liabilities are not recognized.
(2) N/A
(3) N/A
(4) N/A

C. Current income taxes incurred consist of the following major components:

				(1) 12/31/2015	(2) 12/31/2014	(3) (Col 1-2) Change
(1)	Current Income Tax					
	(a)	Federal		$ 9,098,394	$ 22,194,686	$ (13,096,292)
	(b)	Foreign		-	-	-
	(c)	Subtotal		9,098,394	22,194,686	(13,096,292)
	(d)	Federal Income tax on net capital gains		5,056,232	(347,759)	5,403,991
	(e)	Utilization of capital loss carry-forwards		-	-	-
	(f)	Other		(3,259,681)	(4,669,928)	1,410,247
	(g)	Federal and foreign income taxes incurred		$ 10,894,945	$ 17,176,999	$ (6,282,054)
(2)	Deferred Tax Assets:					
	(a)	Ordinary				
		(1)	Discounting of unpaid losses	$ -	$ -	$ -
		(2)	Unearned premium reserve	2,179,948	1,809,570	370,378
		(3)	Policyholder reserves	99,489,106	87,200,298	12,288,808
		(4)	Investments	6,209,171	23,093,453	(16,884,282)
		(5)	Deferred acquisition costs	74,553,239	69,493,633	5,059,606
		(6)	Policyholder dividends accrual	27,325,848	23,038,275	4,287,573
		(7)	Fixed assets	-	3,227,744	(3,227,744)
		(8)	Compensation and benefits accrual	19,216,174	19,151,535	64,639
		(9)	Pension accrual	-	-	-
		(10)	Non-admitted Assets	13,201,866	-	13,201,866
		(11)	Net operating loss carry-forward	-	-	-
		(12)	Tax credit carry-forward	4,468,081	-	4,468,081
		(13)	Other (including items<5% of total ordinary tax assets)	1,775,159	7,131,063	(5,355,904)
		(99)	Subtotal	248,418,592	234,145,571	14,273,021
	(b)	Statutory valuation allowance adjustment		-	-	-
	(c)	Nonadmitted		92,459,481	80,489,215	11,970,266
	(d)	Admitted ordinary deferred tax assets (2a99 - 2b - 2c)		155,959,111	153,656,356	2,302,755
	(e)	Capital:				
		(1)	Investments	8,333,439	3,887,369	4,446,070
		(2)	Net capital loss carry-forward	-	-	-
		(3)	Real Estate	-	-	-
		(4)	Other (including items<5% of total capital tax assets)	-	-	-
		(99)	Subtotal	8,333,439	3,887,369	4,446,070
	(f)	Statutory valuation allowances adjustment		-	-	-
	(g)	Nonadmitted		-	-	-
	(h)	Admitted capital deferred tax assets (2e99 - 2f - 2g)		8,333,439	3,887,369	4,446,070
	(i)	Admitted deferred tax assets (2d + 2h)		164,292,550	157,543,725	6,748,825
(3)	Deferred Tax Liabilities:					
	(a)	Ordinary				
		(1)	Investments	156,342	1,161,699	(1,005,357)
		(2)	Fixed assets	488,468	-	488,468
		(3)	Deferred and uncollected premium	18,739,125	-	18,739,125
		(4)	Policyholder reserves	-	16,064,961	(16,064,961)
		(5)	Section 807(f) Adjustment	39,802,944	-	39,802,944
		(6)	Other (including items<5% of total capital tax liabilities)	2,408,182	33,906,804	(31,498,622)
		(99)	Subtotal	61,595,061	51,133,464	10,461,597
	(b)	Capital:				
		(1)	Investments	1,071,081	-	1,071,081
		(2)	Real Estate	-	-	-
		(3)	Other (including items<5% of total capital tax liabilities)	-	-	-
		(99)	Subtotal	1,071,081	-	1,071,081
	(c)	Deferred tax liabilities (3a99 + 3b99)		62,666,142	51,133,464	11,532,678
(4)	Net deferred tax assets/liabilities (2i - 3c)			$ 101,626,408	$ 106,410,261	$ (4,783,853)

NOTES TO FINANCIAL STATEMENTS

D. Among the more significant book to tax adjustments were the following:

		December 31, 2015	Effective Tax Rate
(1)	Provision computed at statutory rate	$ 25,999,294	35.0%
(2)	Dividends received deduction	(15,135,570)	-20.4%
(3)	IMR	(2,153,365)	-2.9%
(4)	Change in equity of subsidiaries	(17,329,550)	-23.3%
(5)	Change in non-admitted DTA	(3,365,658)	-4.5%
(6)	Prior period adjustments	23,760,658	32.0%
(7)	Voluntary Reserve	(3,797,654)	-5.1%
(8)	Capital gain from distribution in excess of subsidary E&P	4,777,884	6.4%
(9)	Tax Credits	(9,192,883)	-12.4%
(10)	Other	(1,060,915)	-1.4%
(11)	Total	$ 2,502,241	3.4%

Federal and foreign taxed incurred	$ 4,560,829
Realized capital gains (losses) tax	6,334,116
Change in net deferred income taxes	(8,392,704)
Total current statutory income taxes	$ 2,502,241

E. (1) The Company has no net operating loss carryforward. The Company has general business tax credit carry-forwards that expire as follows: 2035, $3,043,924; 2034, $1,424,157.

(2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net loss:

2015 (current year)	$ 12,260,573
2014 (current year-1)	14,090,699
2013 (current year-2)	24,523,140
	$ 50,874,412

(3) The aggregate amount of deposits reported as admitted assets under Section 6603 of the Internal Revenue Service (IRS) Code was $0 as of December 31, 2015.

F. (1) The Company's federal income tax return is consolidated with the following entities:

Ohio National Life Assurance Corporation, National Security Life and Annuity Company, Kenwood Re., Inc., Montgomery Re, Inc., Camargo Re Captive, Inc. and Sycamore Re, LTD as part of the life/non-life consolidated return of the common parent, Ohio National Mutual Holdings, Inc.

(2) The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocations are based upon separate return calculations with current credit for net losses. Intercompany tax balances are settled quarterly.

G. (1) Federal or Foreign Income Tax Loss Contingencies:
The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. The Company is a stock life insurance company whose shares of stock are owned entirely by Ohio National Financial Services, Inc. (ONFS), an intermediate holding company whose shares of stock are owned entirely by Ohio National Mutual Holdings, Inc. (ONMH), a mutual insurance holding company whose members are exclusively the life insurance and annuity policyholders of the Company.

OMNH and ONFS have each entered into Pledge and Security Agreements with the Company, whereby the assets of ONMH and ONFS were assigned and pledged to the Company, and the Company was granted a security interest therein, for purposes of satisfying the claims of the Company's policyholders in the event that proceedings involving the Company are ever commenced pursuant to the provisions of Ohio law relating to the supervision, rehabilitation or liquidation of insurers (Ohio Revised Code Sections 3903.01 to 3903.76).

Ohio National Life Assurance Corporation (ONLA), National Security Life and Annuity Company (NSLA), Montgomery Re, Inc. (MONT), Kenwood Re, Inc. (KENW), Camargo Re Captive, Inc. (CMGO), Ohio National Investments, Inc. (ONII), Ohio National Equities, Inc. (ONEQ) and The O.N. Equity Sales Company (ONES) are all wholly owned subsidiaries of the Company.

B. The Company's investment income reflects dividends of $29,000,000, $10,000,000, $2,013,000, $8,500,000 and $0 in 2015 and $31,000,000, $5,000,000 $0, $6,500,000 and $2,100,000 in 2014 from its wholly owned subsidiaries, ONLA, MONT, ONEQ, ONII and ONES, respectively.

The Company received $25,000, 000 from MONT as partial repayment of a $100,000,000 surplus note that the Company holds. The carrying value of the surplus note is reported on Page 2, Line 8.

NOTES TO FINANCIAL STATEMENTS

Dividends to the Company's parent, ONFS, are summarized below:

	2015	2014
Dividends declared and unpaid (P3, L23, C1)	$ -	$ -
Dividends paid in cash (P5, L16.5, C1)	90,000,000	60,000,000
Dividends declared and unpaid (prior year) (P3, L23, C2)	-	-
Dividends to stockholders (P4, L52, C1)	$ 90,000,000	$ 60,000,000

C. The Company had no transactions with respect to changes in company arrangements.

D. As of December 31, 2015 the Company reported a "Receivable from parents, subsidiaries and affiliates" of $24,252,329 and a "Payable to parents, subsidiaries and affiliates" of $179,070,036. Inter-company balances are settled in cash, generally within thirty days of the respective reporting date.

With the exception of the items mentioned in section "A" above, the company has no guarantees to related parties.

E. The Company does not have guarantees or undertakings for the benefit of an affiliate, which results in a material contingent exposure of the Company's assets and liabilities

F. The Company has an agreement to provide personnel, EDP equipment, and supplies to ONLA. This agreement was approved by the Ohio Department of Insurance. Generally, the apportionment shall be based upon specifically identifying the expense to the incurring entity. Where this is not feasible, apportionment shall be based upon pertinent factors or ratios. The terms call for a cash settlement at least quarterly. The amount that the Company owed ONLA was $0 and $2,604,000 as of December 31, 2015 and 2014, respectively. Charges for all services totaled $66,248,000 and $55,727,000 for the years ended 2015 and 2014, respectively.

ONFS provides services for executive management and EDP equipment placed in service after December 31, 2000, to the Company. For the years ended 2015 and 2014, the Company recorded expenses of $17,519,984 and $13,556,622, respectively for these services.

The Company paid $5,132,416 and $4,963,504 for rent and operating expenses on the home office to ONFS for the years ended 2015 and 2014, respectively.

The Company is a party to an agreement with ONMH and most of its direct and indirect subsidiaries whereby the Company shall maintain a common checking account. It is the Company's duty to maintain sufficient funds to meet the reasonable needs of each party on demand. The Company must account for the balances of each party daily. Such funds are deemed to be held in escrow by the Company for the other parties. Settlement is made daily for each party's needs from or to the common account. It is the Company's duty to invest excess funds in an interest bearing account and/or short term highly liquid investments. The Company will credit interest monthly at the average interest earned for positive cash balances during the period or charge interest on any negative balances. Interest expense was $225,401and $382,654 for the years ended December 31, 2015 and December 31, 2014, respectively. The parties agree to indemnify one another for any losses of any nature relating to a party's breach of its duties under the terms of the agreement. The Company held the following balances for the participating entities in Page 3 Line 24.4, Payable to parent, subsidiaries and affiliates in the general account of the Annual Statement at December 31, 2015 and 2014:

	2015	2014
ONLA	$ 68,665,721	$ 50,611,086
Suffolk Capital Management LLC	949,325	946,049
ONFS	23,293,515	38,116,815
SYRE	27,361,898	38,187,719
ONII	171,321	114,395
MONT	4,418,821	(3,199,313)
ONMH	190,864	453,688
ONFlight Inc.	2,365,636	1,843,479
ON Global Holdings, LLC	1,373	1,669
Kenwood Re	15,410,913	15,635,712
ONTech, LLC	184,004	(108,979)
Financial Way Reality, Inc	9,678,132	4,821,266
ON Foreign Holdings, LLC	1,112,402	127,236
CMGO	20,000,000	-
Total	$ 173,803,925	$ 147,550,825

G. All outstanding shares of the Company are owned by the parent company, ONFS, an intermediate holding company whose shares of stock are owned entirely by ONMH, a mutual insurance holding company domiciled in the State of Ohio.

H. The Company has no investments in upstream affiliates.

I. The carries ONLA, a wholly owned life insurance company subsidiary, at statutory equity. The following is a summary of 2015 and 2014 financial information for ONLA:

	2015	2014
Total Assets	$ 3,688,526,946	$ 3,605,811,636
Total Liabilities	$ 3,407,019,328	$ 3,309,791,445
Total Surplus and Capital	$ 281,507,615	$ 296,020,191
Net Income	$ 20,834,289	$ 18,102,648

There were no other subsidiaries, controlled entities, or affiliates that exceeded 10% of the admitted assets.

NOTES TO FINANCIAL STATEMENTS

J. The Company did not recognize any impairment write-down for its investments in subsidiary companies during this statement period.

K. CARVM assumptions for adjusting foreign subsidiary annuity reserves from GAAP – N/A

L. Valuation of a downstream noninsurance holding company – N/A

M. Common stock of unconsolidated nonlife insurance subsidiaries at statutory equity recorded in the statutory statement of admitted assets, liabilities, and capital and surplus consists of the statutory equity of ONII, ONEQ, and ONESCO. At December 31, 2015 and 2014, no subsidiary's common stock exceeded 10% of the Company's admitted assets.

Description of SCA Investment	12/31/2014 Gross Amount (Balance Sheet)	12/31/2014 Nonadmitted Amount	Date of filing to NAIC	Type of NAIC Filing (Sub1 or Sub 2)	NAIC Response Received (Yes or No)	NAIC Valuation (Amount)	NAIC Disallowed Valuation Method (YES/NO)
ONEQ	$ 10,504,529	-	06/24/2015	Sub 2	Yes	$ 10,504,529	NO
ONESCO	$ 3,730,815	-	06/24/2015	Sub 2	Yes	$ 3,730,815	NO

11. Debt

A. As of December 31, 2015 and 2014, the Company has access to a $170,000,000 automatic revolving credit facility. The automatic revolving credit facility was not utilized in 2015 or 2014. As of December 31, 2015 and 2014, the Company's outstanding credit draw was $0. Total interest & fees paid in 2015 and 2014 was $0.

B. FHLB (Federal Home Loan Bank) Agreements

(1) The Company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati. Through its membership, and by purchasing FHLB stock, the Company can enter into deposit contracts. The Company had outstanding deposit contracts of $350,000,000 and $325,000,000 as of December 31, 2015 and December 31, 2014, respectively. The table below indicates the amount of FHLB of Cincinnati stock purchased, collateral pledged, and additional funding capacity available related to the agreement with FHLB of Cincinnati.

(2) FHLB Capital Stock

(a) Aggregate Totals

1. Current Year

		1 Total 2+3	2 General Account	3 Separate Accounts
(a)	Membership Stock - Class A	-	-	-
(b)	Membership Stock - Class B	25,000,000	25,000,000	-
(c)	Activity Stock	11,552,300	11,552,300	-
(d)	Excess Stock	(2,447,700)	(2,447,700)	-
(e)	Aggregate Total	36,552,300	36,552,300	-
(f)	Actual or estimated borrowing Capacity as Determined by the Insurer	577,615,000	557,615,000	-

2. Prior Year

		Total 2+3	General Account	Separate Accounts
(a)	Membership Stock - Class A	-	-	-
(b)	Membership Stock - Class B	25,000,000	25,000,000	-
(c)	Activity Stock	11,552,300	11,552,300	-
(d)	Excess Stock	(1,447,700)	(1,447,700)	-
(e)	Aggregate Total	36,552,300	36,552,300	-
(f)	Actual or estimated borrowing Capacity as Determined by the Insurer	557,615,000	557,615,000	-

NOTES TO FINANCIAL STATEMENTS

(b) Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

Membership Stock	1 Current Year Total	2 Not Eligible for Redemption	3 Less Than 6 Months	4 6 months to Less Than 1 year	5 1 to Less Than 3 Years	6 3 to 5 Years
1. Class A	-	-	-	-	-	-
2. Class B	25,000,000	25,000,000	-	-	-	-

(3) Collateral Pledged to FHLB

(a) Amount Pledged as of Reporting Date

1. Current Year Total General and Separate Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	419,795,750	412,549,221	350,000,000

2. Current Year General Account

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	419,795,750	412,549,221	350,000,000

3. Current Year Separate Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	0	0	0

4. Prior Year-end Total General Separate Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	407,006,520	396,400,680	325,000,000

(b) Maximum Amount Pledged During Reporting Year

1. Current Year Total General and Separate Accounts

	Fair Value	Carrying Value	Amount Borrowed at Time of Maximum Collateral
Maximum Collateral Pledged	431,216,662	417,364,815	350,000,000

2. Current Year General Account

	Fair Value	Carrying Value	Amount Borrowed at Time of Maximum Collateral
Maximum Collateral Pledged	431,216,662	417,364,815	350,000,000

3. Current Year Separate Accounts

	Fair Value	Carrying Value	Amount Borrowed at Time of Maximum Collateral
Maximum Collateral Pledged	0	0	0

NOTES TO FINANCIAL STATEMENTS

4. Prior Year-end Total General and Separate Accounts

	Fair Value	Carrying Value	Amount Borrowed at Time of Maximum Collateral
Maximum Collateral Pledged	407,006,520	396,400,680	325,000,000

(4) Borrowing from FHLB.

(a) Amount as of Reporting Date

1. Current Year

	1 Total 2+3	2 General Account	3 Separate Account	4 Funding Agreements Reserves Established
(a) Debt				
(b) Funding Agreements	350,000,000	350,000,000	-	349,608,870
(c) Other				
(d) Aggregate Total	350,000,000	350,000,000	-	349,608,870

2. Prior Year

	Total 2+3	General Account	Separate Account	Funding Agreements Reserves Established
(a) Debt				
(b) Funding Agreements	325,000,000	325,000,000	-	322,656,635
(c) Other				
(d) Aggregate Total	325,000,000	325,000,000	-	322,656,635

(b) Maximum Amount during Reporting Period (Current Year)

	1 Total 2+3	2 General Account	3 Separate Accounts
(a) Debt			
(b) Funding Agreements	350,000,000	350,000,000	-
(c) Other			
(d) Aggregate Total	350,000,000	350,000,000	-

(c) FHLB – Prepayment Obligations

	Does the company have prepayment obligations under the following arrangements (YES/NO)?
1. Debt	NO
2. Funding Agreements	NO
3. Other	NO

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans

A. The Company sponsors a funded pension plan covering substantially all home office employees hired before January 1, 1998. Retirement benefits are based on years of service and the highest average earnings in five of the last ten years. The Company currently offers eligible retirees the opportunity to participate in a health plan. The Company has two post-retirement health plans (other benefits); one offered to home office employees, the other offered to qualifying agents. Also, a group life benefit is provided for eligible retired home office employees and career agents.

NOTES TO FINANCIAL STATEMENTS

Home Office Plans

Only home office employees hired prior to January 1, 1998, may become eligible for these benefits provided that the employee meets the age and years of service requirements. An employee becomes eligible for early retirement as follows: age 55 with 20 years of credited service at retirement, age 56 with 18 years of service, age 57 with 16 years of service grading to age 64 with 2 years of service. For participants younger than age 65, the Plan provides a fixed portion of the health insurance contract premium. For participants age 65 and older, the Plan provides a fixed dollar amount which the participant must use to independently purchase their own insurance. The portion the Company pays is periodically increased and is a function of participant service.

Agents' Plans

Only qualifying agents with contracts effective prior to January 1, 1998 are eligible for post-retirement benefits. The Health plan is contributory, with retirees contributing approximately 50% of premium for coverage. As with all plan participants, the Company reserves the right to change the premium contribution at renewal.

A summary of assets, obligations, and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2015 and 2014:

(1) Change in benefit obligation	Overfunded		Underfunded	
	2015	2014	2015	2014
(a) Pension Benefits				
1. Benefit Obligation at beginning of year	$ -	$ -	$ 81,679,000	$ 68,653,000
2. Service Cost	-	-	2,408,000	2,015,000
3. Interest Cost	-	-	3,779,000	3,620,000
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	(4,750,000)	11,276,000
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	(6,519,000)	(3,885,000)
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-
10. Benefit obligation at end of year (1)	$ -	$ -	$ 76,597,000	$ 81,679,000
(b) Postretirement Benefits				
1. Benefit Obligation at beginning of year	$ -	$ -	$ 5,018,000	$ 4,588,000
2. Service Cost	-	-	44,000	42,000
3. Interest Cost	-	-	220,000	229,000
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	1,197,000	380,000
6. Foreign currency exchange rate changes	-	-		-
7. Benefits paid	-	-	(200,000)	(221,000)
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-
10. Benefit obligation at end of year (1)	$ -	$ -	$ 6,279,000	$ 5,018,000
(c) Special or Contractual Benefits per SSAP No. 11				
1. Benefit Obligation at beginning of year	$ -	$ -	$ -	$ -
2. Service Cost	-	-	-	-
3. Interest Cost	-	-	-	-
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	-	-
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	-	-
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-
10. Benefit obligation at end of year	$ -	$ -	$ -	$ -

(2) Change in plan assets	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	2015	2014	2015	2014	2015	2014
(a) Fair value of plan assets at beginning of year	$ 56,355,000	$ 56,670,000	$ -	$ -	$ -	$ -
(b) Actual return on plan assets	(1,162,000)	3,409,000	-	-	-	-
(c) Foreign currency exchange rate changes	-	-	-	-	-	-
(d) Reporting entity contribution	5,000,000	-		221,000	-	-
(e) Plan participants' contributions	-	-		-	-	-
(f) Benefits paid	(5,920,000)	(3,724,000)		(221,000)	-	-
(g) Business combinations, divestitures and settlements	-	-	-	-	-	-
(h) Fair value of plan assets at end of year	$ 54,273,000	$ 56,355,000	$ -	$ -	$ -	$ -

NOTES TO FINANCIAL STATEMENTS

(3) Funded Status

	Pension Benefits 2015	Pension Benefits 2014	Postretirement Benefits 2015	Postretirement Benefits 2014
Overfunded:				
(a) Assets (nonadmitted)				
1. Prepaid benefits costs	$ -	$ -	$ -	$ -
2. Overfunded plan assets	-	-	-	-
3. Total assets (nonadmitted)	$ -	$ -	$ -	$ -
Underfunded:				
(b) Liabilities recognized				
1. Accrued benefit costs	$ (5,521,000)	$ (4,767,000)	$ 5,819,000	$ 5,966,000
2. Additional Liability for pension benefits	27,845,000	30,091,000	460,000	(949,000)
3. Total liabilities recognized	$ 22,324,000	$ 25,324,000	$ 6,279,000	$ 5,017,000
(c) Unrecognized liabilities	$ -	$ -	$ -	$ -

(4) Components of net periodic benefit cost

		Pension Benefits 2015	Pension Benefits 2014	Postretirement Benefits 2015	Postretirement Benefits 2014	Special or Contractual Benefits per SSAP No. 11 2015	Special or Contractual Benefits per SSAP No. 11 2014
(a)	Service Cost	$ 2,408,000	$ 2,015,000	$ 44,000	$ 42,000	$ -	$ -
(b)	Interest Cost	3,779,000	3,620,000	220,000	229,000	-	-
(c)	Expected return on plan assets	(3,809,000)	(3,809,000)	-	-	-	-
(d)	Amortization of unrecognized transition obligation or transition asset	-	-	-	-	-	-
(e)	Amount of recognized gains and losses	2,206,000	1,222,000	(199,000)	(350,000)	-	-
(f)	Amount of prior services cost recognized	260,000	260,000	(13,000)	(12,000)	-	-
(g)	Amount of gain or loss recognized due to a settlement or curtailment	-	-	-	-	-	-
(h)	Total net periodic benefit cost	$ 4,844,000	$ 3,308,000	$ 52,000	$ (91,000)	$ -	$ -

(5) Amounts in unassigned funds (surplus) recognized in the next fiscal year as components of net periodic benefit cost

		Pension Benefits 2015	Pension Benefits 2014	Postretirement Benefits 2015	Postretirement Benefits 2014
(a)	Items not yet recognized as a component of net periodic cost - prior year	$ 30,091,000	$ 19,896,000	$ (949,000)	$ (1,691,000)
(b)	Net transition asset or obligation recognized	-	-	-	-
(c)	Net prior service cost or credit arising during the period	-	-	-	-
(d)	Net prior service cost or credit recognized	(260,000)	(260,000)	13,000	12,000
(e)	Net gain and loss arising during the period	220,000	11,677,000	1,197,000	380,000
(f)	Net gain and loss recognized	(2,206,000)	(1,222,000)	199,000	350,000
(g)	Items not yet recognized as a component of net periodic cost - current year	$ 27,845,000	$ 30,091,000	$ 460,000	$ (949,000)

(6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit

		Pension Benefits 2015	Pension Benefits 2014	Postretirement Benefits 2015	Postretirement Benefits 2014
(a)	Net transition asset or obligation	$ -	$ -	$ -	$ -
(b)	Net prior service cost or credit	260,000	260,000	(13,000)	(13,000)
(c)	Net recognized (gains) and losses	2,223,000	2,588,000	50,000	(191,000)

(7) Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost

		Pension Benefits 2015	Pension Benefits 2014	Postretirement Benefits 2015	Postretirement Benefits 2014
(a)	Net transition asset or obligation	$ -	$ -	$ -	$ -
(b)	Net prior service cost or credit	714,000	973,000	(412,000)	(425,000)
(c)	Net recognized (gains) and losses	27,131,000	29,117,000	872,000	(524,000)

NOTES TO FINANCIAL STATEMENTS

(8) Weighted-average assumptions used to determine net periodic benefit cost as of Jan 1:

	2015	2014
(a) Weighted average discount rate	4.59%	5.30%
(b) Expected long-term rate of return on plan assets	7.00%	7.00%
(c) Rate of Compensation increase	3.81%	3.75%

Weighted-average assumptions used to determine projected benefit obligation as of Dec. 31:

	2015	2014
(d) Weighted average discount rate	5.28%	4.60%
(e) Rate of Compensation increase	3.86%	3.85%

For benefit obligation measurement purposes, a 7.55 percent annual rate of increase in the per capita cost of covered health care benefits for pre-65 costs and 3.1 percent for post-65 costs was assumed for 2015. The rate was assumed to decrease gradually to 6.00% percent at 2019 for pre-65 costs and 1.55 percent for post-65 costs and remain at that level thereafter.

(9) The amount of the accumulated benefit obligation for defined benefit pension plans was $61,537,000 for the current year and $64,360,000 for the prior year.

(10) The Company has multiple non-pension post-retirement benefit plans. The health care plans are contributory, with participants' contributions adjusted annually; the life insurance plans are noncontributory. On July 1, 2013, the Company amended its home office postretirement health care plans to provide a fixed dollar amount each year towards eligible medical expenses.

(11) Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage point change in assumed health care cost trend rates would have the following effects:

		1 Percentage Point Increase	1 Percentage Point Decrease
(a)	Effect on total of service and interest cost components	28,000	(23,000)
(b)	Effect on postretirement benefit obligation	636,000	(542,000)

(12) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

Year(s)	Amounts
2016	6,742,000
2017	6,568,000
2018	6,850,000
2019	7,108,000
2020	7,973,000
2021-2025	41,305,000

(13) The Company does not have any regulatory contribution requirements for 2015 and the Company currently intend to make voluntary contributions to the defined benefit pension plan of $0 in 2014.

B. Investment Policy and Strategy

The assets of the Company's defined benefit pension plan are invested in a group variable annuity contract issued by the Company offering specific investment choices from various asset classes providing diverse and professionally managed options. The assets are invested in a mix of stocks, bonds and real estate securities in allocations as determined from time to time by the Pension Plan Committee. The target allocations are designed to balance the Plan's short-term liquidity needs and its long-term liabilities. The target allocations are currently 65% stocks and 35% bonds.

For diversification and risk control purposes, where applicable, each asset class is further divided into sub classes such as large cap, mid cap, small cap, growth, core and value for equity securities and U.S. domestic, global and high yield for debt securities. To the extent possible, each sub asset class utilizes multiple fund choices and no single fund contains more than 25% of the Plan assets (exclusive of any short-term increases in assets due to any Plan funding). The Plan performance is measured by a weighted benchmark consisting of equity and debt benchmarks in weights determined by the Plan committee.

The overall expected long-term rate of return on assets is determined by a weighted average return of bond and stock indexes. Bond securities (including cash) make up 40% of the weighted average return and stocks make up 60% of the weighted average return.

The following table shows the weighted average assets allocation by class of the Company's qualified pension plan assets as of December 31:

	2015	2014
Stocks	71%	77%
Bonds	29%	23%
Total	100%	100%

NOTES TO FINANCIAL STATEMENTS

C.

(1) Fair Value Measurements of Plan Assets at Reporting Date

Description for each class of plan assets:	(Level 1)	(Level 2)	(Level 3)	Total
Bond	$ 15,898,000	$ -	$ -	$ 15,898,000
Equity	38,375,000	-	-	$ 38,375,000
Real Estate	-	-	-	$ -
Total Plan Assets	$ 54,273,000	$ -	$ -	$ 54,273,000

D. The overall expected long term rate of return on assets is determined by a weighted average return of fixed income and equity indexes.

E. Defined Contribution Plans

Substantially all home office employees hired after January 1, 1998, are covered under a defined contribution plan. Contributions of 3 percent of each employee's compensation are made each year. The expenses for the defined contribution plan were $2,672,281 and $2,023,638 for 2015 and 2014, respectively. The general agents plan provides benefits based on years of service and average compensation during the final five and ten years of service.

Insurance company employees are covered by a qualified defined contribution profit sharing plan sponsored by the insurance company. Company contributions to this plan are determined by management. The Company's contribution for the plan was $6,707,000 and $6,700,000 for 2015 and 2014, respectively.

F. The company does not participate in a multi-employer plan.

G. Consolidated/Holding Company Plans

The Company participates in a qualified, noncontributory defined benefit pension plan and a nonqualified, noncontributory defined benefit pension plan sponsored by Ohio National Financial Services, Inc., an affiliate. In addition, the Company provides certain other postretirement benefits to retired employees through a plan sponsored by Ohio National Financial Services, Inc. The Company has no legal obligation for benefits under these plans, except for the qualified pension plan. Ohio National Financial Services, Inc., allocates amounts to the Company based on salary ratios. The Company's share of net expense for the pension plans was $4,843,803 and $3,306,415 for 2015 and 2014, respectively and for other postretirement benefit plans was a benefit of $52,369 and 90,942 for 2015 and 2014, respectively.

H. Postemployment Benefits and Compensated Absences- NONE

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

(1) Recognition of existence of the Act

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act) was signed into law in December of 2003. The Act includes the following two new features to Medicare Part D that could affect the measurement of the Accumulated Post-Retirement Benefit Obligation (APBO) and Net Periodic Post-Retirement Cost for the Plan:

A federal subsidy (based on 28% of an individual beneficiary's annual prescription drug costs between $250 and $5,000), which is not taxable, to sponsors of retiree healthcare benefit plans that provide a prescription drug benefit that is at least actuarially equivalent to Medicare Part D; and the opportunity for a retiree to obtain a prescription drug benefit under Medicare.

The post-retirement health plans do not provide benefits which are actuarially equivalent to the Medicare Part D benefits. Therefore, the effects of the Act on the Accumulated Post-Retirement Benefit Obligation and the Net Periodic Post-Retirement Cost are not reflected in the financial statement or the accompanying notes.

(2) Effects of the Subsidy in Measuring the Net Postretirement Benefit Cost

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act) was signed into law in December of 2003. The Act includes the following two new features to Medicare Part D that could affect the measurement of the accumulated postretirement benefit obligation (APBO) and net periodic postretirement cost for the Plan:

The federal subsidy (based on 28% of an individual beneficiary's annual prescription drug costs between $250 and $5,000), which is not taxable, to sponsors of retiree health care benefit plans that provide a prescription drug benefit that is at least actuarially equivalent to Medicare Part D; and

The opportunity for a retiree to obtain a prescription drug benefit under Medicare.

The effect of the Act was a $0 reduction in the Company's net postretirement benefit cost for the subsidy related to benefits attributed to former employees. The Act also had the following effects on the net postretirement benefit cost; a $0 decrease as a result of an actuarial gain; a decrease to the current period service cost $0 due to the subsidy; and $0 decrease to the interest cost.

(3) Disclosure of Gross Benefit Payments

The Company's gross benefit payments for 2015 did not include estimates of future payments. The Company has no subsidy related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003 for 2015 and estimates future subsidies to be $0 annually.

NOTES TO FINANCIAL STATEMENTS

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-reorganizations

(1) The Company has 10,000,000 shares authorized, 10,000,000 shares issued, and 10,000,000 outstanding. All shares are Class A shares with a $1 per share par value.

(2) The Company has no preferred stock outstanding.

(3) The payment of dividends by the Company to its parent, ONFS, is limited by Ohio insurance Laws. The maximum dividend that may be paid without prior approval of the Director of Insurance is limited to the greater of statutory net income of the preceding calendar year or 10% of statutory earned surplus as of the preceding December 31. Therefore, in 2016 dividends of approximately $108,722,033 may be paid by the Company to ONFS without prior approval.

(4) Dividends to the Company's parent, ONFS, are summarized below:

	2015	2014
Dividends declared and unpaid (P3, L23, C1)	$ -	$ -
Dividends paid in cash (P5, L16.5, C1)	90,000,000	60,000,000
Dividends declared and unpaid (prior year) (P3, L23, C2)		
Dividends to stockholders (P4, L52, C1)	$ 90,000,000	$ 60,000,000

(5) Within the limitation of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

(6) The Company has no restrictions on unassigned surplus funds.

(7) Not Applicable.

(8) The Company held no stock for special purposes.

(9) The Company has no special surplus funds.

(10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and (losses) is $28,496,474.

(11)

1 Date Issued	2 Interest Rate	3 Par Value (Face Amount of Notes)	4 Carrying Value of Note *	5 Principal And/Or Interest Paid Current Year	6 Total Principal And/Or Interest Paid	7 Unapproved Principal And/Or Interest	8 Date of Maturity
05/25/1996	8.500	50,000,000	49,770,660	4,250,000	82,756,944	531,250	05/15/2026
04/01/2007	5.800	6,000,000	5,840,454	348,000	2,958,000	87,000	04/01/2027
12/15/2011	5.000	4,500,000	3,858,517	225,000	900,000	9,375	12/15/2031
06/14/2012	6.875	250,000,000	250,000,000	17,187,500	61,063,368	716,146	06/15/2042
Total		310,500,000	309,469,631	22,010,500	147,678,313	1,343,771	XXX

On June 6, 2012 the Company issued $250,000,000 of surplus notes at 6.875%. The notes mature on June 15, 2042. The Company used $50,000,000 of the net proceeds from this note offering to pay an extraordinary dividend to ONFS, the parent company of the Company. An additional $50,000,000 of the net proceeds was used to pay off its 7.5% surplus notes issued to ONFS. ONFS used that money plus approximately $50,000,000 of its own cash to exercise its right to redeem all $150,000,000 of its 6.35% Senior Notes due 2013. Another $100,000,000 of net proceeds from this offering was used to purchase a surplus note directly from the Company's Vermont captive reinsurer, MONT at 6.875%. MONT used proceeds from its sale of the surplus note to purchase assets which were placed in a trust in order to back some or all of the excess or redundant reserves on the Company's ONLA term policies that it will coinsure. The remainder of the net proceeds will remain with the Company and will be used for general corporate purposes, including contributions to the Company's insurance operating subsidiaries.

The surplus notes have the following repayment conditions and restrictions: any payment of interest on, principal of, or redemption price on the surplus notes may be made only with the prior approval of the Director of Insurance of the State of Ohio (Director) and only to the extent the Company has sufficient remaining surplus to make such payment. In addition, no such payment may be made, without prior approval of the Director, unless the surplus remaining after the payment described above is equal to or greater than the aggregate principal amounts of all surplus notes of the Company then outstanding.

The notes are unsecured debt obligations and issued in accordance with Section 3901.72 of the Ohio Revised Code, which regulates the issuance of, repayment of principal of, and payments of interest on, surplus notes.

The note is subordinate to the claims of policyholders and to other prior claims as set forth in Section 3903.42 of the Ohio Revised Code (all except shareholder claims) and ranks *pari passu* with any other surplus note of the Company, issued before or after this note, and with all other similarly subordinated claims.

On December 15, 2011, the Company issued a $4,500,000 5.0% surplus note to SML, as payment for the purchase of the additional shares of NSLAC, a subsidiary. This note matures on December 15, 2031.

NOTES TO FINANCIAL STATEMENTS

On April 1, 2007, the Company issued a $6,000,000 5.8% surplus note to SML, as payment for the additional shares of NSLAC. This note matures on April 1, 2027.

The surplus note has the following repayment conditions and restrictions: each payment of interest on and principal of the surplus notes may be made only with the prior approval of the Superintendent of Insurance of the State of Ohio and only to the extent the company has sufficient remaining surplus to make such payment.

The note is not subject to mandatory redemption prior to maturity. Subject to the Superintendent's prior approval, the note may be prepaid in whole or in part at any time without penalty.

The surplus note has the following subordination terms: the note is subordinate to the claims of policyholders and to other prior claims as set forth in Section 3903.42 of the Ohio Revised Code (all except shareholder claims) and ranks *pari passu* with any other surplus note of the Company, issued before or after this note, and with all other similarly subordinated claims.

The Company has other Surplus Notes outstanding of $50,000,000 at an interest rate of 8.5% maturing May 15, 2026.

These notes are not subject to mandatory or optional redemption prior to maturity. Payment of interest and payment of principal requires the approval of the Superintendent of Insurance of Ohio.

(12) The Company has not restated surplus due to a quasi-reorganization.

(13) Not Applicable.

14. Contingencies

A. Contingent Commitments

(1) The company has committed to fund mortgage loans in the amount of $19,110,000 and bonds in the amount of $0 and has no other material contingent commitments.

(2) Not Applicable

(3) Not Applicable

B. Assessments

(1) On December 31, 2015 the Company received notification of the insolvency of CoOportunity Health and SeeChange Health Insurance Company. It is expected that the insolvencies will result in a guaranty fund assessment against the company of approximately 5,900. $200 has been charged to operations in the current period.

(2)	(a)	Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	$ 2,208,176
	(b)	Decreases current year:	
		Premium tax offset applied	104,636
			-
			-
			-
	(c)	Increases current year:	
		Increase in accrued fund assessments	516,651
			-
			-
			-
	(d)	Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	$ 2,620,191

C. Gain Contingencies

The Company has no gain contingencies.

D. Claims Related to Extra-contractual Obligation and Bad Faith Losses Stemming from Lawsuits – NONE

E. Joint and Several Liabilities - NONE

F. All Other Contingencies

The Company has no assets that it considers to be impaired.

NOTES TO FINANCIAL STATEMENTS

15. Leases

A. Lessee Operating Lease

(1)

(a) The Company leases office equipment under various non-cancelable operating lease agreements that expire through December 2018. Rental expense for 2015 and 2014 was approximately $266,440 and $373,275 respectively.

The Company leases its home office. On December 30, 2003, ONLIC's parent company (ONFS) purchased the home office from ONLAC, a subsidiary life insurance company. The Company's lease of the property was unaffected by this sale. The lease agreement expires in September 2016. Rental expense for 2015 and 2014 was approximately $2,704,312 and $2,697,736, respectively.

(c) Certain rental commitments have renewal options extending through the year 2021. Some of these renewals are subject to adjustments in future periods.

(2)

(a) At January 1, 2015, the minimum aggregate office equipment rental commitments are as follows:

Year Ending December 31,	
2016	275,590
2017	250,824
2018	121,638
2019	-
Thereafter	-
	$ 648,052

At January 1, 2015 minimum aggregate office building rental commitments are as follows:

Year Ending December 31,	
2016	2,704,312
2017	2,704,312
2018	2,704,312
2019	2,704,312
Thereafter	5,407,624
	$ 16,224,872

16. Information about Financial Instruments with Off-balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

The Company is a party to financial instruments with off balance sheet risk in the normal course of business through management of its investment portfolio. The Company had outstanding commitments to fund mortgage loans, bonds, stocks, and venture capital partnerships of $19,110,000 and $27,330,000 as of December 31, 2015 and 2014, respectively. These commitments involve, in varying degrees, elements of credit and market risk in excess of amounts recognized in the statutory financial statements. The credit risk of all financial instruments, whether on or off balance sheet, is controlled through credit approvals, limits, and monitoring procedures.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfer of Receivables Reported as Sales - NONE

B. Transfer and Servicing of Financial Assets - NONE

C. Wash Sales

The Company has no wash sales of bonds or preferred stocks with a NAIC designation of 3 or below.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

A. ASO Plans - NONE

B. ASC Plans - NONE

B. Medicare or Similarly Structured Cost Based Reimbursement Contract – NONE

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

The Company has no premiums written/produced by managing general agents/third party administrators.

NOTES TO FINANCIAL STATEMENTS

20. Fair Value Measurements

A.

(1) Fair Value Measurements at December 31, 2015 are as follows:

(1) Description for each class of asset or liability	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) Total
a. Assets at fair value				
Cash	$ 242,924,823	$ -	$ -	$ 242,924,823
Short term	176,403,491	19,999,583	-	196,403,074
Securities lending collateral	-	124,574,226	-	124,574,226
Perpetual Preferred stock				
Industrial and Misc.	-	-	-	-
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Perpetual Preferred Stocks	-	-	-	-
Bonds				
U.S. Governments	-	-	-	-
Industrial and Misc	-	1,132,880	-	1,132,880
Hybrid Securities	-	-	-	-
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Bonds	-	1,132,880	-	1,132,880
Common Stock				
Industrial and Misc	-	38,064,522	-	38,064,522
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Common Stocks	-	38,064,522	-	38,064,522
Derivative assets				
Equity Swap	-	22,375	-	22,375
Equity put options	-	22,088,659	-	22,088,659
Credit contracts	-	-	-	-
Futures contracts	8,609,113	-	-	8,609,113
Commodity forward contracts	-	-	-	-
Total Derivatives	8,609,113	22,111,034	-	30,720,147
Separate account assets	19,864,745,819	-	-	19,864,745,819
Total assets at fair value	$ 20,292,683,246	$ 205,882,245	$ -	$ 20,498,565,491
b. Liabilities at fair value				
Derivative liabilities	$ 9,758,288	$ -	$ -	$ 9,758,288
Total liabilities at fair value	$ 9,758,288	$ -	$ -	$ 9,758,288

(2) Fair Value Measurements in (Level 3) of Fair Value Hierarchy – Not Applicable

Transfers into level 3 were due to NAIC 6 rated bonds (lower of cost or fair value) with amortized cost exceeding fair value. Transfers out of level 3 were due to NAIC 6 (lower of cost or fair value) where fair value exceeds amortized cost.

B. Other Fair Value disclosures – NONE

C. Fair Values for all Financial Instruments

(1) Type of Financial Instrument	(2) Aggregate Fair Value	(3) Admitted Assets	(4) Level 1	(5) Level 2	(6) Level 3	(7) Not Practicable (Carry Value)
Cash	242,924,823	242,924,823	242,924,823		-	-
Short term	196,403,074	196,403,074	176,403,491	19,999,583	-	-
Bonds	5,237,812,571	5,041,824,627	10,331,280	5,153,585,240	73,896,051	-
Common stock non-affiliate	38,064,522	38,064,522	-	38,064,522	-	-
Preferred stock	34,740,400	33,797,234	-	34,740,400	-	-
Mortgage loans	814,904,058	790,214,683	-	-	814,904,058	-
Derivatives- equity put options	22,088,659	22,088,659	-	22,088,659	-	-
Derivatives- equity swap	22,375	22,375	-	22,375	-	-
Derivatives- futures contracts	8,609,113	8,609,113	8,609,113		-	-
Derivatives- futures contracts	(9,758,288)	-	(9,758,288)	-	-	-

D. Not Practicable to Estimate Fair Values – NONE

21. Other Items

A. Extraordinary Items – NONE

B. Troubled Debt Restructuring – NONE

NOTES TO FINANCIAL STATEMENTS

C. Other Disclosures

(1) The Company's GMIB and GMDB riders issued prior to April 1, 2008 are reinsured with a non-affiliated reinsurer up to a certain level of coverage. The Company has reinsurance agreements in place with an affiliate for reinsurance coverage on the amounts in excess of the underlying non-affiliated reinsurance. The reinsurance agreements with our affiliate provide for a combined $135 million deductible that must be covered by the Company before coverage is provided by this affiliate. The Company's exposure related to GMIB and GMDB riders issued prior to April 1, 2008 is limited to the amount of this deductible since reinsurance coverage is either provided by the non-affiliated reinsurer or by the affiliated reinsurer once the deductible amount has been exceeded.

In order to provide for this deductible, the Company voluntarily established a reserve. The Company used the AG43 stochastic computation (CTE98) for this deductible portion.

The Company recognized the voluntary reserve as the difference between the stochastic CTE98 reserve for the deductible less the implicit reserve for the deductible in the reported reserve prior to adding the CTE98 reserve for the deductible. As of December 31, 2015, the implicit reserve for the deductible was $0 under the standard scenario reserve prior to the Company increasing the deductible reserve to $103,064,576 as of December 31, 2015 over $92,214,135 as of December 31, 2014 using CTE98. The voluntary reserve was initially set up at December 31, 2011 with a balance of $93,158,097, which was recorded as a direct reduction to unassigned surplus. The reserve increase of $10,850,441 during 2015 was recorded as a decrease to surplus. Since the change in reserve amount cannot be determined for the next three years, no deferred tax benefit was admitted.

(2) The table below provides additional detail and information regarding our annuity withdrawal characteristics which are briefly presented in note 32.

	Amount	Ceded	Net	% of Total
Statement of Annuity Withdrawal Characteristics				
A. Subject to discretionary withdrawal -with adjustment				
(1) -with market value adjustment	$ 360,639,794	$ -	$ 360,639,794	1.6%
(2) -at book value less surrender charge				
Surrender charge >=9%	1,183,768	-	1,183,768	0.0%
Surrender charge >=8% but <9%	41,648,846	-	41,648,846	0.2%
Surrender charge >=7% but <8%	18,602,158	-	18,602,158	0.1%
Surrender charge >=6% but <7%	69,561,162	-	69,561,162	0.3%
Surrender charge >=5% but <6%	6,758,596	-	6,758,596	0.0%
(3) At fair value**	19,510,128,399	-	19,510,128,399	86.6%
(4) Total with adjustment or at market value	20,008,522,723	-	20,008,522,723	**88.8%**
(5) Subject to discretionary withdrawal-without adjustment at book value (minimal or no charge)				
Surrender charge >=4% but <5%	13,785,024	-	13,785,024	0.1%
Surrender charge >=3% but <4%	3,395,262	-	3,395,262	0.0%
Surrender charge >=2% but <3%	34,817,190	-	34,817,190	0.2%
Surrender charge >=1% but <2%	7,669,553	-	7,669,553	0.0%
Surrender charge >=0%	2,153,017,523	375,826,954	1,777,190,569	7.9%
Total at book value	2,212,684,553	375,826,954	1,836,857,599	**8.2%**
B. Not subject to discretionary withdrawal	1,785,844,773	1,106,389,025	679,455,747	**3.0%**
C. Total annuity actuarial reserves and deposit fund liabilities (gross)	24,007,052,049			
D Less: reinsurance		1,482,215,979		
E. Total annuity actuarial reserves and deposit fund liabilities (net)*			22,524,836,070	100.0%
* *Reconciliation of total annuity actuarial reserves and deposit fund liabilities*				
F. Statutory Statement Values				
(1) Exhibit 5, Annuitites Section, Totals	3,747,178,096	1,482,215,979	2,264,962,117	
(2) Exhibit 5, Supplementary Contracts, Totals	4,785,119	-	4,785,119	
(3) Exhibit of Deposit Type Contracts Column 1, Line 14	712,454,300	-	712,454,300	
(4) Subtotal	4,464,417,515	1,482,215,979	2,982,201,536	
Separate Accounts Annual Statement				
(5) Exhibit 3, Line 0299999, Column 2	19,542,634,534	-	19,542,634,534	
(6) Exhibit 3, Line 0399999, Column 2	-	-	-	
(7) Policyholder Coupon & Div. Accum.	-	-	-	
(8) Policyholder Premiums	-	-	-	
(9) Guaranteed Interest Contracts	-	-	-	
(10) Other contract deposit funds	-	-	-	
(11) Subtotal	19,542,634,534	-	19,542,634,534	
(12) Combined Total	$ 24,007,052,049	$ 1,482,215,979	$ 22,524,836,070	

** Includes $19,510,128,399 of individual and group variable deferred Annuity held in Separate Accounts that are surrenderable at market value less a surrender charge.

NOTES TO FINANCIAL STATEMENTS

General Interrogatory 24.3

The Company participates in an indemnified securities lending program administered by US Bank in which certain securities are made available for lending. Cash collateral received from borrowers on the loaned securities is remitted to US Bank for investment in accordance with the Company's Reinvestment guidelines. As of December 31, 2015, the Company had loaned securities with a fair value of $119,862,024 and had collateral with a fair value of $ 124,574,226.

D. Business Interruption Insurance Recoveries – NONE

E. State Transferable and Non-transferable Tax Credits

(1) Carrying value of transferable state tax credits gross of any related tax liabilities and total unused transferable state tax credits by state tax credits by state and in total.

(1)	(2)	(3)	(4)
Description of State Transferable and Non-transferable Tax Credits	State	Carrying Value	Unused Amount
Premium Tax Credits Guaranty Funds	CO	$ 5,548	$ 5,548
Premium Tax Credits Guaranty Funds	CT	24,883	24,883
Premium Tax Credits Guaranty Funds	DE	1,330	1,330
Premium Tax Credits Guaranty Funds	DC	94	94
Premium Tax Credits Guaranty Funds	FL	1,507	1,507
Premium Tax Credits Guaranty Funds	GA	1,793	1,793
Premium Tax Credits Guaranty Funds	ID	10	10
Premium Tax Credits Guaranty Funds	IN	3,454	3,454
Premium Tax Credits Guaranty Funds	IA	19,101	19,101
Premium Tax Credits Guaranty Funds	KS	13,033	13,033
Premium Tax Credits Guaranty Funds	KY	16,420	16,420
Premium Tax Credits Guaranty Funds	ME	1,961	1,961
Premium Tax Credits Guaranty Funds	MA	93	93
Premium Tax Credits Guaranty Funds	MO	15,330	15,330
Premium Tax Credits Guaranty Funds	NE	3,015	3,015
Premium Tax Credits Guaranty Funds	NH	6,191	6,191
Premium Tax Credits Guaranty Funds	NJ	118,861	118,861
Premium Tax Credits Guaranty Funds	NC	73,490	73,490
Premium Tax Credits Guaranty Funds	OK	2,483	2,483
Premium Tax Credits Guaranty Funds	PA	15,865	15,865
Premium Tax Credits Guaranty Funds	RI	2,218	2,218
Premium Tax Credits Guaranty Funds	SC	2,612	2,612
Premium Tax Credits Guaranty Funds	SD	1,958	1,958
Premium Tax Credits Guaranty Funds	TX	16,515	16,515
Premium Tax Credits Guaranty Funds	UT	638	638
Premium Tax Credits Guaranty Funds	VT	1,324	1,324
Premium Tax Credits Guaranty Funds	VA	22,852	22,852
Premium Tax Credits Guaranty Funds	WA	4,939	4,939
Premium Tax Credits Guaranty Funds	WI	561	561
Premium Tax Credits Guaranty Funds	WY	235	235
Premium Tax Credits Guaranty Funds			
Total		$ 378,314	$ 378,314

(2) Method of Estimating Utilization of Remaining Transferable and Non-transferable State Tax Credits

The Company has $41,398 of transferable state tax credits on December 31, 2015. The Company estimated the utilization of its remaining non-transferable state tax credits by projecting future premium tax liabilities based on current premiums, credits and tax rates in future years and comparing the projected tax liabilities against the remaining non-transferable state tax credits.

(3) Impairment Loss

The Company does not have any impairment losses related to the write down of non-transferable state tax credits.

NOTES TO FINANCIAL STATEMENTS

(4) State Tax Credits Admitted and Nonadmitted

		Total Admitted	Total Nonadmitted
a.	Transferable	$ 41,398	$ -
b.	Non-transferable	$ 336,916	$ -

F. Subprime Mortgage Related Risk Exposure

(1) The Company has investments in residential mortgage-backed securities whose underlying collateral includes a significant component of subprime mortgage exposure. Subprime mortgage pools include mortgage loans that have characteristics such as high loan-to-value ratios on the underlying loans, borrowers with low credit ratings (FICO scores), loans with limited documentation of the borrowers' income, assets or debt, loans with monthly payments that start with low monthly payments based on a fixed introductory rate that expires after a short initial period and then adjusts significantly higher thereafter, and loans that are interest-only or negative amortization loans.

The exposure to subprime mortgage securities is monitored on a periodic basis with regard to market price versus book value, changes in credit ratings and changes in underlying credit support. The Company's exposure to subprime risk has been mitigated by limiting overall exposure to this asset class, and by having a portfolio that is composed primarily of older-vintage, senior tranches of subprime residential mortgage-backed securities.

Management utilized external vendor prices to determine fair value of the securities with significant subprime mortgage exposure. If at some point external vendor prices are not available, broker quotations will be used to determine fair value.

(2) The Company had no direct exposure through investments in subprime mortgage loans.

(3) Direct exposure through other investments:

	1 Actual Cost	2 Book/Adjusted Carrying Value (excluding interest)	3 Fair Value	4 Other Than Temporary Impairment Losses Recognized
a. Residential mortgage backed securities	$ 51,610,289	$ 52,422,391	$ 55,391,901	$ 857,148
b. Commercial mortgage backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Equity investment in SCAs*	-	-	-	-
f. Other assets	-	-	-	-
g. Total	$ 51,610,289	$ 52,422,391	$ 55,391,901	$ 857,148

* The Company does not have any subsidiary companies.

(4) The Company had no underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.

G. Retained Assets

Retained Assets

To settle life insurance death benefit proceeds in excess of $7,500, the Company uses a Retained Asset Account (RAA) program whereby the beneficiary(ies) receive a checkbook, allowing the beneficiaries to have immediate access to the proceeds. This is the default method for satisfying life insurance claims. If left in the retained asset account, the funds earn interest at the rate of the "Money market, annual yield" rate as listed in the "Bonds, Rates & Yields" section of the Wall Street Journal on the last business day of the previous month. Interest is compounded daily and posted to accounts monthly. The only fees assessed against the RAAs are a $15 stopped check fee and a $10 insufficient funds fee. The interest rates credited during calendar year 2015 are as follows:

(1)

January	0.43%
February	0.42%
March	0.42%
April	0.42%
May	0.36%
June	0.36%
July	0.34%
August	0.33%
September	0.32%
October	0.29%
November	0.30%
December	0.28%

The liability for RAAs is reflected on page 3, line 17, "Amounts withheld or retained by company as agent or trustee."

NOTES TO FINANCIAL STATEMENTS

(2)

	In Force			
	As of December 31, 2015		As of December 31, 2014	
	(a) Number	(b) Balance	(a) Number	(b) Balance
Up to and including 12 Months	153	$14,633,042	160	$15,015,961
13 to 24 Months	86	6,881,915	99	8,286,896
25 to 37 Months	81	5,765,196	79	4,871,618
37 to 48 Months	61	3,204,468	94	9,192,515
49 to 60 Months	77	8,550,025	100	4,349,820
Over 60 Months	525	14,680,101	521	13,083,328
Total	983	$53,714,747	1,053	$54,800,138

	Individual		Group	
	(1)	(2)	(3)	(4)
	Number	Balance/Amount	Number	Balance/Amount
Retained Asset Accounts at the Beginning of the Year	1,053	$54,800,138	0	$0
Issued/Added	289	$41,153,784	0	$0
Investment Earnings Credited to Retained Asset Accounts	N/A	$202,933	N/A	$0
Fees and Other Charges Assessed to Retained Asset Accounts	N/A	$90	N/A	$0
Transferred to State Unclaimed Property Funds	0	$0	0	$0
Accounts Closed/Withdrawn	359	$42,442,018	0	$0
Retained Asset Accounts at the End of the Year	983	$53,714,747	0	$0

22. Events Subsequent – NONE

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the Company or by any representative, officer, trustee, or director of the Company?

Yes ( ) No (X) If yes, give full details.

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(2) Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) which is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes ( ) No (X) If yes, give full details.

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Section 2 - Ceded Reinsurance Report - Part A

(1) Does the Company have any reinsurance agreements in effect under which the insurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes ( ) No (X)

(a) If yes, what is the estimated amount of the aggregate reduction in surplus, of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. $______________________________

(b) What is the total amount of reinsurance credits taken, whether as an asset or as reduction of liability, for these agreements in this statement? $______________________________

NOTES TO FINANCIAL STATEMENTS

(2) Does the Company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts which, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( ) No (X) If yes, give full details.

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Section 3 - Ceded Reinsurance Report - Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate. $0

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts which were in force or which had existing reserves established by the Company as of the effective date of the agreement?

Yes () No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? $0

B. Uncollectible Reinsurance

The Company has not written off any reinsurance balances in the current year.

C. Commutation of Reinsurance Reflected in Income and Expenses

The company has not reported in its operations in the current year any commutation of reinsurance with other companies.

D. Certified Reinsurer Downgraded or Status Subject to Revocation

The Company has no reinsurance agreements with certified reinsurers.

E. The Company cedes variable annuity-related risks, living and death benefits to Sycamore Re (“SYRE”), an affiliated special purpose financial captive life insurance company, for the GMAB, GMIB, GMDB, and GLWB riders, including those riders assumed from NSLAC. The base variable annuity contracts are retained by the Company. SYRE applies a permitted practice prescribed by the Cayman Islands Monetary Authority (“CIMA”) that allows SYRE to carry the assumed reserves of $263,281,205 under the reinsurance arrangement utilizing a reserve methodology that is approved by CIMA. The approved reserve methodology is based upon generally accepted accounting principles (GAAP). For all GMAB riders and some GLWB riders with net settlement provisions, the reserves are calculated using the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 815, Derivatives and Hedging. Topic 815 is a fair value or mark-to-market calculation required if the liability is deemed to be an embedded derivative. For all GMIB and GMDB riders, and the remaining GLWB riders without net settlement provisions, the reserves are calculated in accordance with FASB ASC Topic 944, Financial Services - Insurance. Topic 944 provides guidance for calculating reserves for contracts that provide additional benefits in excess of the account values and is similar to other generally accepted accounting principles reserve accounting methodologies. Topic 944 is a stochastic method that determines the percentage of the future rider charges required to fund the projected benefits. This percentage is recalculated at each valuation period. Under both of these generally accepted accounting principles calculations, the reserve calculation is measuring the reserve liability associated with the rider cash flows.

The following table is a summary of the reserves by rider type and valuation standard as of December 31, 2015:

FASB ASC Topic 944		
GMIB	$	110,353,815
GMDB		37,773,732
GLWB		74,372,425
Subtotal		222,499,972
FASB ASC Topic 815		
GLWB embedded derivatives		27,972,269
GMAB embedded derivatives		12,808,964
Subtotal		40,781,233
Total reserves	$	263,281,205

NOTES TO FINANCIAL STATEMENTS

F. As of December 31, 2015, the Company recorded a reserve credit of $182,791,253 related to the rider benefits ceded to SYRE. ONFS secured a $5,000,000 and a $155,000,000 letter of credit for SYRE, with ONLIC as the beneficiary in order to recognize the reserve credit. The Company also established a funds withheld account for the benefit of SYRE that has a carrying value of $149,565,641 and assets held in trust of $7,231,062.

The following table presents additional information regarding the nature of the collateral held:

Description		Carrying Value
Cash	$	120,724,810
Cash equivalents		7,231,062
Futures		7,982,201
Equity put options		20,858,631
Total	$	156,796,704

G. Not Applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination – NONE

25. Change in Incurred Losses and Loss Adjustment Expenses

Reserves and Loss Adjustment Expenses as of December 31, 2014 were $10,914,684. As of December 31, 2015, $ 1,428,919 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves and Loss Adjustment Expenses remaining for prior years are now $8,961,342. The decrease is generally the result of the natural progression of a block of disability income claims and the increase or decrease in original estimates as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements - NONE

27. Structured Settlements – NONE

28. Health Care Receivables – Not Applicable

29. Participating Policies

For the reporting period ended December 31, 2015, direct premiums earned under individual life participating policies were $472,485,622 or 84.59% of total individual life premiums earned. Direct premiums earned under individual accident and health participating policies were $14,089,000 or 99.9% of total individual accident and health premiums earned. The Company has no group life or group accident and health participating policies. The Company accounts for its policyholder dividends based upon the dividend scale in effect at the time the dividend is paid. The Company paid dividends in the amount of $2,290,000 to policyholders and did not allocate any additional income to such policyholders.

30. Premium Deficiency Reserves – NONE

31. Reserves for Life Contracts and Deposit-type Contracts

(1) The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premiums beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.

(2) On current issues, reserves on substandard policies are standard mortality table reserves plus one-half the annual charge for extra mortality during the premium paying period.

(3) As of December 31, 2015, the Company had $3,419,155,749 of Individual Life insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the State of Ohio.

(4) The tabular interest, tabular less actual reserve released and tabular cost, have all been determined from the basic data for the calculation of policy reserves and the actual reserves released.

a. Tabular Interest: Involving Life Contingencies
For deferred annuities we use the interest that is credited to the account value.
For immediate pay-out annuities (on a seriatim basis) the valuation interest rate is applied to the beginning reserve. For new contracts, interest from the date of issue to the valuation date is calculated using an effective interest rate calculation. Interest is subtracted for interest on each benefit payment from its effective date to the valuation date.

b. Tabular Cost and Tabular less Actual Reserves

Releases have been determined by formula as specified in the instructions given T-A+I and I.

(5) Tabular interest on funds not involving life contingencies:
a. Tabular interest on immediate cases not involving life contingencies is calculated by applying (on a seriatim basis) the valuation interest rate to the beginning reserve and for new contracts we calculate interest from the date of issue to the valuation date using an effective interest rate calculation. We subtract interest for each benefit payment from its effective date to the valuation date.

(6) Other changes consist of the increase in the differences between statutory reserves for deferred annuities and their account value.

NOTES TO FINANCIAL STATEMENTS

32. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

	(1)	(2a)	(2b)	(3)	(4)
	General Account	Separate Account with Guarantees	Separate Account Non-guaranteed	Total	% of Total
A. Subject to discretionary withdrawal:					
(1) With fair value adjustment	$ 360,639,794	$ -	$ -	$ 360,639,794	1.5%
(2) At book value less current surrender charge of 5% or more	137,754,530	-	-	137,754,530	0.6%
(3) At fair value **	-	-	19,510,128,399	19,510,128,399	81.3%
(4) Total with adjustment or at fair value	498,394,324	-	19,510,128,399	20,008,522,723	83.3%
(5) At book value without adjustment (minimal or no charge or adjustment)	2,212,684,553	-	-	2,212,684,553	9.2%
B. Not subject to discretionary withdrawal:	1,753,338,638	-	32,506,135	1,785,844,773	7.4%
C. Total (gross direct + assumed)	4,464,417,515	-	19,542,634,534	24,007,052,049	100.0%
D. Reinsurance ceded	1,482,215,979	-	-	1,482,215,979	
E. Total	$ 2,982,201,536	$ -	$ 19,542,634,534	$ 22,524,836,070	

F. Statutory Statement Values

(1) Exhibit 5, Annuities Section, Totals (net)	$ 2,264,962,117
(2) Exhibit 5, Supplementary Contracts, Totals (net)	4,785,119
(3) Exhibit of Deposit Type Con, Column 1, Line 14	712,454,300
(4) Subtotal	2,982,201,536
Separate Accounts Annual Statement	
(5) Exhibit 3, Line 0299999, Column 2	19,542,634,534
(6) Exhibit 3, Line 0399999, Column 2	-
(7) Policyholder Coupon & Div Accums	-
(8) Policyholder Premiums	-
(9) Guaranteed Interest Contracts	-
(10) Other contract deposit funds	-
(11) Subtotal	19,542,634,534
(12) Combined Total	$ 22,524,836,070

** *Includes $19,510,128,399 of individual and group variable deferred Annuity held in Separate Accounts that are surrenderable at market value less a surrender charge.*

33. Premium and Annuity Considerations Deferred and Uncollected

A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2015 were as follows:

	Gross	Net of Loading
(1) Industrial	$ -	$ -
(2) Ordinary New Business	14,894,670	2,840,150
(3) Ordinary renewal	65,208,132	50,784,162
(4) Credit Life	-	-
(5) Group Life	-	-
(6) Group Annuity	-	-
(7) Totals	$ 80,102,802	$ 53,624,312

NOTES TO FINANCIAL STATEMENTS

34. Separate Accounts

A. Separate Account Activity:

(1) The Company utilizes separate accounts to record and account for assets and liabilities for particular lines of business and/or transactions. For the current reporting year, the Company reported assets and liabilities from the following products lines/transactions into a separate account:

Variable Individual Annuities

Variable Group Annuities

Variable Immediate Annuities

In accordance with the state of Ohio procedures on approving items within the separate account, the separate account classification of the products are supported by the Ohio statute 3907.15.

(2) In accordance with the products/transactions recorded within the separate account, some assets are considered legally insulated whereas others are not legally insulated from the general ledger account. (The legal insulation of the separate account assets prevents from being generally available to satisfy claims resulting from the general account.)

As of December 31, 2015 and 2014, the Company separate account statement included legally insulated assets of $19,864,744,750 and $20,071,412,568, respectively.

The assets legally insulated from the general account as of December 31, 2015 are attributed to the following products:

Products	Legally Insulated Assets	S/A Assets (Not Legally Insulated)
Variable Individual Annuities	$ 18,997,452,414	$ -
Variable Group Annuities	834,786,201	-
Variable Immediate Annuities	32,506,135	-
Totals	$ 19,864,744,750	$ -

(3) In accordance with the products/transactions recorded within the separate account, some separate account liabilities are guaranteed by the general account. (In accordance with the guarantees provided, if the investment proceeds are insufficient to cover the rate of return guarantees provided, if the investment proceeds are insufficient to the rate of return guaranteed for the product, if the investment proceeds are insufficient to cover the rate to return guaranteed for the product, the policyholder proceeds will be remitted by the general account.)

As of December 31, 2015, the general account of the Company had a maximum guarantee for separate account liabilities of $4,148,187,522.

To compensate the general account for the risk taken, the separate account has paid risk charges as follows for the past five (5) years:

(a) 2015	$ 213,086,784
(b) 2014	189,796,848
(c) 2013	163,401,612
(d) 2012	127,514,695
(e) 2011	108,745,400

As of December 31, 2015, the general account of the Company had paid $24,212,747 towards separate account guarantees.

(4) The Company does not engage in securities lending transactions within the separate account.

B. General Nature and Characteristics of Separate Accounts Business

Most separate and variable accounts held by the Company relate to individual variable annuities of a nonguaranteed return nature. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of account value or minimum guaranteed death benefit.

In 1998 the company began offering a product with a minimum guaranteed death benefit that is adjusted every three years to the account value adjusted for withdrawals on a pro-rata basis. The company also began offering a product with a minimum guaranteed death benefit that is adjusted every six years to the account value adjusted for withdrawals on a pro-rata basis. The final new product the Company introduced in 1998 had a minimum guaranteed death benefit equal to premiums paid less withdrawals. Also in 1998 two death benefit riders were made available for these policies. The first is a one-year ratchet minimum death benefit that provides for a one-year adjustment to the current account value. The second is an increasing minimum death benefit of 6% per year with a cap at twice the purchase amount less any withdrawals (pro-rata) prior to death; the increasing percentage switches to 0% after age 80. In 1999 the Company began selling an annuity product with a minimum guaranteed death benefit that is adjusted every eight years to the current account value adjusted for withdrawals on a pro-rata basis. In 2001 the Company began selling a product with a minimum guaranteed death benefit equal to premiums paid less withdrawals. In 2004, a rider was made available that replaced the 1998 increasing death benefit rider; the 2004 rider is identical to the 1998 version with the following change: the first 6% of withdrawals are treated on a dollar-for-dollar basis, and further withdrawals are adjusted on a pro-rata basis. In 2005 two additional riders were made available. The first rider is a one-year ratchet rider identical to the 1998 version with the following changes: (1) the benefit can increase to age 85 instead of age 80 and (2) the cap is eliminated. The second rider is an increasing minimum death benefit rider identical to the 2004 version with the following changes: (1) the increasing percentage remains at 6.0% to age 85 instead of age 80 and (2) the cap is eliminated. In 2006, three new guaranteed minimum death benefit (GMDB) riders were introduced. The first rider replaced the 2004 version and the second replaced the 2005 version. The benefits of these two riders are the same as the ones they replaced; the only changes were to contract language. The third rider is an annual reset death benefit rider. This rider must be purchased in

NOTES TO FINANCIAL STATEMENTS

conjunction with the guaranteed minimum income benefit (GMIB) annual reset rider (see description two paragraphs below). The policyholder has the option each year to reset their death benefit amount to the GMIB amount. The assets and liabilities of these accounts are carried at market. In 2009, five new guaranteed minimum death benefit (GMDB) riders were introduced. The first rider, issued January through May, replaced the 2006 version of the annual reset death benefit rider; the benefit of the rider was the same as the 2006 version but the rider charge was increased. A second version of the annual reset death benefit rider was rolled out in May of 2009 and replaced the January 2009 version. Its benefit was the same as the January 2009 version but the rider charge was increased. The final three riders were issued starting in May of 2009 and replaced the 2006 versions of the rollup death benefit riders as well as the 2005 version of the annual ratchet death benefit rider; the benefits were the same but the rider charges were increased.

In 2011, the Company began selling new death benefit riders in conjunction with the new GLWB riders. They were called Premium Protection and Premium Protection Plus. There was a single-life version and a joint-life version of these riders.

In 2001, the Company began selling enhanced benefits riders. These provide for an additional death benefit to that provided in the contract of at least half the basis in the contract, up to 40% of contract value, determined before calculating any minimum death benefits provided by the underlying contract or any other riders (other than this rider), minus the basis in the contract. At no time will the additional death benefit exceed $1 million.

In 2002 the Company began selling a guaranteed minimum income benefit (GMIB) rider. This rider, which is issued through age 80, provides for a guaranteed minimum fixed income in the form of a monthly annuity. The monthly income is determined by applying a guaranteed income base to the annuity tables in the rider. The guaranteed income base is the greater of (a) the premiums increased at 6% per year (4% for rider issue ages 76-80) until age 85, with adjustment for withdrawals on a pro-rata basis or (b) the highest contract anniversary value prior to age 80. The amount for (b) during a period between contract anniversaries is determined by increasing the previous anniversary value by additional premiums and adjusting it, on a pro-rata basis, for withdrawals. In 2004, a guaranteed minimum income benefit rider replaced the 2002 version. The 2004 rider is identical to the 2002 version with the following change: the first 6% of withdrawals are treated on a dollar-for-dollar basis; further withdrawals are adjusted on a pro-rata basis. In 2006, two riders replaced the 2004 version. They are identical to the 2004 version with the following modifications: the first has an optional annual reset provision and must be issued in conjunction with the annual reset death benefit rider; the second has an optional five year reset provision. In 2009, five new GMIB riders were issued. The first four versions of the riders were issued from January 2009 through May of 2009 and replaced the 2006 versions. The 2006 versions had no investment restrictions whereas two of the new versions of the riders had no investment restrictions and two of the new versions of the riders had investment restrictions. The riders with no investment restrictions had the same benefits as the 2006 versions; the only difference was a higher rider charge. The riders with investment restrictions had lower rider charges than the versions without investment restrictions but were the same in every other way. The May 2009 version of the GMIB rider replaced the four versions offered in January of 2009. It was an annual reset rider with investment restrictions; it was similar to the January 2009 version of the annual reset rider with investment restrictions, but had a higher rider charge. In January of 2010, a revised GMIB reserve replaced the May 2009 version. This rider was similar to the May 2009 version, but with lower guaranteed purchase rates. The Company discounted the sale of its GMIB rider in May of 2010. In addition, the Company assumed an additional GMIB reserve in a 100% coinsurance agreement with NSLAC.

In 2003, the Company began selling a guaranteed minimum account benefit (GMAB) rider that guarantees that the account value on the tenth anniversary will not be less than the remaining initial premium. In 2004 the company began selling two versions of a guaranteed minimum withdrawal benefit (GMWB) rider that guarantees in the case of one version 7%, and in the alternate version 8%, withdrawals of the premium per year for 10 years and at the tenth anniversary the account value will not be less than the remaining premium. In 2009, the Company began selling a GMAB rider that replaced the 2003 version; it provided the same benefit but had a higher rider charge. The Company discontinued the sale of its GMWB rider in 2009.

In 2010, the Company began selling a guaranteed lifetime withdrawal benefit (GLWB) rider that allows the owner to take withdrawals from the contract at a guaranteed percentage of the GLWB base every year. Such guaranteed withdrawals, which begin at 4%, may start any time after the annuitant reaches age 59 ½. The guaranteed withdrawal percentage increases if the annuitant attains a higher age band before the owner starts taking withdrawals. Initially, the GLWB base is set at the amount of the purchase payments. It is increased by the amount of any future renewal payments. It also increases (“rolls up”) by eight percent simple interest every year for the first ten years, as long as no withdrawal is made. In addition to the roll-up feature, the GLWB rider also provides for a one-time top off of the GLWB base at the end of the tenth contract year if the owner has not made any withdrawals in the first ten years. The top off is equal to two hundred percent of the first-year purchase payments. This rider also includes a built-in death benefit that goes down dollar-for-dollar for withdrawals. In 2011, the Company introduced new versions of the GLWB riders—both single-life and joint-life versions. The only main difference between the 2010 and 2011 riders was that the 2011 versions had higher rider charges. In some versions of the GLWB riders sold in 2013 and later, there is a guaranteed minimum percentage withdrawal for the first 15 years of the contract; when the policyholder’s account value goes to zero subsequent to the 15-year guarantee period, the percentage withdrawal amount is then calculated per a specified formula based on the 10 year Treasury rate from the preceding 90 calendar days, with the calculated treasury-linked rate subject to a specified cap and floor.

Effective December 31, 2009, the Company adopted Actuarial Guideline 43 CARVM for Variable Annuities (AG43). AG43 interprets the standards for the valuation of reserves for variable annuity and other contracts involving certain guaranteed benefits similar to those offered with variable annuities. The guideline applies the principles of asset adequacy analysis directly to the risks associated with these products and guarantees.

AG43 is a holistic reserve methodology; thus rider benefit reserves are not determined separately from the base reserve; rather the reserve is determined on the policy as a whole. Therefore, in the absence of NAIC presentation guidance, the AG43 reserve can be shown in several acceptable ways in the annual statement. The Company decided to report the AG43 reserve in the general account annual statement as an amount in excess of the Basic Reserve (AG33). The AG43 reserve in excess of the Basic (AG33) reserve (gross) of $1,028,460,740is held in Exhibit 5, Annuity Reserves section, of the Company’s general account annual statement as AG43 Reserve. There is a ceded reserve of $1,106,389,025that is held in Exhibit 5, Annuity Reserves Section, of the Company’s general account annual statement as a component of Reinsurance Ceded. The presentation methodology makes it appear as though the direct reserve held is less than the reinsurance ceded; this is a result of the Basic Adjusted Reserve in AG43 being less than the Basic Reserve (AG33) since the Basic Adjusted Reserve is determined as the Basic Reserve (AG33) ignoring the free partial withdrawal path.

Certain other separate accounts relate to group annuity contracts that fund defined contribution pension plans of a non-guaranteed nature. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. These group variable annuities generally provide no guaranteed death benefits of any kind.

NOTES TO FINANCIAL STATEMENTS

	(1) Indexed	(2) Nonindexed Guarantee less than/equal to 4%	(3) Nonindexed Guarantee More than 4%	(4) Nonguaranteed Separate Accounts	(5) Total
Premiums, considerations or deposits for year ended 12/31/2015	$ -	$ -	$ -	$ 1,786,323,970	$ 1,786,323,970
Reserves at 12/31/2015					
For accounts with assets at:					
a. Fair Value	$ -	$ -	$ -	$ 19,330,639,551	$ 19,330,639,551
b. Amorized cost	$ -	$ -	$ -	$ 211,994,983	$ 211,994,983
c. Total reserves*	$ -	$ -	$ -	$ 19,542,634,534	$ 19,542,634,534
By withdrawal characteristics:					
a. Subject to discretionary withdrawal:					
b. With MV adjustment	$ -	$ -	$ -	$ -	$ -
c. At book value without MV adjustment and with current surrender charge of 5% or more	$ -	$ -	$ -	$ -	$ -
d. At fair Value	$ -	$ -	$ -	$ 19,510,128,299	$ 19,510,128,299
e. At book value without MV adjustment and with current surrender charge of less than 5%	$ -	$ -	$ -	$ -	$ -
f. Subtotal	$ -	$ -	$ -	$ 19,510,128,299	$ 19,510,128,299
g. Not subject to discretionary withdrawal	$ -	$ -	$ -	$ 32,506,235	$ 32,506,235
h. Total	$ -	$ -	$ -	$ 19,542,634,534	$ 19,542,634,534

* Line 2 © should equal Line 3(h)

Reserves for Asset Default Risk in Lieu of AVR

C. Reconciliation of Net Transfers to or (From) Separate Accounts

(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:		
a. Transfers to Separate Accounts (Page 4, Line 1.4)	$ 1,786,607,901	
b. Transfers from Separate Accounts (Page 4, Line 10)	$ 1,167,419,367	
c. Net transfers to (from) Separate Accounts (a) - (b)		$ 619,188,534
(2) Reconciling Adjustments		
a. Processing Income		$ (283,931)
b. Seed Money Income		$ 3
c. Other net		$ (26,225)
(3) Transfers as reported in the Summary of Operations of the Life Accident & Health Annual Statement (1c)+(2)=(Page 4, Line26)		$ 618,878,381

35. Loss / Claim Adjustment Expenses

The balance in the liability for unpaid accident and health claim adjustment expenses as of December 31, 2015 and December 31, 2014 was $204,447 and $216,775 respectively.

The company incurred $26,708 and paid $14,380 of claim adjustment expenses in the current year, of which $12,501 of the paid amount was attributable to insured or covered events of prior years. The company did not increase or decrease the provision for insured events of prior years.

The company does not have any provision for salvage or subrogation.

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.

Show amounts of life insurance in this exhibit in thousands (omit $000)

		1 2015	2 2014	3 2013	4 2012	5 2011
	Life Insurance in Force (Exhibit of Life Insurance)					
1.	Ordinary - whole life and endowment (Line 34, Col. 4)	19,004,338	17,102,330	14,454,790	12,749,819	11,149,181
2.	Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)	84,456,409	78,668,681	71,129,648	52,223,860	39,776,512
3.	Credit life (Line 21, Col. 6)	0	0	0	0	0
4.	Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	7,767	8,532	9,826	12,007	14,708
5.	Industrial (Line 21, Col. 2)	0	0	0	0	0
6.	FEGLI/SGLI (Lines 43 & 44, Col. 4)	0	0	0	0	0
7.	Total (Line 21, Col. 10)	103,468,514	95,779,543	85,594,264	64,985,686	50,940,401
	New Business Issued (Exhibit of Life Insurance)					
8.	Ordinary - whole life and endowment (Line 34, Col. 2)	2,548,507	2,164,509	1,761,293	1,722,053	1,469,427
9.	Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2)	238,208	241,148	205,458	99,876	77,167
10.	Credit life (Line 2, Col. 6)	0	0	0	0	0
11.	Group (Line 2, Col. 9)	0	0	0	0	0
12.	Industrial (Line 2, Col. 2)	0	0	0	0	0
13.	Total (Line 2, Col. 10)	2,786,715	2,405,657	1,966,751	1,821,929	1,546,594
	Premium Income - Lines of Business (Exhibit 1-Part 1)					
14.	Industrial life (Line 20.4, Col. 2)	0	0	0	0	0
15.1	Ordinary life insurance (Line 20.4, Col.. 3)	558,537,853	564,456,736	500,190,206	428,620,783	314,119,039
15.2	Ordinary individual annuities (Line 20.4, Col. 4)	1,718,747,638	2,007,500,073	2,150,213,835	2,677,886,323	1,499,313,044
16.	Credit life (group and individual) (Line 20.4, Col. 5)	0	0	0	0	0
17.1	Group life insurance (Line 20.4, Col. 6)	0	0	0	0	0
17.2	Group annuities (Line 20.4, Col. 7)	254,174,788	235,275,554	169,164,338	141,627,418	122,920,349
18.1	A&H - group (Line 20.4, Col. 8)	0	0	0	0	0
18.2	A&H - credit (group and individual) (Line 20.4, Col. 9)	0	0	0	0	0
18.3	A&H - other (Line 20.4, Col. 10)	6,854,570	(48,358,174)	11,064,520	11,706,459	12,084,947
19.	Aggregate of all other lines of business (Line 20.4, Col. 11)	0	0	0	0	0
20.	Total	2,538,314,849	2,758,874,189	2,830,632,899	3,259,840,983	1,948,437,379
	Balance Sheet (Pages 2 and 3)					
21.	Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)	7,725,094,531	7,377,923,283	6,990,588,935	6,814,575,393	6,609,430,822
22.	Total liabilities excluding Separate Accounts business (Page 3, Line 26)	6,637,875,273	6,280,850,574	5,987,844,748	5,766,259,821	5,706,914,848
23.	Aggregate life reserves (Page 3, Line 1)	5,382,493,630	5,094,471,077	4,884,881,239	4,713,504,185	4,529,366,373
24.	Aggregate A&H reserves (Page 3, Line 2)	27,331,882	26,186,961	81,902,923	84,190,035	88,209,279
25.	Deposit-type contract funds (Page 3, Line 3)	712,454,301	694,857,632	569,533,897	603,967,019	595,613,512
26.	Asset valuation reserve (Page 3, Line 24.01)	33,538,844	23,641,130	22,182,597	25,243,899	22,034,427
27.	Capital (Page 3, Lines 29 & 30)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
28.	Surplus (Page 3, Line 37)	1,077,220,327	1,087,073,789	992,744,185	1,038,315,575	892,515,974
	Cash Flow (Page 5)					
29.	Net Cash from operations (Line 11)	428,298,777	249,997,748	236,229,150	278,997,947	184,288,458
	Risk-Based Capital Analysis					
30.	Total adjusted capital	1,191,596,104	1,185,716,046	1,079,598,553	1,119,191,721	961,813,259
31.	Authorized control level risk-based capital	96,332,648	92,848,881	86,877,516	87,972,116	86,006,104
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32.	Bonds (Line 1)	68.6	68.4	68.7	65.0	64.9
33.	Stocks (Lines 2.1 and 2.2)	5.7	6.0	6.4	8.0	8.4
34.	Mortgage loans on real estate (Lines 3.1 and 3.2)	10.8	11.5	12.8	13.2	14.1
35.	Real estate (Line 4.1, 4.2 and 4.3)	0.4	0.3	0.4	0.1	0.1
36.	Cash, cash equivalents and short-term investments (Line 5)	6.0	5.0	4.9	5.8	5.5
37.	Contract loans (Line 6)	5.4	5.0	4.4	4.1	3.9
38.	Derivatives (Line 7)	0.4	0.3	0.0	0.2	0.2
39.	Other invested assets (Line 8)	1.0	1.6	0.6	1.7	0.0
40.	Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.1
41.	Securities lending reinvested collateral assets (Line 10)	1.7	2.1	1.8	2.0	2.8
42.	Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
43.	Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(continued)

		1 2015	2 2014	3 2013	4 2012	5 2011
	Investments in Parent, Subsidiaries and Affiliates					
44.	Affiliated bonds (Sch. D Summary, Line 12 Col. 1)	0	0	0	0	4,937,350
45.	Affiliated preferred stocks (Sch. D Summary, Line 18 Col. 1)	0	0	0	0	0
46.	Affiliated common stocks (Sch. D Summary, Line 24 Col. 1)	348,799,939	340,875,688	358,164,870	464,265,912	492,636,141
47.	Affiliated short-term investments (subtotal included in Sch. DA, Verif. Col. 5, Line 10)	0	0	0	0	0
48.	Affiliated mortgage loans on real estate	0	0	0	0	0
49.	All other affiliated	0	0	0	0	0
50.	Total of above Lines 44 to 49	348,799,939	340,875,688	358,164,870	464,265,912	497,573,491
51.	Total investment in parent included in Lines 44 to 49 above	0	0	0	0	0
	Total Nonadmitted and Admitted Assets					
52.	Total nonadmitted assets (Page 2, Line 28, Col. 2)	130,179,099	108,583,526	166,410,369	101,159,271	88,234,226
53.	Total admitted assets (Page 2, Line 28, Col. 3)	27,589,840,350	27,449,336,934	25,384,877,655	21,631,247,430	18,129,008,165
	Investment Data					
54.	Net investment income (Exhibit of Net Investment Income)	340,223,984	330,217,705	322,053,802	332,818,491	339,547,834
55.	Realized capital gains (losses) (Page 4, Line 34, Column 1)	(15,664,478)	(13,619,324)	(40,521,978)	(37,917,614)	(2,688,556)
56.	Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	(10,836,354)	(18,542,565)	(107,664,669)	(37,600,148)	179,089,985
57.	Total of above Lines 54, 55 and 56	313,723,152	298,055,816	173,867,155	257,300,729	515,949,263
	Benefits and Reserve Increase (Page 6)					
58.	Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1 less Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11)	1,879,857,691	1,805,456,870	1,509,478,431	1,368,989,983	1,361,244,138
59.	Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11)	1,187,354	3,979,181	8,677,565	8,156,722	8,554,075
60.	Increase in life reserves - other than group and annuities (Line 19, Cols. 2 & 3)	399,240,576	386,731,015	344,744,040	286,028,287	149,205,804
61.	Increase in A&H reserves (Line 19, Cols. 9, 10 & 11)	782,718	(54,413,144)	(2,287,113)	(4,019,243)	(3,072,924)
62.	Dividends to policyholders (Line 30, Col 1)	80,985,405	70,527,978	56,928,139	48,284,412	45,536,188
	Operating Percentages					
63.	Insurance expense percent (Page 6, Col. 1, Lines 21, 22, & 23 less Line 6)/(Page 6 Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.00	15.3	13.3	12.5	9.9	12.9
64.	Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.00	6.8	7.5	7.7	9.3	6.8
65.	A&H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2)	35.1	106.7	59.5	41.9	48.8
66.	A&H cost containment percent (Schedule H, Part 1, Line 4, Col. 2)	1.4	(0.4)	2.6	6.6	2.9
67.	A&H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2)	17.5	(3.9)	31.8	12.5	25.2
	A&H Claim Reserve Adequacy					
68.	Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2)	0	0	0	0	0
69.	Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2)	0	0	0	0	0
70.	Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2)	10,077,664	13,667,201	66,167,019	65,808,972	66,335,256
71.	Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2)	10,838,756	61,762,902	62,139,505	62,173,642	62,981,982
	Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72.	Industrial life (Col. 2)	0	0	0	0	0
73.	Ordinary - life (Col. 3)	4,210,898	5,994,161	(11,862,613)	8,256,124	16,220,492
74.	Ordinary - individual annuities (Col. 4)	65,179,266	98,595,970	108,119,795	119,497,614	51,618,654
75.	Ordinary - supplementary contracts (Col. 5)	218,378	(13,531)	585,397	270,970	202,481
76.	Credit life (Col. 6)	0	0	0	0	0
77.	Group life (Col. 7)	220,637	244,696	230,191	601,589	467,229
78.	Group annuities (Col. 8)	8,008,203	(489,691)	5,202,966	19,306,669	4,994,148
79.	A&H - group (Col. 9)	0	0	0	0	0
80.	A&H - credit (Col. 10)	0	0	0	0	0
81.	A&H - other (Col. 11)	491,591	(320,921)	(145,769)	2,799,673	2,560,443
82.	Aggregate of all other lines of business (Col. 12)	0	0	0	(5,200,342)	0
83.	Total (Col. 1)	78,328,973	104,010,684	102,129,967	145,532,297	76,063,447

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [ ] No [ ]

If no, please explain: