FORM 485BPOS

Post-effective amendments [Rule 485(b)]

Filing Date: **1999-03-26**
SEC Accession No. 0000950152-99-002407

(HTML Version on secdatabase.com)

FILER

ONE GROUP INVESTMENT TRUST

CIK:**909221**| State of Incorp.:**MA** | Fiscal Year End: **1231**
Type: **485BPOS** | Act: **33** | File No.: **033-66080** | Film No.: **99573438**

Mailing Address
NATIONWIDE FINANCIAL SERVICES
ONE NATIONWIDE PLAZA 1-25-04
COLUMBUS OH 43215-2220

Business Address
ONE NATIONWIDE PLAZA 1-25-04
NATIONWIDE FINANCIAL SERVICES
COLUMBUS OH 43215-2220
6142497111

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON March 26, 1999
Securities Act Registration No. 33--66080
Investment Company Act Registration No. 811-7874

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-1A

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933 / X /

POST-EFFECTIVE AMENDMENT NO. 11 / X /

and

REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT / X /
OF 1940

AMENDMENT NO. 13 / X /

ONE GROUP(R) INVESTMENT TRUST
(Exact Name of Registrant as Specified in Charter)

THREE NATIONWIDE PLAZA
COLUMBUS, OHIO 43215
(Address of Principal Executive Offices)

(614) 249-7111
(Registrant's Telephone Number)

CHRISTOPHER A. CRAY
THREE NATIONWIDE PLAZA
COLUMBUS, OHIO 43215
(Name and Address of Agent for Service)

Copies To:

<TABLE>

<S>	<C>
Alan G. Priest, Esquire	Elizabeth Davin, Esquire
Ropes & Gray	Druen, Dietrich, Reynolds & Koogler
One Franklin Square	One Nationwide Plaza
1301 K Street, N.W., Suite 800E	Columbus, Ohio 43216
Washington, D.C. 20005	

</TABLE>

Approximate Date of Proposed Public Offering: Immediately upon effectiveness

It is proposed that this filing will become effective (check appropriate box)

/ / Immediately upon filing pursuant to paragraph (b)
/X/ on March 31, 1999 pursuant to paragraph (b)
/ / 60 days after filing pursuant to paragraph (a)(1)
/ / on (DATE) pursuant to paragraph (a)(1)

/ / 75 days after filing pursuant to paragraph (a)(2)
/ / on (DATE) pursuant to paragraph (a)(2) of Rule 485.

If appropriate, check the following box:

/x/ This post-effective amendment designates a new effective date for a previously filed post-effective amendment.

Title of Securities Being Registered: Units of Beneficial Interest, without par value.

In accordance with Rules 24f-1 and 24f-2 under the Investment Company Act of 1940, upon the effective date of its registration statement, Registrant shall be deemed to have registered an indefinite amount of securities and will pay registration fees no later than 90 days after its fiscal year end.

ONE GROUP(R) INVESTMENT TRUST

CROSS REFERENCE SHEET

Form N-1A Part A Item	Prospectus Caption
1. Front and Back Cover Pages	Cover Pages
2. Risk/Return Summary: Investments, Risks and Performance	Risk/Return Summaries
3. Risk/Return Summary: Fee Table	Not Applicable--Fund offers shares exclusively to one account
4. Investment Objectives, Principal Investment Strategies, and Related Risks	More About the Portfolios; Principal Investment Strategies
5. Management's Discussion of Fund Performance	Not Applicable--Information included in Fund's Annual Report
6. Management, Organization, and Capital Structure	Management of the Portfolios
7. Shareholder Information	Shareholder Information
8. Distribution Arrangements	Not Applicable
9. Financial Highlights Information	Financial Highlights

FORM N-1A PART B ITEM	STATEMENT OF ADDITIONAL INFORMATION CAPTION
10. Cover Page and Table of Contents	Cover Page and Table of Contents
11. Fund History	The Trust
12. Description of the Fund and Its Investments and Risks	The Trust; Additional Information - Description of Shares
13. Management of the Fund	Management of the Trust
14. Control Persons and Principal Holders of Securities	Additional Information - Shareholders
15. Investment Advisory and Other Services	Management of the Trust
16. Brokerage Allocation and Other Practices	Management of the Trust
17. Capital Stock and Other Securities Valuation;	Valuation; Additional Information Regarding the Calculation of Per Share Net Asset Value
18. Purchase, Redemption and Pricing of Shares	Valuation; Additional Information Regarding the Calculation Per Share Net Asset Value
19. Taxation of the Fund	Investment Objectives and Policies - Additional Tax Information Concerning All Funds
20. Underwriters	Not Applicable
21. Calculation of Performance Data	Additional Information - Calculation of Performance Data
22. Financial Statements	Financial Statements

PART C

Information required to be included in Part C is set forth under the appropriate Item, so numbered, in Part C of the Registration Statement.

ONE GROUP(R) INVESTMENT TRUST

<TABLE>

<S>	<C>
PROSPECTUS	ONE GROUP INVESTMENT TRUST BOND PORTFOLIO
MARCH 31, 1999	ONE GROUP INVESTMENT TRUST GOVERNMENT BOND PORTFOLIO
	ONE GROUP INVESTMENT TRUST BALANCED PORTFOLIO
	ONE GROUP INVESTMENT TRUST LARGE CAP GROWTH PORTFOLIO
	ONE GROUP INVESTMENT TRUST EQUITY INDEX PORTFOLIO
	ONE GROUP INVESTMENT TRUST DIVERSIFIED EQUITY PORTFOLIO
	ONE GROUP INVESTMENT TRUST MID CAP GROWTH PORTFOLIO
	ONE GROUP INVESTMENT TRUST DIVERSIFIED MID CAP PORTFOLIO
	ONE GROUP INVESTMENT TRUST MID CAP VALUE PORTFOLIO

</TABLE>

The Securities and Exchange Commission has not approved or disapproved the shares of any of the Portfolios as an investment or determined whether this prospectus is accurate or complete. Anyone who tells you otherwise is committing a crime.

TABLE OF CONTENTS

<TABLE>
<CAPTION>

</TABLE>

RISK/RETURN SUMMARIES

ONE GROUP INVESTMENT TRUST BOND PORTFOLIO

WHAT IS THE GOAL OF THE BOND PORTFOLIO?

The Portfolio seeks to maximize total return by investing primarily in a diversified portfolio of intermediate and long-term debt securities. (The Portfolio was formerly called the Bond Fund).

WHAT ARE THE BOND PORTFOLIO'S MAIN INVESTMENT STRATEGIES?

The Portfolio invests mainly in investment grade bonds and debt securities. These include mortgage-backed and other types of asset-backed securities, which generally are derivatives (see below). Banc One Investment Advisors selects securities for the Portfolio by analyzing both individual securities and different market sectors. Rather than attempting to time the market, Banc One Investment Advisors looks for market sectors and individual securities that it believes will perform well over time. Banc One Investment Advisors selects individual securities after performing a risk/reward analysis that includes an evaluation of interest rate risk, credit risk, and structural risk. For more information about the Bond Portfolio's investment strategies, please read "More About the Portfolios" and "Principal Investment Strategies."

WHAT IS A "BOND"?

A "bond" is a debt security with a remaining maturity of ninety days or more issued by the U.S. Government or its agencies and instrumentalities, a corporation, or a municipality, securities issued or guaranteed by a foreign government or its agencies and instrumentalities, securities issued or guaranteed by domestic and supranational banks, mortgage-related and mortgage-backed securities, asset-backed securities, stripped government securities, and zero coupon obligations.

WHAT ARE THE MAIN RISKS OF INVESTING IN THE BOND PORTFOLIO?

The main risks of investing in the Bond Portfolio and the circumstances likely to adversely affect your investment are described below. Like all non-money market mutual funds, the share price of the Bond Portfolio and its yield will change every day in response to interest rates and other market conditions. You may lose money if you invest in the Bond Portfolio.

Interest Rate Risk. The Bond Portfolio mainly invests in bonds and other debt securities. These securities will increase or decrease in value based on changes in interest rates. When interest rates go up, the value of the Portfolio's investments generally goes down. On the other hand, if interest rates go down, the value of the Portfolio's investments generally goes up. Your investment will decline in value if the value of the Portfolio's investments decrease.

Credit Risk. There is a risk that issuers and counterparties will not make payments on securities and repurchase agreements held by the Portfolio. In addition, the credit quality of securities held by the Portfolio may be lowered if an issuer's financial condition changes. Lower credit quality may lead to greater volatility in the price of a security and in shares of a Portfolio. Lower credit quality also may affect a security's liquidity and make it difficult for the Portfolio to sell.

Prepayment Risk. As part of its main investment strategies, the Portfolio invests in mortgage-backed and asset-backed securities. The issuers of these securities may be able to repay principal in advance, especially when interest rates fall. Changes in pre-payment rates can make the price and yield of mortgage and asset-backed securities volatile. When mortgage and other obligations are pre-paid, the Portfolio may have to reinvest in securities with a lower yield. The Portfolio also may fail to recover premiums paid for the securities, resulting in an unexpected capital loss.

Derivative Risk. The Portfolio invests in securities that are considered to be DERIVATIVES. The value of derivative securities (like mortgage-backed securities or asset-backed securities) is dependent upon the performance of underlying assets or securities. If the underlying assets do not perform as expected, the value

of the derivative security and your investment in the Portfolio declines. Derivatives are more volatile and are riskier in terms of both liquidity and value than traditional investments.

Not FDIC insured. An investment in the Portfolio is not a deposit of BANK ONE CORPORATION or any of its affiliates and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

HOW HAS THE BOND PORTFOLIO PERFORMED?

The chart and tables below help show how the Bond Portfolio's performance may vary. The chart and tables reflect that the Bond Portfolio inherited the financial history of the Pegasus Variable Bond Fund. This information may help you evaluate the risks of investing in the Portfolio. The chart and Highest and Lowest Return table show the Portfolio's performance for calendar year 1998, the Portfolio's first full calendar year of operations. The Average Annual Total Return table shows how the Portfolio's average annual returns for the periods indicated compare to those of a broad measure of market performance. Total returns assume reinvestment of dividends and distributions. The returns in the chart and the tables below do not reflect insurance separate account charges. If these charges were included, the returns would be lower than those shown. PLEASE REMEMBER THAT THE BOND PORTFOLIO'S PERFORMANCE IN THE PAST IS NOT NECESSARILY AN INDICATION OF HOW THE PORTFOLIO WILL PERFORM IN THE FUTURE.

ONE GROUP INVESTMENT TRUST BOND PORTFOLIO [BAR GRAPH]

'1998'	8.66

HIGHEST AND LOWEST RETURN
(QUARTERLY 1998)

		QUARTER ENDING
Highest	4.78%	September 30, 1998
Lowest	- 0.11%	December 31, 1998

AVERAGE ANNUAL TOTAL RETURNS
(THROUGH DECEMBER 31, 1998)

	1 YEAR	LIFE OF FUND (SINCE 5/1/97)
One Group Investment Trust Bond Portfolio	8.66%	10.21%
Lehman Brothers Aggregate Bond Index(1)	8.69%	10.46%

(1) The Lehman Brothers Aggregate Bond Index is an unmanaged index generally

representative of the bond market as a whole.

ONE GROUP INVESTMENT TRUST GOVERNMENT BOND PORTFOLIO

WHAT IS THE GOAL OF THE GOVERNMENT BOND PORTFOLIO?

The Portfolio seeks a high level of current income with liquidity and safety of principal. (The Portfolio was formerly called the Government Bond Fund).

WHAT ARE THE GOVERNMENT BOND PORTFOLIO'S MAIN INVESTMENT STRATEGIES?

The Portfolio mainly invests in Government Bonds. These include mortgage-backed securities which generally are derivatives (see below). Banc One Investment Advisors selects securities for the Portfolio by analyzing both individual securities and different market sectors. Rather than attempting to time the market, Banc One Investment Advisors looks for individual securities that it believes will perform well over time. The Government Bond Portfolio spreads its holdings across various security types within the Government market sector. Banc One Investment Advisors selects individual securities after performing a risk/reward analysis that includes an evaluation of interest rate risk, credit risk, and structural risk. For more information about the Government Bond Portfolio's investment strategies, please read "More About the Portfolios" and "Principal Investment Strategies."

WHAT IS A "GOVERNMENT BOND"?

A "government bond" is a debt instrument with principal and interest guaranteed by the U.S. Government and its agencies and instrumentalities, as well as stripped government securities and mortgage-related and mortgage-backed securities.

WHAT ARE THE MAIN RISKS OF INVESTING IN THE GOVERNMENT BOND PORTFOLIO?

The main risks of investing in the Government Bond Portfolio and the circumstances likely to adversely affect your investment are described below. Like all non-money market mutual funds, the share price of the Government Bond Portfolio and its yield will change every day in response to interest rates and other market conditions. You may lose money if you invest in the Government Bond Portfolio.

Interest Rate Risk. The Government Bond Portfolio mainly invests in bonds and other debt securities. These securities will increase or decrease in value based on changes in interest rates. When interest rates go up, the value of the Portfolio's investments generally goes down. On the other hand, if interest rates go down, the value of the Portfolio's investments generally goes up. Your investment will decline in value if the value of the Portfolio's investments decrease.

Yield. The Portfolio generally invests in investment grade U.S. Government Securities. While these investments are considered to be less risky than other types of securities, the Portfolio's ability to achieve higher income is not as great as that of funds that invest in lower-quality, higher risk instruments.

Prepayment Risk. As part of its main investment strategies, the Portfolio invests in mortgage-backed and asset-backed securities. The issuers of these securities may be able to repay principal in advance, especially when interest rates fall. Changes in pre-payment rates can make the price and yield of mortgage and asset-backed securities volatile. When mortgage and other obligations are pre-paid, the Portfolio may have to reinvest in securities with a lower yield. The Portfolio may also fail to recover premiums paid for the securities, resulting in an unexpected capital loss.

Derivative Risk. The Portfolio invests in securities that are considered to be DERIVATIVES. The value of derivative securities (like mortgage-backed securities or asset-backed securities) is dependent upon the performance of underlying assets or securities. If the underlying assets do not perform as expected, the value of the derivative security and your investment in the Portfolio declines. Derivatives are more volatile and are riskier in terms of both liquidity and value than traditional investments.

Not FDIC insured. An investment in the Portfolio is not a deposit of BANK ONE CORPORATION or any of its affiliates and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

HOW HAS THE GOVERNMENT BOND PORTFOLIO PERFORMED?

The chart and tables below help show how the Government Bond Portfolio's performance may vary. This may help you evaluate the risks of investing in the Portfolio. The chart and Highest and Lowest Return table show changes in the Portfolio's performance from year to year. The Average Annual Total Return table shows how the Portfolio's average annual returns for the periods indicated compare to those of a broad measure of market performance. Total returns assume reinvestment of dividends and distributions. The returns in the chart and the tables below do not reflect insurance separate account charges. If these charges were included the returns would be lower than those shown. PLEASE REMEMBER THAT THE GOVERNMENT BOND PORTFOLIO'S PERFORMANCE IN THE PAST IS NOT NECESSARILY AN INDICATION OF HOW THE PORTFOLIO WILL PERFORM IN THE FUTURE.

ONE GROUP INVESTMENT TRUST GOVERNMENT BOND PORTFOLIO [BAR GRAPH]

'1995'	16.69
'1996'	2.69
'1997'	9.67
'1998'	7.32

HIGHEST AND LOWEST RETURN

(QUARTERLY 1995-1998)

		QUARTER ENDING
Highest	5.00%	June 30, 1995
Lowest	-2.05%	March 31, 1996

AVERAGE ANNUAL TOTAL RETURNS

(THROUGH DECEMBER 31, 1998)

	1 YEAR	LIFE OF FUND (SINCE 8/1/94)
One Group Investment Trust Government Bond Portfolio	7.32%	7.87%
Salomon Brothers 3-7 Year Treasury Index(1)	9.47%	8.15%

(1) The Salomon Brothers 3-7 Year Treasury Index is an unmanaged index of the average yield of treasury notes and bonds with maturities ranging from 3-7 years.

ONE GROUP INVESTMENT TRUST BALANCED PORTFOLIO

WHAT IS THE GOAL OF THE BALANCED PORTFOLIO?

The Portfolio seeks to provide total return while preserving capital. (The Portfolio was formerly called the Asset Allocation Fund).

WHAT ARE THE BALANCED PORTFOLIO'S MAIN INVESTMENT STRATEGIES?

The Portfolio invests in a combination of stocks (including both growth and value securities), fixed income securities and money market instruments. The investment advisor, Banc One Investment Advisors will regularly review the Portfolio's asset allocations and vary them over time to favor investments that it believes will provide the most favorable total return. In making asset allocation decisions, Banc One Investment Advisors will evaluate projections of risk, market and economic conditions, volatility, yields and expected returns. Because the Portfolio seeks total return over the long term, Banc One Investment Advisors will not attempt to time the market. Rather, asset allocation shifts will be made gradually over time. For more information about the Balanced Portfolio's investment strategies, please read "More About the Portfolios" and "Principal Investment Strategies."

WHAT ARE THE MAIN RISKS OF INVESTING IN THE BALANCED PORTFOLIO?

The main risks of investing in the Balanced Portfolio and the circumstances likely to adversely affect your investment are described below. Like all non-money market mutual funds, the share price of the Balanced Portfolio and its yield will change every day in response to interest rates and other market conditions. You may lose money if you invest in the Balanced Portfolio.

Market Risk. The Portfolio invests in equity securities (such as stocks) which are more volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because of economic or political changes or changes in a company's financial condition. Equity securities are also subject to "stock market risk" meaning that stock prices in general may decline over short or extended periods of time. When the value of the Portfolio's securities goes down, your investment in the Fund decreases in value.

Interest Rate Risk. In connection with the Portfolio's fixed income strategy, the Portfolio invests in bonds and other debt securities. These securities will increase or decrease in value based on changes in interest rates. When interest rates go up, the value of the Portfolio's investments generally goes down. On the other hand, if interest rates go down, the value of the Portfolio's investments generally goes up. Your investment will decline in value if the value of the Portfolio's investments decrease.

Credit Risk. There is a risk that issuers and counterparties will not make payments on securities and repurchase agreements held by the Portfolio. In addition, the credit quality of securities held by the Portfolio may be lowered if an issuer's financial condition changes. Lower credit quality may lead to greater volatility in the price of a security and in shares of a Portfolio. Lower credit quality also may affect a security's liquidity and make it difficult for the Portfolio to sell.

Derivative Risk. As part of its investment strategy, the Portfolio invests in securities that are considered to be DERIVATIVES. The value of derivative securities (like mortgage-backed securities or asset-backed securities) is dependent upon the performance of underlying assets or securities. If the underlying assets do not perform as expected, the value of the derivative security and your investment in the Portfolio declines. Derivatives are more volatile and are riskier in terms of both liquidity and value than traditional investments.

Prepayment Risk. The Portfolio invests in mortgage-backed and asset-back securities as part of its fixed investment strategy. The issuers of these securities held by the Portfolio may be able to repay principal in advance, especially when interest rates fall. Changes in pre-payment rates can make the price and yield of mortgage and asset-backed securities volatile. When mortgage and other obligations are pre-paid, the Portfolio may have to reinvest in securities with a lower yield. The Portfolio may also fail to recover premiums paid for the securities, resulting in an unexpected capital loss.

Not FDIC insured. An investment in the Portfolio is not a deposit of BANK ONE CORPORATION or any of its affiliates and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

HOW HAS THE BALANCED PORTFOLIO PERFORMED?

The chart and tables below help show how the Balanced Portfolio's performance may vary. This may help you evaluate the risks of investing in the Portfolio. The chart and Highest and Lowest Return table show changes in the Portfolio's performance from year to year. The Average Annual Total Return table shows how the Portfolio's average annual returns for the periods indicated compare to those of a broad measure of market performance. Total returns assume reinvestment of dividends and distributions. The returns in the chart and the tables below do not reflect insurance separate account charges. If these charges were included, the returns would be lower than those shown. PLEASE REMEMBER THAT THE BALANCED PORTFOLIO'S PERFORMANCE IN THE PAST IS NOT NECESSARILY AN INDICATION OF HOW THE PORTFOLIO WILL PERFORM IN THE FUTURE.

ONE GROUP INVESTMENT TRUST BALANCED PORTFOLIO [BAR CHART]

'1995'	20.69
'1996'	11.92
'1997'	22.90
'1998'	19.09

HIGHEST AND LOWEST RETURN

(QUARTERLY 1995-1998)

		QUARTER ENDING
Highest	11.84%	June 30, 1997
Lowest	-3.63%	September 30, 1998

AVERAGE ANNUAL TOTAL RETURNS(1)

(THROUGH DECEMBER 31, 1998)

	1 YEAR	LIFE OF FUND (SINCE 8/1/94)
One Group Investment Trust Balanced Portfolio	19.09%	16.32%
S&P 500 Index(2)	28.58%	27.62%
Lehman Brothers Intermediate Government/Corporate Bond Index(3)	8.44%	7.79%
S&P 500 Index (60%) and Lipper Intermediate U.S. Gov't Bond Index (40%)(4)	20.41%	19.60%

(1) The table above compares the average annual return of the Portfolio, which holds a mix of stocks, bonds and other debt securities to an unmanaged stock index and an unmanaged bond index for the periods indicated.

(2) The S&P 500 Index is the Standard & Poor's Composite Index of 500 stocks, a widely recognized, unmanaged index of common stock prices.

(3) The Lehman Brothers Intermediate Government/Corporate Bond Index is an unmanaged market weighted index which encompasses U.S. Treasury and agency securities and investment grade corporate and international (dollar-denominated) bonds, with maturities between 5 and 10 years.

(4) The percentages shown are for a blended index consisting of 60% S&P 500 Index and 40% Lipper Intermediate U.S. Government Bond Index.

ONE GROUP INVESTMENT TRUST LARGE CAP GROWTH PORTFOLIO

WHAT IS THE GOAL OF THE LARGE CAP GROWTH PORTFOLIO?

The Portfolio seeks long-term capital appreciation and growth of income by investing primarily in equity securities. (The Portfolio was formerly called the Large Company Growth Fund).

WHAT ARE THE LARGE CAP GROWTH PORTFOLIO'S MAIN INVESTMENT STRATEGIES?

The Portfolio invests mainly in equity securities of large, well-established companies. The weighted average capitalization of companies in which the Portfolio invests normally will exceed the market median capitalization of the Standard & Poor's 500 Composite Stock Price Index ("S&P 500 Index").(1) For more information about the Large Cap Growth Portfolio's investment strategies, please read "More About the Portfolios" and "Principal Investment Strategies."

WHAT ARE THE MAIN RISKS OF INVESTING IN THE LARGE CAP GROWTH PORTFOLIO?

The main risks of investing in the Large Cap Growth Portfolio and the circumstances likely to adversely affect your investment are described below. Like all non-money market mutual funds, the share price of the Large Cap Growth Portfolio will change every day in response to market conditions. You may lose money if you invest in the Large Cap Growth Portfolio.

Market Risk. The Portfolio invests in equity securities (such as stocks) that are more volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because economic or political changes or changes in a company's financial condition. Equity securities are also subject to "stock market risk" meaning that stock prices in general (or large cap growth stock prices in particular) may decline over short or extended periods of time. When the value of the Portfolio's securities goes down, your investment in the Portfolio decreases in value.

Not FDIC insured. An investment in the Portfolio is not a deposit of BANK ONE CORPORATION or any of its affiliates and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

1"S&P 500" is a registered service mark of Standard & Poor's Corporation, which does not sponsor and is in no way affiliated with One Group Investment Trust.

HOW HAS THE LARGE CAP GROWTH PORTFOLIO PERFORMED?

The chart and tables below help show how the Large Cap Growth Portfolio's performance may vary. This information may help you evaluate the risks of investing in the Portfolio. The chart and Highest and Lowest Return table show changes in the Portfolio's performance from year to year. The Average Annual Total Return table shows how the Portfolio's average annual returns for the periods indicated compare to those of a broad measure of market performance. Total returns assume reinvestment of dividends and distributions. The returns in the chart and the tables below do not reflect insurance separate account charges. If these charges were included, the returns would be lower than those shown. PLEASE REMEMBER THAT THE LARGE CAP GROWTH PORTFOLIO'S PERFORMANCE IN THE

PAST IS NOT NECESSARILY AN INDICATION OF HOW THE PORTFOLIO WILL PERFORM IN THE FUTURE.

ONE GROUP INVESTMENT TRUST LARGE CAP GROWTH PORTFOLIO [BAR GRAPH]

'1995'	24.13
'1996'	16.67
'1997'	31.93
'1998'	41.27

HIGHEST AND LOWEST RETURN

(QUARTERLY 1995-1998)

		QUARTER ENDING
Highest	23.96%	December 31, 1998
Lowest	-6.79%	September 30, 1998

AVERAGE ANNUAL TOTAL RETURNS
(THROUGH DECEMBER 31, 1998)

	1 YEAR	LIFE OF FUND (SINCE 8/1/94)
One Group Investment Trust Large Cap Growth Portfolio	41.27%	25.34%
S&P 500 Index(1)	28.58%	27.62%
S&P/BARRA 500 Growth Index(2)	42.08%	32.56%

(1) The S&P 500 Index, an unmanaged index, is generally representative of the performance of large companies in the U.S. stock market.

(2) The S&P/BARRA 500 Growth Index, an unmanaged index, represents the highest price to book securities in the S&P 500 Index. The benchmark for the Large Cap Growth Portfolio will be changing from the S&P 500 Index to the S&P/BARRA 500 Growth Index in order to better represent the investment policies of the Portfolio for comparison purposes.

ONE GROUP INVESTMENT TRUST EQUITY INDEX PORTFOLIO

WHAT IS THE GOAL OF THE EQUITY INDEX PORTFOLIO?

The Portfolio seeks investment results that correspond to the aggregate price and dividend performance of securities in the Standard & Poor's 500 Composite Stock Price Index ("S&P 500 Index").(1) (The Portfolio used to be called the Equity Index Fund).

WHAT ARE THE EQUITY INDEX PORTFOLIO'S MAIN INVESTMENT STRATEGIES?

The Portfolio invests mainly in stocks included in the S&P 500 Index. The Portfolio may also invest in stock index futures. Banc One Investment Advisors attempts to track the performance of the S&P 500 Index to achieve a correlation of 0.95 between the performance of the Portfolio and that of the S&P 500 Index, without taking into account the Portfolio's expenses. For more information about the Equity Index Portfolio's investment strategies, please read "More About the Portfolios" and "Principal Investment Strategies."

WHAT ARE THE MAIN RISKS OF INVESTING IN THE EQUITY INDEX PORTFOLIO?

The main risks of investing in the Equity Index Portfolio and the circumstances likely to adversely affect your investment are described below. Like all non-money market mutual funds, the share price of the Equity Index Portfolio will change every day in response to market conditions. You may lose money if you invest in the Equity Index Portfolio.

Index Investing. The Portfolio attempts to track the performance of the S&P 500 Index. Therefore, securities may be purchased, retained and sold by the Portfolio at times when an actively managed fund would not do so. If the value of securities that are heavily weighted in the index changes, you can expect a greater risk of loss than would be the case if the Portfolio were not fully invested in such securities. Because of this, the Portfolio's share price can be volatile and there may be sudden, and sometimes substantial, fluctuations in the value of your investment.

Market Risk. The Portfolio invests in stocks that are more volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because of economic or political changes or changes in a company's financial condition. Equity securities are also subject to "stock market risk" meaning that stock prices in general (or S&P 500 Index stock prices in particular) may decline over short or extended periods of time. When the value of the Portfolio's securities goes down, your investment in the Portfolio decreases in value.

Not FDIC insured. An investment in the Portfolio is not a deposit of BANK ONE CORPORATION or any of its affiliates and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

The Portfolio began operations on May 1, 1998 and does not have a full calendar year of investment returns at the date of this Prospectus.

1"S&P 500" is a registered service mark of Standard & Poor's Corporation, which does not sponsor and is in no way affiliated with One Group Investment Trust.

ONE GROUP INVESTMENT TRUST DIVERSIFIED EQUITY PORTFOLIO

WHAT IS THE GOAL OF THE DIVERSIFIED EQUITY PORTFOLIO?

The Portfolio seeks long term capital growth and growth of income with a secondary objective of providing a moderate level of current income. (The Portfolio was formerly called the Value Growth Fund).

WHAT ARE THE DIVERSIFIED EQUITY PORTFOLIO'S MAIN INVESTMENT STRATEGIES?

The Portfolio invests mainly in common stocks of overlooked or undervalued companies that have the potential for earnings growth over time. The Portfolio uses a multi-style approach, meaning that it may invest across different capitalization levels targeting both value and growth oriented companies. Because the Portfolio seeks return over the long term, Banc One Investment Advisors will not attempt to time the market. For more information about the Diversified Equity Portfolio's investment strategies, please read "More About the Portfolios" and "Principal Investment Strategies."

WHAT ARE THE MAIN RISKS OF INVESTING IN THE DIVERSIFIED EQUITY PORTFOLIO?

The main risks of investing in the Diversified Equity Portfolio and the circumstances likely to adversely affect your investment are described below. Like all non-money market mutual funds, the share price of the Diversified Equity Portfolio will change every day in response to market conditions. You may lose money if you invest in the Diversified Equity Portfolio.

Market Risk. The Portfolio invests in equity securities (such as stocks) that are more volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because of economic or political changes or changes in a company's financial condition. Equity securities are also subject to "stock market risk" meaning that stock prices in general may decline over short or extended periods of time. When the value of the Portfolio's securities goes down, your investment in the Portfolio decreases in value.

Yield. The Portfolio may invest up to 35% of its assets in U.S. Government Securities and other investment grade fixed income securities. While these investments are considered to be less risky than other types of securities, the Portfolio's ability to achieve higher income is not as great as that of funds that invest in lower-quality, higher risk securities.

Smaller Companies. The Portfolio's investments in smaller, newer companies may be riskier than investments in larger, more established companies. Small companies may be more vulnerable to economic, market, and industry changes. Because economic events have a greater impact on smaller companies, there may be greater and more frequent changes in their stock price. This may cause unexpected and frequent decreases in the value of your investment in the Portfolio.

Not FDIC insured. An investment in the Portfolio is not a deposit of BANK ONE CORPORATION or any of its affiliates and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

HOW HAS THE DIVERSIFIED EQUITY PORTFOLIO PERFORMED?

The chart and tables below help show how the Diversified Equity Portfolio's performance may vary. The chart and tables reflect that the Diversified Equity Portfolio inherited the financial history of the Pegasus Variable Growth and Value Fund. This information may help you evaluate the risks of investing in the Portfolio. The chart and Highest and Lowest Return table show changes in the Portfolio's performance from year to year. The Average Annual Total Return table shows how the Portfolio's average annual returns for the periods indicated compare to those of a broad measure of market performance. Total returns assume reinvestment of dividends and distributions. The returns in the chart and the tables below do not reflect insurance separate account charges. If these charges were included, the returns would be lower than those shown. PLEASE REMEMBER THAT THE DIVERSIFIED EQUITY PORTFOLIO'S PERFORMANCE IN THE PAST IS NOT NECESSARILY AN INDICATION OF HOW THE PORTFOLIO WILL PERFORM IN THE FUTURE.

ONE GROUP INVESTMENT TRUST DIVERSIFIED EQUITY PORTFOLIO [BAR CHART]

<TABLE>
<CAPTION>

'1996'	18.75
'1997'	26.80
'1998'	13.10

</TABLE>

HIGHEST AND LOWEST RETURN

(QUARTERLY 1996-1998)

<TABLE>
<CAPTION>

		QUARTER ENDING
Highest	15.80%	December 31, 1998
Lowest	-9.92%	September 30, 1998

</TABLE>

AVERAGE ANNUAL TOTAL RETURNS
(THROUGH DECEMBER 31, 1998)

<TABLE>
<CAPTION>

	1 YEAR	LIFE OF FUND (SINCE 3/30/95)
One Group Investment Trust Diversified Equity Portfolio	13.10%	20.31%
S&P 500 Index(1)	28.58%	29.55%
S&P 1500 SuperComposite Index(2)	26.35%	28.47%

</TABLE>

(1) The S&P 500 Index is the Standard & Poor's Composite Index of 500 Stocks, a widely recognized, unmanaged index of common stock prices.

(2) The S&P SuperComposite 1500 Index is an unmanaged index consisting of those stocks making up the S&P 500, S&P MidCap 400 and S&P SmallCap 600 Indices representing 87% of the total U.S. equity market capitalization. The benchmark index for the Diversified Equity Portfolio will be changing from the S&P 500 Index to the S&P 1500 SuperComposite Index in order to better represent the investment policies for comparison purposes.

ONE GROUP INVESTMENT TRUST MID CAP GROWTH PORTFOLIO

WHAT IS THE GOAL OF THE MID CAP GROWTH PORTFOLIO?

The Portfolio seeks growth of capital and secondarily, current income by investing primarily in equity securities. (The Portfolio was formerly called the Growth Opportunities Fund).

WHAT ARE THE MID CAP GROWTH PORTFOLIO'S MAIN INVESTMENT STRATEGIES?

The Portfolio invests in securities that have the potential to produce above-average earnings growth per share over a one-to-three year period. (Mid Cap Companies typically have market capitalizations of $500 million to $5 billion). Typically, the Portfolio acquires shares of established companies with a history of above-average growth, as well as those companies expected to enter periods of above-average growth. Not all the securities purchased by the Portfolio will pay dividends. The Portfolio also invests in smaller companies in emerging growth industries. For more information about the Mid Cap Growth Portfolio's investment strategies, please read "More About the Portfolios" and "Principal Investment Strategies."

WHAT ARE THE MAIN RISKS OF INVESTING IN THE MID CAP GROWTH PORTFOLIO?

The main risks of investing in the Mid Cap Growth Portfolio and the circumstances likely to adversely affect your investment are described below. Like all non-money market mutual funds, the share price of the Mid Cap Growth Portfolio will change every day in response to market conditions. You may lose money if you invest in the Mid Cap Growth Portfolio.

Market Risk. The Portfolio invests in equity securities (such as stocks) that are more volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because of economic or political changes or changes in a company's financial condition. Equity securities are also subject to "stock market risk" meaning that stock prices in general (or mid cap growth stock prices in particular) may decline over short or extended periods of time. When the value of the Portfolio's securities goes down, your investment in the Portfolio decreases in value.

Smaller Companies. Investments in smaller, newer companies may be riskier than investments in larger, more established companies. Small companies may be more vulnerable to economic, market, and industry changes. Because economic events have a greater impact on smaller companies, there may be greater and more frequent changes in their stock price. This may cause unexpected and frequent decreases in the value of your investment in the Portfolio.

Not FDIC insured. An investment in the Portfolio is not a deposit of BANK ONE CORPORATION or any of its affiliates and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

HOW HAS THE MID CAP GROWTH PORTFOLIO PERFORMED?

The chart and tables below help show how the Mid Cap Growth Portfolio's performance may vary. This may help you evaluate the risks of investing in the Portfolio. The chart and Highest and Lowest Return table show changes in the

Portfolio's performance from year to year. The Average Annual Total Return table shows how the Portfolio's average annual returns for the periods indicated compare to those of a broad measure of market performance. Total returns assume reinvestment of dividends and distributions. The returns in the chart and the tables below do not reflect insurance separate account charges. If these charges were included, the returns would be lower than those shown. PLEASE REMEMBER THAT THE MID CAP GROWTH PORTFOLIO'S PERFORMANCE IN THE PAST IS NOT NECESSARILY AN INDICATION OF HOW THE PORTFOLIO WILL PERFORM IN THE FUTURE.

ONE GROUP INVESTMENT TRUST MID CAP GROWTH PORTFOLIO [BAR CHART]

'1995'	24.06
'1996'	15.67
'1997'	29.81
'1998'	38.82

HIGHEST AND LOWEST RETURN

(QUARTERLY 1995-1998)

		QUARTER ENDING
Highest	40.10%	December 31, 1998
Lowest	-14.67%	September 31, 1998

AVERAGE ANNUAL TOTAL RETURNS (THROUGH DECEMBER 31, 1998)

	1 YEAR	LIFE OF FUND (SINCE 8/1/94)
One Group Investment Trust Mid Cap Growth Portfolio	38.82%	23.13%
Russell 2000 Index (1)	-2.55%	14.84%
S&P/BARRA Mid Cap 400 Growth Index (2)	34.86%	25.53%

(1) The Russell 2000, an unmanaged index, is generally representative of small to mid-sized companies.

(2) The S&P/BARRA Mid Cap 400 Growth Index, an unmanaged index, represents the highest price to book securities in the S&P Mid Cap 400 Index. The benchmark for the Mid Cap Growth Portfolio will be changing from the Russell 2000 to the S&P/BARRA Mid Cap 400 Growth Index in order to better represent the investment policies of the Portfolio for comparison purposes.

ONE GROUP INVESTMENT TRUST DIVERSIFIED MID CAP PORTFOLIO

WHAT IS THE GOAL OF THE DIVERSIFIED MID CAP PORTFOLIO?

The Portfolio seeks long term capital growth by investing primarily in equity securities of companies with intermediate capitalizations. (The Portfolio was formerly called the Mid Cap Opportunities Fund).

WHAT ARE THE DIVERSIFIED MID CAP PORTFOLIO'S MAIN INVESTMENT STRATEGIES?

The Portfolio invests mainly in equity securities of companies with capitalizations of $500 million to $5 billion. The Portfolio intends to invest in companies of this size with strong growth potential, stable market share, and an ability to quickly respond to new business opportunities. The Portfolio uses a multi-style approach, meaning that it may invest in mid cap and other companies across different capitalization levels targeting both value and growth oriented companies. Because the Portfolio seeks return over the long term, Banc One Investment Advisors will not attempt to time the market. For more information about the Diversified Mid Cap Portfolio's investment strategies, please read "More About the Portfolios" and "Principal Investment Strategies."

WHAT ARE THE MAIN RISKS OF INVESTING IN THE DIVERSIFIED MID CAP PORTFOLIO?

The main risks of investing in the Diversified Mid Cap Portfolio and the circumstances likely to adversely affect your investment are described below. Like all non-money market mutual funds, the share price of the Diversified Mid Cap Portfolio will change every day in response to market conditions. You may lose money if you invest in the Diversified Mid Cap Portfolio.

Market Risk. The Portfolio invests in equity securities (such as stocks) that are more volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because of economic or political changes or changes in a company's financial condition. Equity securities also are subject to "stock market risk" meaning that stock prices in general (or mid cap stock prices in particular) may decline over short or extended periods of time. When the value of the Portfolio's securities goes down, your investment in the Portfolio decreases in value.

Smaller Companies. Investments in smaller, newer companies may be riskier than investments in larger, more established companies. Small companies may be more vulnerable to economic, market, and industry changes. Because economic events have a greater impact on smaller companies, there may be greater and more frequent changes in their stock price. This may cause unexpected and frequent decreases in the value of your investment in the Portfolio.

Not FDIC insured. An investment in the Portfolio is not a deposit of BANK ONE CORPORATION or any of its affiliates and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

HOW HAS THE DIVERSIFIED MID CAP PORTFOLIO PERFORMED?

The chart and tables below help show how the Diversified Mid Cap Portfolio's performance may vary. The chart and tables reflect that the Diversified Mid Cap Portfolio inherited the financial history of the Pegasus Variable Mid-Cap Opportunity Fund. This information may help you evaluate the risks of investing in the Portfolio. The chart and Highest and Lowest Return table show changes in the Portfolio's performance from year to year. The Average Annual Total Return table shows how the Portfolio's average annual returns for the periods indicated compare to those of a broad measure of market performance. Total returns assume reinvestment of dividends and distributions. The returns in the chart and the tables below do not reflect insurance separate account charges. If these charges were included, the returns would be lower than those shown. PLEASE REMEMBER THAT THE DIVERSIFIED MID CAP PORTFOLIO'S PERFORMANCE IN THE PAST IS NOT NECESSARILY AN INDICATION OF HOW THE PORTFOLIO WILL PERFORM IN THE FUTURE.

ONE GROUP INVESTMENT TRUST DIVERSIFIED MID CAP PORTFOLIO [BAR CHART]

<TABLE>
<CAPTION>

'1996'	24.53
'1997'	26.65
'1998'	4.91

</TABLE>

HIGHEST AND LOWEST RETURN

(QUARTERLY 1996-1998)

<TABLE>
<CAPTION>

		QUARTER ENDING

Highest	22.38%	December 31, 1998
Lowest	-20.05%	September 30, 1998

</TABLE>

AVERAGE ANNUAL TOTAL RETURNS
(THROUGH DECEMBER 31,
1998)

<TABLE>
<CAPTION>

	1 YEAR	LIFE OF FUND (SINCE 3/30/95)
One Group Investment Trust Diversified Mid Cap Portfolio	4.91%	17.47%
Russell 2500 Index(1)	0.38%	17.34%
S&P 400 Mid Cap Index(2)	19.09%	24.45%

</TABLE>

(1)The Russell 2500 Index is an unmanaged index generally representative of the small-to-medium-small stock market.

(2)The S&P 400 Mid Cap Index, an unmanaged index, represents the mid-size company segment of the U.S. market. The benchmark index for the Diversified Mid Cap Portfolio will be changing from the Russell 2500 Index to the S&P 400 Mid Cap Index in order to better represent the investment policies of the Portfolio for comparison purposes.

ONE GROUP INVESTMENT TRUST MID CAP VALUE PORTFOLIO

WHAT IS THE GOAL OF THE MID CAP VALUE PORTFOLIO?

The Portfolio seeks capital appreciation with the secondary goal of achieving current income by investing primarily in equity securities. (The Portfolio was formerly called the Mid Cap Value Fund).

WHAT ARE THE MID CAP VALUE PORTFOLIO'S MAIN INVESTMENT STRATEGIES?

The Portfolio invests mainly in equity securities of companies with below-market average price-to-earnings and price-to-book value ratios and with market capitalizations of $500 million to $5 billion. In choosing investments, the Portfolio considers the issuer's soundness and earnings prospects. If Banc One Investment Advisors thinks that a company's fundamentals are declining or that a company's ability to pay dividends has been impaired, it may eliminate the Portfolio's holding of the company's stock. For more information about the Mid Cap Value Portfolio's investment strategies, please read "More About the Portfolios" and "Principal Investment Strategies."

WHAT ARE THE MAIN RISKS OF INVESTING IN THE MID CAP VALUE PORTFOLIO?

The main risks of investing in the Mid Cap Value Portfolio and the circumstances likely to adversely affect your investment are described below. Like all non-money market mutual funds, the share price of the Mid Cap Value Portfolio and its yield will change every day in response to interest rates and other market conditions. You may lose money if you invest in the Mid Cap Value Portfolio.

Market Risk. The Portfolio invests in equity securities (such as stocks) which are more volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because economic or political changes or changes in a company's financial condition. Equity securities are also subject to "stock market risk" meaning that stock prices in general (or mid cap value stock prices in particular) may decline over short or extended periods of time. When the value of the Portfolio's securities goes down, your investment in the Fund decreases in value.

Smaller Companies. The Portfolio's investments in smaller, newer companies may be riskier than investments in larger, more established companies. Small companies may be more vulnerable to economic, market, and industry changes. Because economic events have a greater impact on smaller companies, there may be greater and more frequent changes in their stock price. This may cause unexpected and frequent decreases in the value of your investment in the Portfolio.

Not FDIC insured. An investment in the Portfolio is not a deposit of BANK ONE CORPORATION or any of its affiliates and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

HOW HAS THE MID CAP VALUE PORTFOLIO PERFORMED?

The chart and tables below help show how the Mid Cap Value Portfolio's performance may vary. The chart and tables reflect that the Mid Cap Value Portfolio inherited the financial history of the Pegasus Variable Intrinsic Value Fund. This information may help you evaluate the risks of investing in the Portfolio. The chart and Highest and Lowest Return table show changes in the Portfolio's performance for calendar year 1998, the Portfolio's first full calendar year of operations. The Average Annual Total Return table shows how the Portfolio's average annual returns for the periods indicated compare to those of a broad measure of market performance. Total returns assume reinvestment of dividends and distributions. The returns in the chart and the tables below do not reflect insurance separate account charges. If these charges were included, the returns would be lower than those shown. PLEASE REMEMBER THAT THE MID CAP VALUE PORTFOLIO'S PERFORMANCE IN THE PAST IS NOT NECESSARILY AN INDICATION OF HOW THE PORTFOLIO WILL PERFORM IN THE FUTURE.

ONE GROUP INVESTMENT TRUST MID CAP VALUE PORTFOLIO [BAR CHART]

'1998'	-3.31

HIGHEST AND LOWEST RETURN

(QUARTERLY 1998)

		QUARTER ENDING
Highest	8.35%	March 31, 1998
Lowest	-14.07%	September 30, 1998

AVERAGE ANNUAL TOTAL RETURNS

(THROUGH DECEMBER 31, 1998)

	1 YEAR	LIFE OF FUND (SINCE 5/1/97)
One Group Investment Trust Mid Cap Value Portfolio	-3.31%	7.65%
S&P 500 Index(1)	28.58%	31.27%
S&P/BARRA Mid Cap 400 Value Index(2)	4.67%	21.04%

(1) The S&P 500 Index is the Standard & Poor's Composite Index of 500 Stocks, a

widely recognized, unmanaged index of common stock prices.

(2) The S&P/BARRA Mid Cap 400 Value Index, an unmanaged index, represents the lowest price to book securities in the S&P Mid Cap 400 Index. The benchmark index for the Mid Cap Value Portfolio will be changing from the S&P 500 Index to S&P/BARRA Mid Cap 400 Value Index in order to better represent the investment policies of the Portfolio for comparison purposes.

MORE ABOUT THE PORTFOLIOS

TYPES OF PORTFOLIOS. The following pages describe investment strategies that are used in more than one Portfolio. Where indicated, the strategies only apply to the Bond Portfolios or the Equity Portfolios.

The BOND PORTFOLIOS include:

- One Group Investment Trust Bond Portfolio and
- One Group Investment Trust Government Bond Portfolio.

The EQUITY PORTFOLIOS include:

- One Group Investment Trust Balanced Portfolio,
- One Group Investment Trust Large Cap Growth Portfolio,
- One Group Investment Trust Equity Index Portfolio,
- One Group Investment Trust Diversified Equity Portfolio,
- One Group Investment Trust Mid Cap Growth Portfolio,
- One Group Investment Trust Diversified Mid Cap Portfolio, and
- One Group Investment Trust Mid Cap Value Portfolio.

ONE GROUP INVESTMENT TRUST

ALTHOUGH ONE GROUP INVESTMENT TRUST PORTFOLIOS HAVE THE SAME OR SIMILAR INVESTMENT OBJECTIVES AND INVESTMENT STRATEGIES AS SIMILARLY NAMED FUNDS OF ONE GROUP(R) MUTUAL FUNDS, ONE GROUP INVESTMENT TRUST PORTFOLIOS:

- ARE NOT THE SAME FUNDS AS ONE GROUP MUTUAL FUNDS;

- ARE SMALLER THAN ONE GROUP MUTUAL FUNDS; AND

- HAVE DIFFERENT PERFORMANCE, FEES AND EXPENSES THAN ONE GROUP MUTUAL FUNDS.

PORTFOLIO QUALITY. Various rating organizations (like Standard & Poor's Corporation and Moody's Investor Service) assign ratings to securities. Generally, ratings are divided into two main categories: "Investment Grade Securities" and "Non-Investment Grade Securities." Although there is always a risk of default, rating agencies believe that issuers of Investment Grade Securities have a high to medium probability of making payments on such securities. Non-Investment Grade Securities include securities that, in the opinion of the rating agencies, are more likely to default than Investment Grade Securities. The Portfolios only purchase securities that meet the rating criteria described below. Banc One Investment Advisors will look at a security's rating at the time of investment. If the securities are unrated, Banc One Investment Advisors must determine that they are of comparable quality to rated securities.

RATINGS OF THE BOND PORTFOLIOS' SECURITIES

Short-term corporate obligations such as commercial paper notes and variable demand obligations must be rated in one of the two highest investment grade categories at the time of investment.

One Group Investment Trust Government Bond Portfolio only may invest in debt securities rated in any of the three highest investment grade rating categories.

One Group Investment Trust Bond Portfolio may purchase corporate and municipal bonds that are rated in ANY category. Bonds in the lowest rating categories are speculative and may be classified as "junk bonds." The Bond Portfolio will invest no more than 5% of its net assets in securities rated below investment grade.

RATINGS OF THE EQUITY PORTFOLIOS' SECURITIES

Municipal securities and short-term corporate obligations, such as commercial paper, notes and variable rate demand obligations, must be rated in one of the two highest investment grade categories at the time of investment.

Corporate bonds generally will be rated in one of the three highest investment grade categories. Banc One Investment Advisors reserves the right to invest in corporate bonds that present attractive opportunities and are rated in the lowest investment grade category. These corporate bonds may be riskier than higher rated bonds. The Diversified Mid Cap Portfolio may invest in lower rated convertible securities. These securities are speculative and may be classified as "junk bonds."

For more information about ratings, please see "Description of Ratings" in the Statement of Additional Information.

TEMPORARY DEFENSIVE POSITIONS. To respond to unusual market conditions, the portfolios may invest all or most of their assets in CASH EQUIVALENTS (see below) for temporary defensive purposes. These investments may result in a lower yield than lower-quality or longer term investments and may prevent the Portfolios from meeting their investment objectives. When a Portfolio is investing for temporary investment purposes, it may make investments that are inconsistent with its investment objective and strategies.

Bond Portfolios. For temporary defensive purposes as determined by Banc One Investment Advisors, the Bond Portfolios may invest up to 100% of their assets in cash equivalents, and may hold a portion of their assets in cash for liquidity purposes.

Equity Portfolios. For temporary defensive purposes as determined by Banc One Investment Advisors, the Equity Portfolios (except the Equity Index Portfolio and Diversified Mid Cap Portfolio), may invest 100% of its total assets in cash and cash equivalents. The Diversified Mid Cap Portfolio may invest up to 20% and the Equity Index Portfolio may invest 10% of their total assets in cash and cash equivalents.

WHAT IS A CASH EQUIVALENT?

Cash Equivalents are highly liquid, high quality instruments with maturities of three months or less on the date they are purchased. They include securities issued by the U.S. Government, its agencies and instrumentalities, repurchase agreements (other than equity repurchase agreements), certificates of deposit, bankers' acceptances, commercial paper (rated in one of the two highest rating categories), variable rate master demand notes, and bank money market deposit accounts.

PORTFOLIO TURNOVER. It is estimated that portfolio turnover rate for each of the Bond Portfolios will not exceed 50% and portfolio turnover for each of the Equity Portfolios will not exceed 100%. However, the portfolio managers actively manage the Portfolios and may trade securities frequently, resulting, from time to time, in an annual portfolio turnover rate of over 100%. Active trading may increase the amount of fees and transaction costs.

For more information about each of the Portfolios, please read "Investment Practices."

SHAREHOLDER INFORMATION

PRICING OF PORTFOLIO SHARES

HOW ARE PORTFOLIO SHARES PRICED? The net asset value or NAV per share for each Fund is determined as of the close of regular trading on the New York Stock Exchange (usually 4 P.M. Eastern Time), on each day the Portfolios are open for business. The NAV per share is calculated by adding the value of all securities and other assets of a Portfolio, deducting its liabilities, and dividing by the number of shares of the Portfolio that are outstanding.

WHEN ARE THE PORTFOLIOS' BUSINESS DAYS? The Portfolios are open for business on days that the New York Stock Exchange is open for business and days other than weekends and the following holidays: New Years Day, Martin Luther King, Jr. Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

PURCHASE OF PORTFOLIO SHARES

WHO CAN PURCHASE SHARES OF THE PORTFOLIOS? Shares of the Portfolios are sold at net asset value to SEPARATE ACCOUNTS of insurance companies to fund variable annuity and variable life contracts. Shares are purchased at net asset value next determined after the purchase order, in proper form, is received by the One Group Investment Trust's transfer agent, Nationwide Investors Services, Inc. You and other purchasers of variable life or variable annuity contracts will not own shares of the Fund directly. Rather, all shares will be held by the separate accounts for your benefit and the benefit of other purchasers of variable annuity and variable life contracts. All investments in the Portfolios are credited to the shareholder's account in the form of full or fractional shares of the designated Portfolios. The Portfolios do not issue share certificates. The interests of different separate accounts are not always the same and material, irreconcilable conflicts may arise. The Board of Trustees will monitor events for such conflicts and, should they arise, will determine what action, if any, should be taken.

ARE THERE LIMITS ON PORTFOLIO PURCHASES? Yes. Initial and subsequent purchase payments allocated to a specific Portfolio are subject to any limits set by your variable annuity or variable life contract. For information concerning the purchase and redemption of shares through your variable annuity or variable life contract, refer to the literature that you received when you purchased your variable annuity or variable life contract.

REDEMPTION OF PORTFOLIO SHARES

Separate accounts may redeem shares to make benefit or surrender payments to you and other purchasers of variable annuity or variable life contracts. Redemptions are processed on any day on which the Portfolios are open for business. Shares are redeemed at the net asset value next determined after the redemption order, in proper form, is received by the One Group Investment Trust's transfer agent, Nationwide Investors Services, Inc.

VOTING AND MEETINGS

HOW ARE SHARES OF THE PORTFOLIO VOTED? The insurance company that issued your variable annuity or variable life contract will solicit voting instructions from you and other purchasers of variable annuity or variable life contracts with respect to any matters that are presented to a vote of shareholders. Each Portfolio votes separately on matters relating solely to that Portfolio or which affect that Portfolio differently. However, all shareholders will have equal voting rights on matters that affect all shareholders equally. The holders of each share shall be entitled to one vote for each share held.

WHEN ARE SHAREHOLDER MEETINGS HELD? One Group Investment Trust does not hold Annual Meetings of shareholders but may hold Special Meetings. Special meetings are held, for example, to elect or remove Trustees, change a Portfolio's fundamental investment objectives, or approve an investment advisory contract.

DIVIDENDS

- All dividends are distributed to the separate accounts on a quarterly basis and will be automatically reinvested in portfolio shares.

- Dividends are not taxable as current income to you or other purchasers of variable annuity or variable life insurance contracts.

QUESTIONS

- Any questions regarding the Portfolios should be directed to One Group Investment Trust, Three Nationwide Plaza, Columbus, Ohio 43215 Telephone: 1-800-860-3946. All questions regarding variable annuities or life insurance contract should be directed to the address indicated in the prospectuses that you received when you purchased your variable annuity or variable life product.

TAX INFORMATION

Generally, owners of variable annuity and variable life contracts are not taxed currently on income or gains realized with respect to such contracts. However, some distributions from such contracts may be taxable at ordinary income tax rates. In addition, distributions made to an owner who is younger than 59 1/2 may be subject to a 10% penalty tax. Investors should ask their own tax advisors for more information on their own tax situation, including possible state or local taxes.

In order for investors to receive the favorable tax treatment available to holders of variable annuity and variable life contracts, the separate accounts underlying such contracts, as well as the Portfolios in which such accounts invest, must meet certain diversification requirements. Each Portfolio intends to comply with these requirements. If a Portfolio does not meet such requirements, income allocable to the contracts would be taxable currently to the holders of such contracts.

Please refer to the Statement of Additional Information for more information regarding the tax treatment of the Portfolios. Please refer to the prospectus of the separate accounts that hold interest in the Portfolios for a discussion of the tax consequences of variable annuity and variable life contracts.

QUALIFIED PLANS. In the future, shares of the portfolios may also be sold to qualified pension and retirement plans for the benefit of plan participants. For information about the purchase and redemption of shares by qualified pension and retirement plans as well as the tax consequences impacting such plans, refer to the literature received from your plan administrator.

MANAGEMENT OF THE PORTFOLIOS

THE ADVISOR

Banc One Investment Advisors (1111 Polaris Parkway, P.O. Box 71021, Columbus, Ohio 43271-0211) makes the day-to-day investment decisions for the Portfolios and continuously reviews, supervises and administers each Portfolio's investment program. Banc One Investment Advisors performs its responsibilities subject to the supervision of, and policies established by, the Trustees of One Group Investment Trust. Banc One Investment Advisors has served as investment advisor to the Trust since its inception. In addition, Banc One Investment Advisors serves as investment advisor to other mutual funds and individual corporate, charitable, and retirement accounts. As of December 31, 1998, Banc One Investment Advisors, an indirect wholly-owned subsidiary of BANK ONE CORPORATION, managed over $59 billion in assets.

Banc One Investment Advisors is entitled to a fee, which is calculated daily and paid monthly, of the following annual percentages of the average daily net assets of each Portfolio:

<TABLE>
<CAPTION>

PORTFOLIO	ADVISORY FEE
Bond Portfolio	0.60%
Government Bond Portfolio	0.45%
Balanced Portfolio	0.70%
Large Cap Growth Portfolio	0.65%
Equity Index Portfolio	0.30%
Diversified Equity Portfolio	0.74%

Mid Cap Growth Portfolio	0.65%
Diversified Mid Cap Portfolio	0.74%
Mid Cap Value Portfolio	0.74%

</TABLE>

Waivers. Banc One Investment Advisors has voluntarily agreed to waive all or part of its fees in order to limit the Portfolios' total operating expenses on an annual basis to not more than the following percentages of the average daily net assets:

<TABLE>
<CAPTION>

PORTFOLIO	PERCENTAGE OF AVERAGE DAILY NET ASSETS
<S>	<C>
Bond Portfolio	0.75%
Government Bond Portfolio	0.75%
Balanced Portfolio	1.00%
Large Cap Growth Portfolio	1.00%
Equity Index Portfolio	0.55%
Diversified Equity Portfolio	0.95%
Mid Cap Growth Portfolio	1.10%
Diversified Mid Cap Portfolio	0.95%
Mid Cap Value Portfolio	0.95%

</TABLE>

These fee waivers are voluntary and may be terminated at any time.

For the fiscal year ended December 31, 1998, the Portfolios paid advisory fees to Banc One Investment Advisors at the following rates:

<TABLE>
<CAPTION>

PORTFOLIO	ADVISORY FEES
<S>	<C>
Government Bond Portfolio	0.42%
Balanced Portfolio	0.70%
Large Cap Growth Portfolio	0.65%
Equity Index Portfolio	0.00%
Mid Cap Growth Portfolio	0.65%

</TABLE>

For the fiscal year ended December 31, 1998, the predecessor funds of the following Portfolios paid investment advisory fees to First Chicago NBD Investment Management Company, an indirect, wholly owned subsidiary of BANK ONE CORPORATION and an affiliate of Banc One Investment Advisors:

<TABLE>
<CAPTION>

PORTFOLIO	ADVISORY FEES
<S>	<C>
Bond Portfolio	0.37%
Diversified Equity Portfolio	0.57%
Diversified Mid Cap Portfolio	0.06%
Mid Cap Value Portfolio	0.38%

</TABLE>

THE PORTFOLIO MANAGERS

The Bond Portfolios are managed by teams of portfolio managers, research analysts and fixed income traders. The team works together to establish general duration and sector strategies for the Portfolio. Each team member makes recommendations about securities in the Portfolio. The research analysts and trading personnel provide individual security and sector recommendations, while the portfolio managers select and allocate individual securities in a manner designed to meet the investment objectives of the Portfolio.

The Equity Portfolios are managed by teams of portfolio managers, research analysts, and other investment management professionals. For all Equity Portfolios, except the Equity Index Portfolio which is not actively managed, each team member makes recommendations about the securities in a Portfolio. The research analysts provide in-depth industry analysis and recommendations, while the portfolio managers determine strategy, industry weightings, portfolio holdings, and cash positions.

YEAR 2000

Preparing for the Year 2000 is a high priority for the Portfolios. Both One Group Investment Trust's Administrator, Nationwide Advisory Services, Inc. and Banc One Investment Advisors have formed dedicated teams to help them successfully achieve Year 2000 readiness. In addition, these teams are responsible for assessing the readiness of all other service providers to the Portfolios. Year 2000 readiness efforts are directed toward both information technology and non-information technology systems. Non-information technology systems include elevators, photocopy machines, and facsimile machines, and should have no significant impact on the delivery of services to Portfolios.

Banc One Investment Advisors has identified information technology systems and interfaces that provide service and support to the Portfolios. Many, if not all, of the systems are owned or operated by third party servicers (for example, One Group Investment Trust's Custodian). Consequently, readiness efforts must be made by those servicers. Banc One Investment Advisors and the Administrator have, and will continue to, monitor the readiness progress of the service providers. This process involves documentation, on-site visits, and review of readiness plans and test results. Neither the Portfolios nor their shareholders will bear any of the direct expenses involved in Year 2000 readiness efforts.

Neither the Administrator nor Banc One Investment Advisors currently anticipate that the move to Year 2000 will have a material impact on their ability to continue to provide the Portfolios with service at current levels. Likewise, One Group Investment Trust currently anticipates that the move to Year 2000 will not have a material impact on its operations. While there can be no guarantee that Year 2000 readiness will not materially impact the Portfolios' operations, One Group Investment Trust is unaware of any material information relating to Year 2000 readiness efforts by Banc One Investment Advisors, the Administrator, and the Portfolios relevant to an investor in the Portfolios that has not been disclosed.

PRINCIPAL INVESTMENT STRATEGIES

The principal investment strategies of the Portfolios are described below. In the opinion of Banc One Investment Advisors, these strategies are important in trying to achieve each Portfolio's investment objective. There can be no assurance that the Portfolios will achieve their investment objectives. Please note that each Portfolio may also use strategies that are not described below, but which are described in the Statement of Additional Information. For a list of all of the types of securities in which the Portfolios may invest, please read "Investment Practices" in Appendix A.

THE BOND PORTFOLIOS

Banc One Investment Advisors selects securities for the Bond Portfolios by analyzing both individual securities and different industry sectors. Rather than attempting to time the market, Banc One Investment Advisors looks for sectors and securities that it believes will perform consistently well over time as measured by total return. The Bond Portfolios attempt to enhance total return by selecting market sectors that offer risk/reward advantages based on structural risks and credit trends. Individual securities that are purchased by the Portfolios are subject to a disciplined risk/reward analysis both at the time of purchase and on an ongoing basis. This analysis includes an evaluation of interest rate risk, credit risk, and risks associated with the structure of the investment (e.g., asset-backed securities). (The risks associated with the types of investments the Portfolio purchases are described in more detail in Appendix A). Additional investment strategies used by each of the Bond Portfolios are described below:

ONE GROUP INVESTMENT TRUST BOND PORTFOLIO. The Portfolio invests primarily in investment grade debt securities as well as convertible securities, preferred stock, and loan participations. The Portfolio's weighted average maturity will normally range between four and twelve years, although the Portfolio may shorten its weighted average for temporary defensive purposes.

- At least 65% of the Portfolio's total assets will be invested in all types of debt securities with intermediate to long maturities.

- At least 65% of the Portfolio's total assets consist of "bonds."

ONE GROUP INVESTMENT TRUST GOVERNMENT BOND PORTFOLIO. The Portfolio limits its investments to securities and related to securities issued by the U.S. Government and its agencies and instrumentalities. At least 65% of the Portfolio's total assets will be invested in:

- all types of debt securities with principal and interest guaranteed by the U.S. Government and its agencies and instrumentalities. (Some of these securities may be subject to repurchase agreements.)

- other securities representing an interest in or secured by mortgages that are issued or guaranteed by certain U.S. government agencies or instrumentalities.

THE EQUITY PORTFOLIOS

The investment strategies utilized by the Equity Portfolios are described in the Risk/Return Summaries and below.

ONE GROUP INVESTMENT TRUST BALANCED PORTFOLIO. The Portfolios invests in a combination of stocks, fixed income securities and money market instruments. Normally, the Portfolio will invest:

- between 40% and 75% of total assets in all types of equity securities (including stock of both large and small capitalization companies and growth and value securities). Up to 20% of the equities may be foreign securities, including American Depository Receipts.

- between 25% and 60% of total assets in mid to long term fixed income securities, including bonds, notes, and other debt securities. The balance will be invested in cash equivalents. For more information on how Banc One Investment Advisors selects fixed income securities, please read "The Bond Portfolios" above.

ONE GROUP INVESTMENT TRUST MID CAP GROWTH PORTFOLIO. The Portfolio invests in securities of companies that have the potential to produce above-average earnings growth per share over a one-to-three year period.

- At least 80% of the Portfolio's total assets will be invested in equity securities, including common stocks and debt securities and preferred stocks that are convertible to common stock.

- A portion of the Fund's assets will be held in cash equivalents.

ONE GROUP INVESTMENT TRUST LARGE CAP GROWTH PORTFOLIO. The Portfolio invests mainly in equity securities of large, well-established companies. The weighted average capitalization of companies in which the Portfolio invests normally will exceed the market median capitalization of the Standard & Poor's 500 Composite Stock Price Index ("S&P 500 Index").(1)

- At least 65% of the Portfolio's total assets will be invested in the equity securities of large, well-established companies, including common stock, warrants and rights to buy common stock.

ONE GROUP INVESTMENT TRUST EQUITY INDEX PORTFOLIO. The Portfolio invests in stocks included in the S&P 500 Index. (The Portfolio also invests in stock index futures.) Banc One Investment Advisors seeks to achieve a correlation between the performance of the Fund and that of the S&P 500 Index. The Portfolio may hold up to 10% of its net assets in cash or cash equivalents.

HOW DOES INDEX INVESTING WORK?

- The percentage of stock that the Portfolio holds will be approximately the same percentage that the stock represents in the S&P 500 Index.

- Banc One Investment Advisors generally picks stock in the order of their weightings in the S&P 500 Index, starting with the heaviest weighted stock.

- The Portfolio attempts to achieve a correlation between the performance of its portfolio and that of the S&P 500 Index of at least 0.95, without taking into account Portfolio expenses. Perfect correlation would be 1.00.

ONE GROUP INVESTMENT TRUST DIVERSIFIED EQUITY PORTFOLIO. The Portfolio invests mainly in common stocks of companies which the investment advisor believes are overlooked or undervalued and that have the potential for earnings growth over time.

- At least 65% of the Portfolio's total assets will be invested in equity securities.

- Up to 35% of the Portfolio's total assets may be invested in U.S. Government Securities, other investment grade fixed income securities, cash, and cash equivalents.

ONE GROUP INVESTMENT TRUST DIVERSIFIED MID CAP PORTFOLIO. The Portfolio invests mainly in equity securities of companies with capitalizations of $500 million to $5 billion.

- At least 65% of the Portfolio's total assets will be invested in common and preferred stock, rights, warrants, convertible securities, and other equity securities.

- Up to 25% of the Portfolio's total assets may be invested in foreign securities.

- Up to 20% of the Portfolio's total assets may be in invested U.S. Government Securities, other investment grade fixed income securities, cash, and cash equivalents.

- Up to 5% of the Portfolio's net assets may be invested in lower rated convertible securities (including so-called "junk bonds") and securities having common stock characteristics (like rights and warrants).

1"S&P 500" is a registered service mark of Standard & Poor's Corporation, which does not sponsor and is in no way affiliated with One Group Investment Trust.

ONE GROUP INVESTMENT TRUST MID CAP VALUE PORTFOLIO. The Portfolio invests mainly in equity securities of companies with below-market average price-to-earnings and price-to-book value ratios and with market capitalizations of $500 million to $5 billion.

- At least 80% of the Portfolio's total assets will be invested in equity securities, including common stock, debt securities and preferred stocks that are convertible into common stock.

- A portion of the Portfolio's assets will be held in cash equivalents.

FINANCIAL HIGHLIGHTS

The Financial Highlights tables are intended to help you understand each Portfolio's performance for the period of the Portfolio's operations. Certain information reflects financial results for a single Portfolio share. The total returns in the table represent the rate that an investor would have earned or lost on an investment in a Portfolio (assuming reinvestment of all dividends and distributions). This information for the Government Bond Portfolio, the Balanced Portfolio, the Mid Cap Growth Portfolio, the Large Cap Growth Portfolio, and the Equity Index Portfolio has been audited by PricewaterhouseCoopers LLP, whose report, along with the Portfolios' financial statements are included in the Statement of Additional Information, which is available upon request. This information for the Bond Portfolio, the Diversified Mid Cap Portfolio, the Mid Cap Value Portfolio, and the Diversified Equity Portfolio has been audited by

Arthur Andersen LLP, whose report, along with the Portfolios' financial statements are included in the Statement of Additional Information, which is available upon request.

GOVERNMENT BOND PORTFOLIO

<TABLE>
<CAPTION>

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD	1998	1997	1996	1995	1994*
<S>	<C>	<C>	<C>	<C>	<C>
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 10.48	$ 10.15	$ 10.48	$ 9.69	$ 10.00
Net investment income	0.56	0.60	0.59	0.64	0.22
Net realized and unrealized appreciation (depreciation)	0.20	0.35	(0.33)	0.94	(0.31)
Total from Investment Operations	0.76	0.95	0.26	1.58	(0.09)
Distributions:					
From net investment income	(0.56)	(0.60)	(0.59)	(0.64)	(0.22)
In excess of net investment income	(0.01)	--	--	--	--
From net realized gains from investments	(0.03)	(0.02)	--	(0.15)	--
In excess of realized gains from investment transactions	--	--	--	--	--
Tax return of capital	--	--	--	--	--
Total Distributions	(0.60)	(0.62)	(0.59)	(0.79)	(0.22)
Net increase (decrease) in net asset value	0.16	0.33	(0.33)	0.79	(0.31)
NET ASSET VALUE -- END OF PERIOD	$ 10.64	$ 10.48	$ 10.15	$ 10.48	$ 9.69
Total Return**	7.32%	9.67%	2.69%	16.69%	(0.90%)
RATIOS AND SUPPLEMENTAL DATA:					
Net assets end of period (000)	$42,187	$22,365	$14,622	$ 9,016	$ 5,112
Ratio of expenses to average net assets	0.75%	0.75%	0.75%	0.75%	0.75%**
Ratio of expenses to average net assets excluding waivers/reimbursements	0.78%	0.88%	1.01%	1.47%	1.94%**
Ratio of net investment income to average net assets	5.56%	6.06%	6.11%	6.54%	6.09%**
Ratio of net investment income to average net assets excluding waivers/reimbursements	5.53%	5.93%	5.85%	5.80%	4.90%**
Portfolio turnover**	40.4%	21.3%	21.3%	34.1%	3.5%

</TABLE>

----

* Initial public offering was August 1, 1994.

** Ratios are annualized for periods of less than one year. Total return and portfolio turnover are not annualized.

BALANCED PORTFOLIO

<TABLE>
<CAPTION>

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD	1998	1997	1996	1995	1994*
<S>	<C>	<C>	<C>	<C>	<C>
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 13.19	$ 11.93	$ 11.24	$ 9.81	$ 10.00
Net investment income	0.39	0.39	0.34	0.36	0.06
Net realized and unrealized appreciation (depreciation)	2.14	2.31	0.98	1.64	(0.19)
Total from Investment Operations	2.53	2.70	1.32	2.00	(0.13)
Distributions:					
From net investment income	(0.39)	(0.39)	(0.34)	(0.36)	(0.06)
From net realized gains from investments	(0.19)	(1.05)	(0.23)	(0.21)	--
In excess of realized gains from investment transactions	--	--	(0.04)	--	--
Tax return of capital	--	--	(0.02)	--	--

Total Distributions	(0.58)	(1.44)	(0.63)	(0.57)	(0.06)
Net increase (decrease) in net asset value	1.95	1.26	0.69	1.43	(0.19)
NET ASSET VALUE -- END OF PERIOD	$ 15.14	$ 13.19	$ 11.93	$ 11.24	$ 9.81
Total Return**	19.09%	22.90%	11.92%	20.69%	(1.32%)
RATIOS AND SUPPLEMENTAL DATA:					
Net assets end of period (000)	$102,845	$41,446	$14,883	$ 5,455	$ 2,063
Ratio of expenses to average net assets	1.00%	1.00%	1.00%	1.00%	1.00%**
Ratio of expenses to average net assets excluding waivers/reimbursements	1.00%	1.15%	1.44%	1.96%	2.36%**
Ratio of net investment income to average net assets	2.66%	3.24%	3.27%	3.66%	1.88%**
Ratio of net investment income to average net assets excluding waivers/reimbursements	2.66%	3.07%	2.83%	2.70%	0.52%**
Portfolio turnover**	32.1%	60.9%	64.8%	66.3%	--

</TABLE>

----

*   Initial public offering was August 1, 1994.

** Ratios are annualized for periods of less than one year. Total return and portfolio turnover are not annualized.

MID CAP GROWTH PORTFOLIO

<TABLE>
<CAPTION>

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD	1998	1997	1996	1995	1994*
<S>	<C>	<C>	<C>	<C>	<C>
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 14.21	$ 12.11	$ 11.52	$ 9.70	$ 10.00
Net investment income (loss)	(0.03)	(0.03)	0.18	0.04	--
Net realized and unrealized appreciation (depreciation)	5.95	3.63	1.62	2.29	(0.30)
Total from Investment Operations	5.92	3.60	1.80	2.33	(0.30)
Distributions:					
From net investment income	--	--	(0.19)	(0.04)	--
From net realized gains from investments	(1.38)	(1.48)	(0.78)	(0.47)	--
In excess of realized gains from investment transactions	(0.03)	--	(0.24)	--	--
Tax return of capital	(0.20)	(0.02)	--	--	--
Total Distributions	(1.61)	(1.50)	(1.21)	(0.51)	--
Net increase (decrease) in net asset value	4.31	2.10	0.59	1.82	(0.30)
NET ASSET VALUE -- END OF PERIOD	$ 18.52	$ 14.21	$ 12.11	$ 11.52	$ 9.70
Total Return**	38.82%	29.81%	15.67%	24.06%	(3.00%)
RATIOS AND SUPPLEMENTAL DATA:					
Net assets end of period (000)	$92,674	$50,707	$22,339	$ 6,685	$ 940
Ratio of expenses to average net assets	0.97%	1.10%	1.06%	0.90%	0.90%**
Ratio of expenses to average net assets excluding waivers/reimbursements	0.97%	1.11%	1.40%	2.78%	2.96%**
Ratio of net investment income to average net assets	(0.25%)	(0.25%)	1.85%	0.46%	(0.17%)**
Ratio of net investment income to average net assets excluding waivers/reimbursements	(0.25%)	(0.26%)	1.51%	(1.42%)	(2.22%)**
Portfolio turnover**	87.7%	175.6%	326.9%	193.3%	3.5%

</TABLE>

----

*   Initial public offering was August 1, 1994.

** Ratios are annualized for periods of less than one year. Total return and portfolio turnover are not annualized.

LARGE CAP GROWTH FUND

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD	1998	1997	1996	1995	1994*
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 17.21	$ 13.67	$ 12.12	$ 9.99	$ 10.00
Net investment income	0.06	0.10	0.16	0.20	0.05
Net realized and unrealized appreciation (depreciation)	7.03	4.25	1.86	2.20	0.01
Total from Investment Operations	7.09	4.35	2.02	2.40	0.06
Distributions:					
From net investment income	(0.06)	(0.10)	(0.16)	(0.20)	(0.05)
From net realized gains from investments	(1.61)	(0.71)	(0.30)	(0.07)	(0.02)
In excess of realized gains from investment transactions	--	--	(0.01)	--	--
Tax return of capital	--	--	--	--	--
Total Distributions	(1.67)	(0.81)	(0.47)	(0.27)	(0.07)
Net increase (decrease) in net asset value	5.42	3.54	1.55	2.13	(0.01)
NET ASSET VALUE -- END OF PERIOD	22.63	$ 17.21	$ 13.67	$ 12.12	$ 9.99
Total Return**	41.27%	31.93%	16.67%	24.13%	(0.52%)
RATIOS AND SUPPLEMENTAL DATA:					
Net assets end of period (000)	$202,035	$99,628	$42,893	$16,119	$ 4,175
Ratio of expenses to average net assets	0.93%	1.00%	0.98%	0.90%	0.90%**
Ratio of expenses to average net assets excluding waivers/reimbursements	0.93%	1.00%	1.16%	1.64%	2.08%**
Ratio of net investment income to average net assets	0.32%	0.69%	1.29%	2.02%	1.39%**
Ratio of net investment income to average net assets excluding waivers/reimbursements	0.32%	0.69%	1.11%	1.28%	0.22%**
Portfolio turnover**	61.0%	34.4%	38.7%	37.4%	4.4%

----

* Initial public offering was August 1, 1994.

** Ratios are annualized for periods of less than one year. Total return and portfolio turnover are not annualized.

EQUITY INDEX PORTFOLIO

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD	1998*
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 10.00
Net investment income	0.08
Net realized and unrealized appreciation (depreciation)	0.97
Total from Investment Operations	1.05
Distributions:	
From net investment income	(0.08)

From net realized gains from investments	--
In excess of realized gains from investment transactions	--
Tax return of capital	--
Total Distributions	(0.08)
Net increase (decrease) in net asset value	0.97
NET ASSET VALUE -- END OF PERIOD	$ 10.97
Total Return**	10.52%
RATIOS AND SUPPLEMENTAL DATA:	
Net assets end of period (000)	$14,481
Ratio of expenses to average net assets	0.55%**
Ratio of expenses to average net assets excluding waivers/reimbursements	1.13%**
Ratio of net investment income to average net assets	1.45%**
Ratio of net investment income to average net assets excluding waivers/reimbursements	0.87%**
Portfolio turnover**	2.3%

</TABLE>

----

* Initial public offering was May 1, 1998.

** Ratios are annualized for periods of less than one year. Total return and portfolio turnover are not annualized.

BOND PORTFOLIO

<TABLE>
<CAPTION>

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD	1998	1997*
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 10.44	$ 10.00
Net investment income	0.57	0.37
Net realized and unrealized appreciation (depreciation)	0.31	0.45
Total from Investment Operations	0.88	0.82
Distributions:		
From net investment income	(0.58)	(0.37)
From net realized gains from investments	(0.01)	(0.01)
In excess of realized gains from investment transactions	--	--
Tax return of capital	--	--
Total Distributions	(0.59)	(0.38)
Net increase (decrease) in net asset value	0.29	0.44
NET ASSET VALUE -- END OF PERIOD	$ 10.73	$ 10.44
Total Return	8.66%	12.29%**
RATIOS AND SUPPLEMENTAL DATA:		
Net assets end of period (000)	$60,892	$34,230
Ratio of expenses to average net assets	0.75%	0.75%**
Ratio of expenses to average net assets excluding waivers/reimbursements	0.81%	0.77%**
Ratio of net investment income to average net assets	5.36%	5.97%**
Portfolio turnover	14.5%	14.8%**

</TABLE>

----

* Commenced operations on May 1, 1997.

** Annualized.

DIVERSIFIED MID CAP PORTFOLIO

<TABLE>
<CAPTION>

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD	1998	1997	1996	1995*
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 14.38	$ 13.46	$ 11.02	$ 10.00
Net investment income (loss)	(0.01)	0.01	0.03	0.05
Net realized and unrealized appreciation (depreciation)	0.70	3.55	2.67	1.02
Total from Investment Operations	0.69	3.56	2.70	1.07
Distributions:				
From net investment income	--	(0.01)	(0.03)	(0.05)
From net realized gains from investments	(0.31)	(2.63)	(0.23)	--
In excess of realized gains from investment transactions	--	--	--	--
Tax return of capital	--	--	--	--
Total Distributions	(0.31)	(2.64)	(0.26)	(0.05)
Net increase (decrease) in net asset value	0.38	0.92	2.44	1.02
NET ASSET VALUE -- END OF PERIOD	$ 14.76	$ 14.38	$ 13.46	$ 11.02
Total Return	4.91%	26.65%	24.53%	14.20%**
RATIOS AND SUPPLEMENTAL DATA:				
Net assets end of period (000)	$18,160	$11,668	$ 9,216	$ 4,972
Ratio of expenses to average net assets	0.95%	0.91%	0.85%	0.85%**
Ratio of expenses to average net assets excluding waivers/reimbursements	1.52%	1.49%	2.11%	4.64%**
Ratio of net investment income (loss) to average net assets	(0.10)%	0.04%	0.28%	0.67%**
Portfolio turnover	26.2%	80.7%	37.4%	32.1%

</TABLE>

----

* Commenced operations on March 30, 1995.

** Annualized.

MID CAP VALUE PORTFOLIO

<TABLE>
<CAPTION>

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD	1998	1997*
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 11.53	$ 10.00
Net investment income	0.21	0.12
Net realized and unrealized appreciation (depreciation)	(0.58)	1.57
Total from Investment Operations	(0.37)	1.69
Distributions:		
From net investment income	(0.21)	(0.12)
From net realized gains from investments	(0.20)	(0.04)
In excess of realized gains from investment transactions	(0.05)	--
Tax return of capital	--	--
Total Distributions	(0.46)	(0.16)
Net increase (decrease) in net asset value	(0.83)	1.53
NET ASSET VALUE -- END OF PERIOD	$ 10.70	$ 11.53
Total Return	-3.31%	25.26%**
RATIOS AND SUPPLEMENTAL DATA:		
Net assets end of period (000)	$22,501	$13,926
Ratio of expenses to average net assets	0.95%	0.95%**
Ratio of expenses to average net assets		

excluding waivers/reimbursements	1.27%	1.22%**
Ratio of net investment income to average net assets	1.90%	1.83%**
Portfolio turnover	39.3%	19.6%**

</TABLE>

----

* Commenced operations on May 1, 1997.

** Annualized.

DIVERSIFIED EQUITY PORTFOLIO

<TABLE>
<CAPTION>

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD	1998	1997	1996	1995*
<S>	<C>	<C>	<C>	<C>
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 16.22	$ 13.19	$11.63	$10.00
Net investment income	0.11	0.13	0.15	0.13
Net realized and unrealized appreciation (depreciation)	2.00	3.38	2.02	1.63
Total from Investment Operations	2.11	3.51	2.17	1.76
Distributions:				
From net investment income	(0.12)	(0.13)	(0.14)	(0.13)
From net realized gains from investments	(0.41)	(0.35)	(0.47)	--
In excess of realized gains from investment transactions	--	--	--	--
Tax return of capital	--	--	--	--
Total Distributions	(0.53)	(0.48)	(0.61)	(0.13)
Net increase (decrease) in net asset value	1.58	3.03	1.56	1.63
NET ASSET VALUE -- END OF PERIOD	$ 17.80	$ 16.22	$13.19	$11.63
Total Return	13.10%	26.80%	18.75%	22.75%**
RATIOS AND SUPPLEMENTAL DATA:				
Net assets end of period (000)	$59,560	$38,705	$8,603	$3,754
Ratio of expenses to average net assets	0.95%	0.93%	0.85%	0.85%**
Ratio of expenses to average net assets excluding waivers/reimbursements	1.02%	1.10%	2.27%	4.93%**
Ratio of net investment income to average net assets	0.69%	0.93%	1.35%	1.78%**
Portfolio turnover	43.2%	31.1%	46.8%	17.5%**

</TABLE>

* Commenced operations in March 30, 1995.

** Annualized.

APPENDIX A

INVESTMENT PRACTICES

The Portfolios invest in a variety of securities and employ a number of investment techniques. Each security and technique involves certain risks. What follows is a list of the securities and techniques utilized by the Portfolios, as well as the risks inherent in their use. Equity securities are subject mainly to market risk. Fixed income securities are primarily influenced by market, credit and prepayment risks, although certain securities may be subject to additional risks. For a more complete discussion, see the Statement of Additional Information. Following the table is a more complete discussion of risk.

PORTFOLIO NAME	PORTFOLIO CODE
One Group Investment Trust Bond Portfolio	1
One Group Investment Trust Government Bond Portfolio	2
One Group Investment Trust Balanced Portfolio	3
One Group Investment Trust Mid Cap Growth Portfolio	4
One Group Investment Trust Large Cap Growth Portfolio	5
One Group Investment Trust Equity Index Portfolio	6
One Group Investment Trust Diversified Equity Portfolio	7
One Group Investment Trust Diversified Mid Cap Portfolio	8
One Group Investment Trust Mid Cap Value Portfolio	9

INSTRUMENT	PORTFOLIO CODE	RISK TYPE
U.S. Treasury Obligations: Bills, notes, bonds, STRIPS, and CUBES.	1-9	Market
Treasury Receipts: TRS, TIGRs, and CATS.	1-9	Market
U.S. Government Agency Securities: Securities issued by agencies and instrumentalities of the U.S. Government. These include Ginnie Mae Fannie Mae, and Freddie Mac.	1-9	Market Credit
Certificates of Deposit: Negotiable instruments with a stated maturity.	1, 3-9	Market Credit Liquidity
Time Deposits: Non-negotiable receipts issued by a bank in exchange for the deposit of Portfolios.	1, 3-9	Liquidity Credit Market
Common Stock: Shares of ownership of a company.	3-9	Market
Repurchase Agreements: The purchase of a security and the simultaneous commitment to return the security to the seller at an agreed upon price on an agreed upon date. This is treated as a loan.	1-9	Credit Market Liquidity
Reverse Repurchase Agreement: The sale of a security and the simultaneous commitment to buy the security back at an agreed upon price on an agreed upon date. This is treated as a borrowing by a Portfolio.	1-9	Market Leverage
Securities Lending: The lending of up to 33 1/3% of the Portfolio's total assets. In return the Portfolio will receive cash, other securities, and/or letters of credit.	1-9	Credit Market Leverage
When-Issued Securities and Forward Commitments: Purchase or contract to purchase securities at a fixed price for delivery at a fixed price for delivery at a future date.	1-9	Market Leverage Liquidity Credit
Investment Company Securities: Shares of other mutual funds, including money market funds of One Group(R) and shares of other investment companies for which Banc One Investment Advisors serves as investment advisor or administrator Banc One Investment Advisors will waive certain fees when investing in funds or portfolios for which it serves as investment advisor.	1-9	Market
Convertible Securities: Bonds or preferred stock that convert to common stock.	1, 3-9	Market Credit

<TABLE>
<CAPTION>

INSTRUMENT	PORTFOLIO CODE	RISK TYPE
<S>	<C>	<C>
Call and Put Options: A call option gives the buyer the right to buy, and obligates the seller of the option to sell, a security at a specified price. A put option gives the buyer the right to sell, and obligates the seller of the option to buy, a security at a specified price. The Portfolios will sell only covered call and secured put options.	1-9	Management Liquidity Credit Market Leverage
Futures and Related Options: A contract providing for the future sale and purchase of a specified amount of a specified security, class of securities, or an index at a specified time in the future and at a specified price.	1-9	Management Market Credit Liquidity Leverage
Real Estate Investment Trusts ("REITs"): Pooled investment vehicles which invest primarily in income producing real estate or real estate related loans or interest.	3-9	Liquidity Management Market Regulatory Tax Pre-payment
Bankers' Acceptances: Bills of exchange or time drafts drawn on and accepted by a commercial bank. Maturities are generally six months or less.	1, 3-9	Credit Liquidity Market
Commercial Paper: Secured and unsecured short-term promissory notes issued by corporations and other entities. Maturities generally vary from a few days to nine months.	1, 3-9	Credit Liquidity Market
Foreign Securities: Stocks issued by foreign companies, as well as commercial paper of foreign issuers and obligations of foreign banks, overseas branches of U.S. banks and supranational entities. The Equity Portfolios may also invest in American Depository Receipts.	1, 3-5, 7-9	Market Political Liquidity Foreign Investment
Restricted Securities: Securities not registered under the Securities Act of 1933, such as privately placed commercial paper and Rule 144A securities.	1-9	Liquidity Market
Variable and Floating Rate Instruments: Obligations with interest rates which are reset daily, weekly, quarterly or some other period and which may be payable to the Portfolio on demand.	1-9	Credit Liquidity Market
Warrants: Securities, typically issued with preferred stock or bonds, that give the holder the right to buy a proportionate amount of common stock at a specified price.	3, 5-8	Market Credit
Preferred Stock: A class of stock that generally pays a dividend at a specified rate and has preference over common stock at a specified rate and has preference over common stock in the payment of dividends and in liquidation	1, 3-9	Market
Mortgage-Backed Securities: Debt obligations secured by real estate loans and pools of loans. These include collateralized mortgage obligations ("CMOs") and Real Estate Mortgage Investment Conduits ("REMICs").	1-3, 8	Pre-payment Market Credit Regulatory
Corporate Debt Securities: Corporate bonds and non-convertible debt securities.	1, 3, 5	Market Credit
Demand Features: Securities that are subject to puts and standby commitments to purchase the securities at a fixed price (usually with accrued interest) within a fixed period of time following demand by a Portfolio.	1, 3	Market Liquidity Management
Asset-Backed Securities: Securities secured by company receivables, home equity loans, truck and auto loans, leases, credit card receivables and other securities backed by other types of receivables or other assets.	1, 3, 8	Pre-payment Market Credit Regulatory
Mortgage Dollar Rolls: A transaction in which a Portfolio sells securities for delivery in a current month and simultaneously contracts with the same party to repurchase similar but not identical securities on a specified future date.	1-3, 8	Pre-payment Market Regulatory
Adjustable Rate Mortgage Loans ("ARMs"): Loans in a mortgage	1-3	Pre-payment

pool which provide for a fixed initial mortgage interest rate for a specified period of time, after which the rate may be subject to periodic adjustments.		Market Credit Regulatory

</TABLE>

<TABLE>
<CAPTION>

INSTRUMENT	PORTFOLIO CODE	RISK TYPE
<S>	<C>	<C>
Swaps, Caps and Floors: A Portfolio may enter into these transactions to manage its exposure to changing interest rates and other factors. Swaps involve an exchange of obligations by two parties. Caps and floors entitle a purchaser to a principal amount from the seller of the cap or floor to the extent that a specified index exceeds or falls below a predetermined interest rate or amount.	1-9	Management Credit Liquidity Market
New Financial Products: New options and futures contracts and other financial products continue to be developed and the Portfolios may invest in such options, contracts and products.	1-9	Management Credit Market Liquidity
Structured Instruments: Debt securities issued by agencies and instrumentalities of the U.S. government, banks, municipalities, corporations and other businesses whose interest and/or principal payments are indexed to foreign currency exchange rates, interest rates, or one or more other referenced indices.	1-3	Market Liquidity Management Credit Foreign Investment
Municipal Securities: Securities issued by a state or political subdivision to obtain funds for various public purposes Municipal securities include private activity bonds and industrial development bonds, as well as General Obligation Notes, Tax Anticipation Notes, Bond Anticipation Notes, Revenue Anticipation Notes, Project Notes, other short-term tax-exempt obligations, municipal leases, and obligations of municipal housing authorities and single family revenue bonds.	1-3	Market Credit Political Tax Regulatory
Obligations of Supranational Agencies: Obligations of supranational agencies who are chartered to promote economic development and are supported by various governments and governmental agencies.	8	Credit Foreign Investment
Zero-Coupon Debt Securities: Bonds and other debt that pay no interest, but are issued at a discount from their value at maturity. When held to maturity, their entire return equals the difference between their issue price and their maturity value.	1, 2, 8	Credit Market Zero Coupon
Standard & Poor's Depository Receipts ("SPDRs"): SPDRs represent ownership in a long-term unit investment trust that holds a portfolio of common stocks designed to track the price performance and dividend yield of the S&P 500 Index. A SPDR entitles a holder to receive proportionate quarterly cash distributions corresponding to the dividends that accrue to the S&P 500 Index stocks in the underlying portfolio, less trust expenses.	3-7, 9	Market
Zero-Fixed-Coupon Debt Securities: Zero coupon debt securities which convert on a specified date to interest bearing debt securities.	1, 2, 8	Credit Market Zero Coupon
Stripped Mortgage-Backed Securities: Derivative multi-class mortgage securities which are usually structured with two classes of shares that receive different proportions of the interest and principal from a pool of mortgage assets. These include interest only stripped mortgage-backed securities (IOs) and principal only stripped mortgage-backed securities (POs).	1, 2	Pre-payment Market Credit Regulatory
Inverse Floating Rate Instruments: Floating rate debt instruments with interest rates that reset in the opposite direction from the market rate of interest to which the inverse floater is indexed.	1, 2	Market Leverage Credit
Loan Participations and Assignments: Participations in, or assignments of all or a portion of loans to corporations or to governments, including governments of less developed countries ("LDC's").	1	Credit Political Liquidity Foreign Investment Market
Fixed Rate Mortgage Loans: Investments in fixed rate mortgage loans or mortgage pools which bear simple interest at fixed annual rates and have original terms ranging from 5 to 40 years.	1, 2	Credit Pre-payment Regulatory Market
Short-Term Funding Agreements: Investments in short-term funding agreements issued by banks and highly rated U.S. insurance companies such as Guaranteed Investment Contracts	1	Credit Liquidity Market

("GIC's") and Bank Investment Contracts ("BIC's").
</TABLE>

INVESTMENT RISKS

Below is a more complete discussion of the types of risks inherent in the securities and investment techniques listed above. Because of these risks, the value of the securities held by the Portfolios may fluctuate, as will the value of your investment in the Portfolios. Certain investments are more susceptible to these risks than others.

- Credit Risk. The risk that the issuer of a security, or the counterparty to a contract, will default or otherwise become unable to honor a financial obligation. Credit risk is generally higher for non-investment grade securities. The price of a security can be adversely affected prior to actual default as its credit status deteriorates and the probability of default rises.

- Leverage Risk. The risk associated with securities or practices that multiply small index or market movements into large changes in value. Leverage is often associated with investments in derivatives, but also may be embedded directly in the characteristics of other securities.

- Hedged. When a derivative (a security whose value is based on another security or index) is used as a hedge against an opposite position that the Portfolio also holds, any loss generated by the derivative should be substantially offset by gains on the hedged investment, and vice versa. While hedging can reduce or eliminate losses, it can also reduce or eliminate gains. Hedges are sometimes subject to imperfect matching between the derivative and underlying security, and there can be no assurance that a Portfolio's hedging transactions will be effective.

- Speculative. To the extent that a derivative is not used as a hedge, the Portfolio is directly exposed to the risks of that derivative. Gains or losses from speculative positions in a derivative may be substantially greater than the derivative's original cost.

- Liquidity Risk. The risk that certain securities may be difficult or impossible to sell at the time and the price that would normally prevail in the market. The seller may have to lower the price, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on Portfolio management or performance. This includes the risk of missing out on an investment opportunity because the assets necessary to take advantage of it are tied up in less advantageous investments.

- Management Risk. The risk that a strategy used by a Portfolio's management may fail to produce the intended result. This includes the risk that changes in the value of a hedging instrument will not match those of the asset being hedged. Incomplete matching can result in unanticipated risks.

- Market Risk. The risk that the market value of a security may move up and down, sometimes rapidly and unpredictably. These fluctuations may cause a security to be worth less than the price originally paid for it, or less than it was worth at an earlier time. Market risk may affect a single issuer, industry, sector of the economy or the market as a whole. There is also the risk that the current interest rate may not accurately reflect existing market rates. For fixed income securities, market risk is largely, but not exclusively, influenced by changes in interest rates. A rise in interest rates typically causes a fall in values, while a fall in rates typically causes a rise in values. Finally, key information about a security or market may be inaccurate or unavailable. This is particularly relevant to investments in foreign securities.

- Political Risk. The risk of losses attributable to unfavorable governmental or political actions, seizure of foreign deposits, changes in tax or trade statutes, and governmental collapse and war.

- Foreign Investment Risk. The risk associated with higher transaction costs, delayed settlements, currency controls and adverse economic developments. This also includes the risk that fluctuations in the exchange rates between the U.S. dollar and foreign currencies may negatively affect an investment. Adverse changes in exchange rates may erode or reverse any gains produced by foreign currency denominated investments and may widen any losses. Exchange rate volatility also my affect the ability of an issuer to repay U.S. dollar denominated debt, thereby increasing credit risk.

- Pre-Payment Risk. The risk that the principal repayment of a security will occur at an unexpected time, especially that the repayment of a mortgage or asset-backed security occurs either significantly sooner or later than expected. Changes in pre-payment rates can result in greater price and yield volatility.

Pre-payments generally accelerate when interest rates decline. When mortgage and other obligations are pre-paid, a Portfolio may have to reinvest in securities with a lower yield. Further, with early prepayment, a Portfolio may fail to recover any premium paid, resulting in an unexpected capital loss.

- Tax Risk. The risk that the issuer of the securities will fail to comply with certain requirements of the Internal Revenue Code, which would cause adverse tax consequences.

- Regulatory Risk. The risk associated with Federal and state laws which may restrict the remedies that a lender has when a borrower defaults on loans. These laws include restrictions on foreclosures, redemption rights after foreclosure, Federal and state bankruptcy and debtor relief laws, restrictions on "due on sale" clauses, and state usury laws.

- Zero Coupon Risk. The market prices of securities structured as zero coupon or pay-in-kind securities are generally affected to a greater extent by interest rate changes. These securities tend to be more volatile than securities which pay interest periodically.

If you want more information about the Portfolios, the following documents are free upon request:

ANNUAL/SEMI-ANNUAL REPORTS: Additional information about the Portfolios' investments is available in the Portfolios' annual and semi-annual reports to shareholders. In each Portfolio's annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Portfolio's performance during its last fiscal year.

STATEMENT OF ADDITIONAL INFORMATION ("SAI"): The SAI provides more detailed information about the Portfolios and is incorporated into this prospectus by reference.

HOW CAN I GET MORE INFORMATION? You can get a free copy of the semiannual/annual reports or the SAI, request other information or discuss your questions about the Portfolio by calling 1 800-860-3946 or by writing the Portfolios at:

One Group(R) Investment Trust
One Nationwide Plaza
Columbus, Ohio 43216

You can also review and copy the Portfolios' reports and the SAI at the Public Reference Room of the Securities and Exchange Commission ("SEC"). (For information about the SEC's Public Reference Room call 1-800-SEC-0330). You can also get reports and other information about the Portfolios from the SEC's web site at http://www.sec.gov or by writing the Public Reference Section of the SEC, Washington, D.C. 20549-6009 and paying a copying charge.

VARIABLE ANNUITY AND LIFE INSURANCE CONTRACTS: This prospectus is for use with variable life insurance contracts and variable annuity contracts. All questions regarding variable annuity contracts or variable life insurance contracts should be directed to the address in the prospectus that you received when you purchased your variable annuity or variable life product.

(Investment Company Act File No. 811-7874)

48

STATEMENT OF ADDITIONAL INFORMATION

ONE GROUP(R) INVESTMENT TRUST

ONE GROUP INVESTMENT TRUST BOND PORTFOLIO (THE "BOND PORTFOLIO")

ONE GROUP INVESTMENT TRUST GOVERNMENT BOND PORTFOLIO (THE "GOVERNMENT BOND PORTFOLIO")

ONE GROUP INVESTMENT TRUST BALANCED PORTFOLIO (THE "BALANCED PORTFOLIO")

ONE GROUP INVESTMENT TRUST LARGE CAP GROWTH PORTFOLIO (THE "LARGE CAP GROWTH PORTFOLIO")

ONE GROUP INVESTMENT TRUST EQUITY INDEX PORTFOLIO (THE "EQUITY INDEX PORTFOLIO")

ONE GROUP INVESTMENT TRUST DIVERSIFIED EQUITY PORTFOLIO (THE "DIVERSIFIED EQUITY PORTFOLIO")

ONE GROUP INVESTMENT TRUST DIVERSIFIED MID CAP PORTFOLIO (THE "DIVERSIFIED MID CAP PORTFOLIO")

ONE GROUP INVESTMENT TRUST MID CAP GROWTH PORTFOLIO (THE "MID CAP GROWTH PORTFOLIO")

ONE GROUP INVESTMENT TRUST MID CAP VALUE PORTFOLIO (THE "MID CAP VALUE PORTFOLIO")

(EACH A "PORTFOLIO," AND COLLECTIVELY THE "PORTFOLIOS")

MARCH 31, 1999

This Statement of Additional Information is not a Prospectus, but supplements and should be read with the Prospectus dated March 31, 1999 for the Portfolios (the "Prospectus"). This Statement of Additional Information is incorporated in its entirety into the Prospectus. A copy of the Prospectus may be obtained by writing to One Group Investment Trust (the "Trust") at One Nationwide Plaza, Columbus, Ohio 43215 or by calling toll free at 1-800-860-3946.

49

<TABLE>
<CAPTION>

TABLE OF CONTENTS

<TABLE>

THE TRUST

One Group Investment Trust(formerly called The One Group Investment Trust) (the "Trust") is an open-end management investment company. The Trust was formed as a Massachusetts business trust on June 7, 1993. The Trust consists of nine series of units of beneficial interest ("Shares") each representing interests in one of the following separate investment portfolios:

1. Bond Portfolio (formerly called the Bond Fund)
2. Government Bond Portfolio (formerly called the Government Bond Fund)
3. Balanced Portfolio (formerly called the Asset Allocation Fund)
4. Mid Cap Growth Portfolio (formerly called the Growth Opportunities Fund)

5. Large Cap Growth Portfolio (formerly called the Large Company Growth Fund)
6. Equity Index Portfolio (formerly called the Equity Index Fund)
7. Diversified Equity Portfolio (formerly called the Value Growth Fund)
8. Diversified Mid Cap Portfolio (formerly called the Mid Cap Opportunities Fund)
9. Mid Cap Value Portfolio (formerly called the Mid Cap Value Fund)

For ease of reference, this Statement of Additional Information sometimes refers to the portfolios as the BOND PORTFOLIOS and the EQUITY PORTFOLIOS.

The BOND PORTFOLIOS include:

1. Bond Portfolio and
2. Government Bond Portfolio.

The EQUITY PORTFOLIOS include:

1. Balanced Portfolio,
2. Mid Cap Growth Portfolio,
3. Large Cap Growth Portfolio,
4. Equity Index Portfolio,
5. Diversified Equity Portfolio,
6. Diversified Mid Cap Portfolio, and
7. Mid Cap Value Portfolio.

All of the Portfolios are diversified, as defined under the Investment Company Act of 1940, as amended, (the "1940 ACT").

SUBSTITUTION OF ONE GROUP INVESTMENT TRUST PORTFOLIOS FOR PEGASUS VARIABLE FUNDS. On March 31, 1999, the following portfolios of the Trust were substituted for the following Pegasus Variable funds in separate accounts maintained by Hartford Life and Annuity Insurance Company:

ONE GROUP INVESTMENT TRUST PORTFOLIO	PEGASUS VARIABLE FUND
1. Bond Portfolio	1. Bond Fund
2. Large Cap Growth Portfolio	2. Growth Fund
3. Diversified Mid Cap Portfolio	3. Mid-Cap Opportunity Fund
4. Mid Cap Value Portfolio	4. Intrinsic Value Fund
5. Diversified Equity Portfolio	5. Growth and Value Fund

With the exception of the Large Cap Growth Portfolio, the Pegasus Variable Funds are the surviving funds for accounting purposes. The Pegasus Variable Bond Fund, the Pegasus Variable Mid-Cap Opportunity Fund, the Pegasus Variable Intrinsic Value Fund, and the Pegasus Growth and Value Fund are referred to as the "PREDECESSOR FUNDS" in this Statement of Additional Information. Individual Predecessor Funds are identified in this Statement of Additional Information by reference to the applicable One Group Investment Trust Portfolio.

Much of the information in this Statement of Additional Information expands upon subjects discussed in the Prospectus. You should not invest in the Portfolios without first reading the Prospectus.

INVESTMENT OBJECTIVES AND POLICIES

The following policies supplement each Portfolio's investment objective and policies as described in the Prospectus. Additional details about each Portfolio's investment objectives and policies is contained in the Prospectus under "Risk/Return Summaries" and "Principal Investment Strategies" and in Appendix A.

ADDITIONAL INFORMATION ON PORTFOLIO INVESTMENTS

ASSET-BACKED SECURITIES

Asset-backed securities include securities secured by company receivables, home equity loans, truck and auto loans, leases, credit card receivables. Asset-Backed Securities also include other securities backed by other types of receivables or other assets. These securities are generally pass-through securities, which means that principal and interest payments on the underlying securities (less servicing fees) are passed through to shareholders on a pro rata basis.

Prepayment Risks. The issuers of asset-backed securities may be able to repay principal in advance if interest rates fall. Also, the underlying assets (for example, the underlying credit card debt) may be refinanced or paid off prior to maturity during periods of declining interest rates If asset-backed securities are pre-paid, a Portfolio may have to reinvest the proceeds from these securities at a lower rate. In addition, potential market gains on a security subject to prepayment risk may be more limited than securities that cannot be prepaid. Under certain prepayment rate scenarios, a Portfolio may fail to recover any premium paid on asset-backed securities.

BANK OBLIGATIONS

Bank obligations include bankers' acceptances, certificates of deposit, and demand and time deposits. The Portfolios (other than the Government Bond Portfolio) may invest in bank obligations.

BANKERS' ACCEPTANCES are negotiable drafts or bills of exchange typically drawn by an importer or exporter to pay for specific merchandise. These drafts are "accepted" by a bank, meaning, in effect, that the bank unconditionally agrees to pay the face value of the instrument on maturity. To be eligible for purchase by a Portfolio, a bankers' acceptance must be guaranteed by domestic and foreign banks and savings and loan associations having, at the time of investment, total assets in excess of $1 billion (as of the date of their most recently published financial statements).

CERTIFICATES OF DEPOSIT are negotiable certificates issued against funds deposited in a commercial bank or a savings and loan association for a definite period of time and earning a specified return. To be eligible for investment, a certificate of deposit must be issued by domestic and foreign branches of U.S. commercial banks which are members of the Federal Reserve System or the deposits of which are insured by the Federal Deposit Insurance Corporation, and in certificates of deposit of domestic savings and loan associations the deposits of which are insured by the Federal Deposit Insurance Corporation if, at the time of purchase, such institutions have total assets in excess of $1 billion (as of the date of their most recently published financial statements). Certificates of deposit may also include those issued by foreign banks outside the United States with total assets at the time of purchase in excess of the equivalent of $1 billion.

The Portfolios may also invest in Eurodollar certificates of deposit. Eurodollar certificates of deposit are U.S. dollar-denominated certificates of deposit issued by branches of foreign and domestic banks located outside the United States. The Portfolios may also invest in Yankee certificates of deposit. Yankee certificates of deposits are certificates of deposit issued by a U.S. branch of a foreign bank denominated in U.S. dollars and held in the United States. The Portfolios may also invest in obligations (including banker's acceptances and certificates of deposit) denominated in foreign currencies (see "Foreign Investments").

DEMAND DEPOSITS are funds deposited in a commercial bank or a savings and loan association which, without prior notice to the bank, may be withdrawn generally by negotiable draft. Time and demand deposits will be maintained only at banks or savings and loan associations from which a Portfolio could purchase certificates of deposit. TIME DEPOSITS are interest-bearing non-negotiable deposits at a bank or a savings and loan association that have a specific maturity date. A time deposit earns a specific rate of interest over a definite period of time. Time deposits cannot be traded on the

secondary market. Time deposits that exceed seven days and include a withdrawal penalty are considered to be illiquid.

COMMERCIAL PAPER

Commercial paper consists of promissory notes issued by corporations. Although these notes are generally unsecured, the Portfolios may also purchase secured commercial paper. Except as noted below with respect to variable amount master demand notes, issues of commercial paper normally have maturities of less than nine months and fixed rates of return. The Portfolios only purchase commercial paper that meet the following criteria.

Bond Portfolio. The Bond Portfolio may purchase commercial paper consisting of issues rated at the time of purchase in the highest or second highest rating category by at least one Nationally Recognized Statistical Rating Organization ("NRSRO") (such as A-2 or better by Standard & Poor's Corporation ("S&P"), Aa or better by Moody's Investors Service, Inc. ("Moody's") or A2 or better by Fitch IBCA ("Fitch")) or if unrated, determined by Banc One Investment Advisors Corporation ("BANC ONE INVESTMENT ADVISORS") to be of comparable quality.

Equity Portfolios. The Equity Portfolios may purchase commercial paper consisting of issues rated at the time of purchase in the highest or second highest rating category by at least one NRSRO (such as A-2 or better by S&P, P-2 or better by Moody's or F-2 or better by Fitch) or if unrated, determined by Banc One Investment Advisors to be of comparable quality.

COMMON STOCK

Common stock represents a share of ownership in a company and usually carries voting rights and earns dividends. Unlike preferred stock, common stock dividends are not fixed but are declared at the discretion of the issuer's board of directors.

CONVERTIBLE SECURITIES

Convertible securities are similar to both fixed income and equity securities. Convertible securities may be issued as bonds or preferred stock. Because of the conversion feature, the market value of convertible securities tends to move together with the market value of the underlying stock. As a result, the Portfolios base selection of convertible securities, to a great extent, on the potential for capital appreciation that may exist in the underlying stock. The value of convertible securities is also affected by prevailing interest rates, the credit quality of the issuer, and any call provisions.

DEMAND FEATURES

The Bond Portfolio and the Balanced Portfolio may invest in securities that are subject to puts and standby commitments ("DEMAND FEATURES"). A demand feature allows a Portfolio to buy securities at their principal amount (usually with accrued interest) within a fixed period (usually seven days) following a demand by the Portfolio. The demand feature may be issued by the issuer of the underlying securities, a dealer in the securities or by another third party, and may not be transferred separately from the underlying security. The underlying securities subject to a put may be sold at any time at market rates. The Portfolios expect that they will acquire puts only where the puts are available without the payment of any direct or indirect consideration. However, if advisable or necessary, a premium may be paid for put features. A premium paid will reduce the yield otherwise payable on the underlying security.

Under a "STAND-BY COMMITMENT," a dealer agrees to purchase, at a Portfolio's option, specified municipal securities at a specified price. A Portfolio will acquire these commitments only to aid portfolio liquidity and does not intend to exercise the demand feature for trading purposes. Stand-by commitments may also be referred to as put options. Each Portfolio will generally limit its investments in stand-by commitments to 25% of its total assets.

The Portfolios engage in put transactions to maintain flexibility and liquidity to permit them to meet redemption requests and remain as fully invested as possible.

FOREIGN INVESTMENTS

All of the Portfolios (except the Government Bond Portfolio and the Equity Index Portfolio) may invest in certain obligations or securities of foreign issuers. Possible investments include equity securities of foreign entities, obligations of foreign branches of U.S. banks and of foreign banks, including, without limitation, Eurodollar Certificates of Deposit, Eurodollar Time Deposits, Eurodollar Banker's Acceptances, Canadian Time Deposits and Yankee Certificates of Deposits, and investments in Canadian Commercial Paper, foreign securities and Europaper.

The Equity Portfolios may purchase sponsored and unsponsored American Depository Receipts ("ADRs"). Sponsored ADRs are listed on the New York Stock Exchange; unsponsored ADRs are not. Therefore, there may be less information available about the issuers of unsponsored ADRs than the issuers of sponsored ADRs. Unsponsored ADRs are restricted securities.

RISK FACTORS OF FOREIGN INVESTMENTS

Political and Exchange Risks. Foreign investments involve investment risks that differ in some respects from those related to investments in obligations of U.S.

domestic issuers. These risks include future adverse political and economic developments, the possible imposition of withholding taxes on interest or other income, possible seizure, nationalization or expropriation of foreign deposits, the possible establishment of exchange controls or taxation at the source, greater fluctuations in value due to changes in exchange rates, or the adoption of other foreign governmental restrictions which might adversely affect the payment of principal and interest on such obligations.

Higher Transaction Costs. Foreign investments may entail higher custodial fees and sales commissions than domestic investments.

Accounting and Regulatory Differences. Foreign issuers of securities or obligations are often subject to accounting treatment and engage in business practices different from those respecting domestic issuers of similar securities or obligations. Foreign branches of U.S. banks and foreign banks are not regulated by U.S. banking authorities and may be subject to less stringent reserve requirements than those applicable to domestic branches of U.S. banks. In addition, foreign banks generally are not bound by the accounting, auditing, and financial reporting standards comparable to those applicable to U.S. banks.

Currency Risk. On January 1, 1999, the European Economic and Monetary Union introduced the "euro." The euro serves as a common currency for participating European nations. All stocks issued by corporations located in those nations will be denominated in euros. In addition, outstanding shares will be redenominated in euros. All government bonds issued by participating nations will be in euros , and outstanding government bonds will be redenominated in euros. The introduction of the euro presents some uncertainties, such as the adequacy of newly created accounting, clearing, settlement, and payment systems for the new currency. These uncertainties could adversely affect the value of the foreign securities held by the Portfolios.

LIMITATIONS ON THE USE OF FOREIGN INVESTMENTS. Investments in all types of foreign obligations or securities will not exceed 25% of the net assets of a Portfolio.

FUTURES AND OPTIONS TRADING

The Portfolios may enter into futures contracts, options, options on futures contracts and stock index futures contracts and options thereon for the purposes of remaining fully invested, reducing transaction costs, or managing interest rate risk.

FUTURES CONTRACTS

Futures contracts provide for the future sale by one party and purchase by another party of a specified amount of a specific security, class of securities, or an index at a specified future time and at a specified price. A stock index futures contract is a bilateral agreement where two parties agree to take or make delivery of an amount of cash equal to a specified dollar amount times the difference between the stock index value at the close of trading of the contracts and the price at which the futures contract is originally struck. Futures contracts which are standardized as to maturity date and underlying financial instrument are traded on national futures exchanges. Futures exchanges and trading are regulated under the Commodity Exchange Act by the Commodity Futures Trading Commission ("CFTC"), a U.S. government agency.

Although the terms of most futures contracts call for actual delivery and acceptance of the underlying securities, in most cases the contracts are closed out before the settlement date without the making or taking of delivery. Closing out an open futures position is done by taking an opposite position ("buying" a contract which has previously been "sold," or "selling" a contract previously "purchased") in an identical contract to terminate the position. The acquisition of put and call options on futures contracts will, respectively, give a Portfolio the right (but not the obligation), for a specified price, to sell or to purchase the underlying futures contract, upon exercise of the option, at any time during the option period. Brokerage commissions are incurred when a futures contract is bought or sold.

When making futures trades, the Portfolios are required to make a good faith margin deposit in cash or government securities with a broker or custodian to initiate and maintain open positions in futures contracts. A margin deposit is intended to assure completion of the contract (delivery or acceptance of the underlying security) if it is not terminated prior to the specified delivery date. Minimal initial margin requirements are established by the futures exchange and may be changed. Brokers may establish deposit requirements which are higher than the exchange minimums. Initial margin deposits on futures contracts are customarily set at levels much lower than the prices at which the underlying securities are purchased and sold, typically ranging upward from less than 5% of the value of the contract being traded.

After a futures contract position is opened, the value of the contract is marked to market daily. If the futures contract price changes to the extent that the margin on deposit does not satisfy margin requirements, payment of additional "variation" margin will be required. Conversely, change in the contract value may reduce the required margin, resulting in a repayment of excess margin to the contract holder. Variation margin payments are made to and from the futures broker for as long as the contract remains open. The Portfolios expect to earn interest income on their margin deposits.

Traders in futures contracts may be broadly classified as either "hedgers" or "speculators." Hedgers use the futures markets primarily to offset unfavorable changes in the value of securities otherwise held for investment purposes or expected to be acquired by them. Speculators are less inclined to own the securities underlying the futures contracts which they trade, and use futures contracts with the expectation of realizing profits from fluctuations in the prices of underlying securities. The Portfolios intend to enter into futures contracts, options on futures contracts, index futures and options thereon that are traded on an exchange regulated by the CFTC if, to the extent that these futures and options are not for "bona fide hedging purposes" (as defined by the CFTC), the aggregate initial margin and premiums on these positions (excluding the amount by which options are in the money) do not exceed 5% of the Portfolio's total assets at current value. A Portfolio, however, may invest more than this amount for bona fide hedging purposes, and also may invest more than that amount if it obtains authority to do so from the CFTC without rendering the Portfolio a commodity pool operator.

A Portfolio may buy and sell futures contracts and related options to manage its exposure to changing interest rates and security prices. When interest rates are expected to rise or market values of portfolio securities are expected to fall, a Portfolio can seek through the sale of futures contracts to offset a decline in the value of its portfolio securities. When interest rates are expected to fall or market values are expected to rise, a Portfolio, through the purchase of these contracts, can attempt to secure better rates or prices for the Portfolio than might later be available in the market when it makes anticipated purchases.

Although techniques other than the sale and purchase of futures contracts could be used to control the Portfolios' exposure to market fluctuations, the use of futures contracts may be a more effective means of managing this exposure. While the Portfolios will incur commission expenses in both opening and closing out futures positions, these costs may be lower than transaction costs that would be incurred in the purchase and sale of the underlying securities.

A Portfolio's ability to effectively use futures trading depends on several factors. First, price correlation between the futures contracts and their underlying reference security or index may not be perfect. Second, it is possible that a lack of liquidity for futures contracts could exist in the secondary market, resulting in an inability to close a futures position prior to its maturity date. Third, the purchase of a futures contract involves the risk that a Portfolio could lose more than the original margin deposit required to initiate a futures transaction.

LIMITATIONS ON THE USE OF FUTURES CONTRACTS

Except for bona fide hedging purposes, none of the Portfolios will enter into futures contract transactions if immediately after the transaction, the sum of its initial margin deposits and premiums on open contracts exceeds 5% of the market value of the respective Portfolio's total assets. None of the Portfolios will enter into futures contracts if the value of the futures contracts held would exceed 25% of the applicable Portfolio's total assets.

The Portfolios restrict their futures contract trading as follows:

1. The Portfolios will not engage in transactions in futures contracts for speculative purposes;

2. The Portfolios will not market themselves to the public as commodity pools or otherwise as vehicles for trading in the commodities futures or commodity options markets;

3. The Portfolios will disclose to all prospective Shareholders the purpose of and limitations on their commodity futures trading;

4. The Portfolios will submit to the CFTC special calls for information. Accordingly, registration as a commodities pool operator with the CFTC is not required.

In addition to the margin restrictions discussed above, transactions in futures contracts may involve the segregation of funds in a segregated account pursuant to requirements imposed by the SEC. Under those requirements, where a Portfolio has a long position in a futures contract, it may be required to establish a segregated account (not with a futures commission merchant or broker) containing cash or certain liquid assets equal to the purchase price of the contract (less any margin on deposit). For a short position in futures or forward contracts held by a Portfolio, those requirements may mandate the establishment of a segregated account (not with a futures commission merchant or broker) with cash or certain liquid assets that, when added to the amounts deposited as margin, equal the market value of the instruments underlying the futures contracts (but are not less than the price at which the short positions were established). However, segregation of assets is not required if a Portfolio "covers" a long position. For example, instead of segregating assets, a Portfolio, when holding a long position in a futures contract, could purchase a put option on the same futures contract with a strike price as high or higher than the price of the contract held by the Portfolio. In addition, where a Portfolio takes short positions, or engages in sales of call options, it need not segregate assets if it "covers" these positions. For example, where a Portfolio holds a short position in a futures contract, it may cover by owning the instruments underlying the contract. The Portfolios may also cover such a position by holding a call option permitting it to purchase the same futures contract at a price no higher than the price at which the short position was established. Where a Portfolio sells a call option on a futures contract, it may cover either by entering into a long position in the same contract at a price no higher than the strike price of the call option or by owning the instruments underlying the futures contract. A Portfolio could also cover this position

by holding a separate call option permitting it to purchase the same futures contract at a price no higher than the strike price of the call option sold by the Portfolio. In certain circumstances, entry into a futures contract that substantially eliminates risk of loss and the opportunity for gain in an "appreciated financial position" will also accelerate gain to the Portfolios.

RISK FACTORS IN FUTURES TRANSACTIONS

LIQUIDITY. Positions in futures contracts may be closed out only on an exchange which provides a secondary market for such futures. However, there can be no assurance that a liquid secondary market will exist for any particular futures contract at any specific time. Thus, it may not be possible to close a futures position. In the event of adverse price movements, a Portfolio would continue to be required to make daily cash payments to maintain the required margin. In these situations, if a Portfolio has insufficient cash, it may have to sell portfolio securities to meet daily margin requirements even though it may be disadvantageous to do so. In addition, a Portfolio may be required to deliver the instruments underlying futures contracts it holds. The inability to close options and futures positions could also adversely impact the Portfolio's ability to effectively hedge these positions. The Portfolios will minimize the risk that they will be unable to close out a futures contract by only entering into futures contracts which are traded on national futures exchanges and for which there appears to be a liquid secondary market.

RISK OF LOSS. The risk of loss in trading futures contracts in some strategies can be substantial, due both to the low margin deposits required, and the extremely high degree of leverage involved in futures pricing. Because the deposit requirements in the futures markets are less onerous than margin requirements in the securities market, there may be increased participation by speculators in the futures market which may also cause temporary price distortions. A relatively small price movement in a futures contract may result in immediate and substantial loss (as well as gain) to the investor. For example, if at the time of purchase, 10% of the value of the futures contract is deposited as margin, a subsequent 10% decrease in the value of the futures contract would result in a total loss of the margin deposit, before any deduction for the transaction costs, if the account were then closed out. Thus, a purchase or sale of a futures contract may result in losses in excess of the amount invested in the contract. However, because the futures strategies engaged in by the Portfolios typically are for risk management purposes, Banc One Investment Advisors does not believe that the Portfolios are subject to the risks of loss frequently associated with futures transactions. Each Portfolio would presumably have sustained comparable losses if, instead of the futures contract, it had invested in the underlying financial instrument and sold it after the decline.

CORRELATION RISK. A Portfolio's use of futures transactions involves the risk of imperfect or no correlation where the securities underlying futures contracts have different maturities than the portfolio securities being hedged. A Portfolio could also lose money on futures contracts and also experience a decline in value of its portfolio securities. There is also the risk of loss by a Portfolio of margin deposits in the event of bankruptcy of a broker with whom the Portfolio has an open position in a futures contract or related option.

PRICE FLUCTUATIONS. Most futures exchanges limit the amount of fluctuation permitted in futures contract prices during a single trading day. The daily limit establishes the maximum amount that the price of a futures contract may vary either up or down from the previous day's settlement price at the end of a trading session. Once the daily limit has been reached in a particular type of contract, no trades may be made on that day at a price beyond that limit. The daily limit governs only price movement during a particular trading day and therefore does not limit potential losses, because the limit may prevent the liquidation of unfavorable positions. Futures contract prices have occasionally moved to the daily limit for several consecutive trading days with little or no trading, thereby preventing prompt liquidation of futures positions and subjecting some futures traders to substantial losses.

Some futures strategies, including selling futures, buying puts and writing covered calls, may reduce a Portfolio's exposure to price fluctuations. Other strategies, including buying futures, and buying calls, tend to increase market exposure. Futures and options may be combined with each other in order to adjust the risk and return characteristics of the overall portfolio. A Portfolio expects to enter into these transactions to manage a return or spread on a particular investment or portion of its assets, to protect against any increase in the price of securities a Portfolio anticipates purchasing at a later date, or for other risk management strategies.

OPTIONS CONTRACTS

The Portfolios may use options on securities or futures contracts as a hedging device. An option gives the buyer of the option the right (but not the obligation) to purchase a futures contract or security at a specified price (also called the STRIKE price). A CALL OPTION gives the buyer the "right to purchase" a security at a specified price (the exercise price) at any time until a certain date (the expiration date). So long as the obligation of the writer of a call option continues, the writer may be assigned an exercise notice by the broker-dealer through whom the option was sold, requiring the writer to deliver the underlying security against payment of the exercise price. This obligation terminates upon the expiration of the call option, or such earlier time at which the writer effects a closing purchase transaction by repurchasing an option identical to that previously sold. To secure the writer's obligation to deliver the underlying security in the case of a call option, subject to the rules of the Options Clearing Corporation, a writer is required to deposit in escrow the underlying security or other assets in accordance with these rules.

A PUT OPTION gives the buyer the right to sell the underlying futures contract or security. The seller (or "writer") of a put option must purchase futures contracts or securities at a strike price if the option is exercised. In the case of a call option, the seller must sell the futures contract or security in the underlying futures contract or security at the strike price if the option is exercised.

A NAKED OPTION is an option written by a party who does not own the underlying futures contract or security. A COVERED OPTION is an option written by a party who does own the underlying position. The initial purchase (sale) of an option is an "opening transaction." In order to close out an option position, the Portfolio may enter into a "closing transaction". This involves the sale (purchase) of an option contract on the same security with the same exercise price and expiration date as the option contract originally opened.

A call option on a futures contract or security is said to be "in-the-money" if the strike price is below current market levels and "out-of-the-money" if the strike price is above current market levels. A put option is "in-the-money" if the strike price is above current market levels, and "out-of-the-money" if the strike price is below current market levels.

Options have limited life spans, usually tied to the delivery or settlement date of the underlying futures contract or security. Some options, however, expire significantly in advance of such dates. An option that is "out-of-the-money" and not offset by the time it expires becomes worthless. On certain exchanges "in-the-money" options are automatically exercised on their expiration date, but on others unexercised options simply become worthless after their expiration date. Options usually trade at a premium (referred to as the "time value" of the option) above their intrinsic value (the difference between the market price for the underlying futures contract or equity security and the strike price). As an option nears its expiration date, the market value and the intrinsic value move into parity as the time value diminishes.

Increased market volatility generally increases the value of options by increasing the probability of favorable market swings, putting outstanding options "in-the-money." Although purchasing options is a limited risk trading approach, significant losses can be incurred by doing so.

WRITING (SELLING) COVERED CALLS

The Portfolios may write (sell) covered call options and purchase options to close out options previously written by the Portfolio. The Portfolios' purpose in writing covered call options is to generate additional premium income. This premium income will serve to enhance a Portfolio's total return and will reduce the effect of any price decline of the security involved in the option. Generally, the Portfolios will write covered call options on securities which, in the opinion of Banc One Investment Advisors are not expected to make any major price moves in the near future but which, over the long term, are deemed to be attractive investments for the Portfolio. The Portfolios will write only covered call options. This means that a Portfolio will only write a call option on a security which a Portfolio already owns.

Portfolio securities on which call options may be written will be purchased solely on the basis of investment considerations consistent with each Portfolio's investment objectives. The writing of

covered call options is a conservative investment technique believed to involve relatively little risk (in contrast to the writing of naked options, which a Portfolio will not do), but capable of enhancing the Portfolio's total return. When writing a covered call option, a Portfolio, in return for the premium, gives up the opportunity for profit from a price increase in the underlying security above the exercise price, but conversely retains the risk of loss should the price of the security decline. Unlike one who owns securities not subject to an option, a Portfolio has no control over when it may be required to sell the underlying securities, since it may be assigned an exercise notice at any time prior to the expiration of its obligation as a writer. Thus, the security could be "called away" at a price substantially below the fair market value of the security. If a call option which a Portfolio has written expires, a Portfolio will realize a gain in the amount of the premium; however, such gain may be offset by a decline in the market value of the underlying security during the option period. If the call option is exercised, a Portfolio will realize a gain or loss from the sale of the underlying security. The security covering the call will be maintained in a segregated account of the Portfolio's custodian. The Portfolios do not consider a security covered by a call to be "pledged" as that term is used in each Portfolio's policy which limits the pledging or mortgaging of its assets.

The premium received is the market value of an option. The premium each Portfolio will receive from writing a call option will reflect, among other things, the current market price of the underlying security, the relationship of the exercise price to the market price, the historical price volatility of the underlying security, and the length of the option period. Once the decision to write a call option has been made, Banc One Investment Advisors, in determining whether a particular call option should be written on a particular security, will consider the reasonableness of the anticipated premium and the likelihood that a liquid secondary market will exist for those options. The premium received by a Portfolio for writing covered call options will be recorded as a liability in the Portfolio's statement of assets and liabilities. This liability will be adjusted daily to the option's current market value, which will be the latest sale price at the time at which the net asset value per Share of the Portfolio is computed (close of the New York Stock Exchange), or, in the absence of such sale, the latest asked price. The liability will be extinguished upon expiration of the option, the purchase of an identical option in the closing transaction, or delivery of the underlying security upon the exercise of the option.

Generally, a Portfolio, in order to avoid the exercise of an option sold by it, will be able to cancel its obligation under the option by entering into a closing purchase transaction, if available, unless selling (in the case of a call option) or purchasing (in the case of a put option) the underlying securities is determined to be in a Portfolio's best interest. A closing purchase transaction consists of a Portfolio purchasing an option having the same terms as the option sold by a Portfolio, and has the effect of cancelling a Portfolio's position as a seller. The premium which a Portfolio will pay in executing a closing purchase transaction may be higher (or lower) than the premium received when the option was sold, depending in large part upon the relative price of the underlying security at the time of each transaction. To the extent options sold by a Portfolio are exercised and a Portfolio delivers securities to the holder of a call option, a Portfolio's turnover rate will increase, which would cause a Portfolio to incur additional brokerage expenses.

Closing transactions will be effected in order to realize a profit on an outstanding call option, to prevent an underlying security from being called, or to permit the sale of the underlying security. Furthermore, effecting a closing transaction permits a Portfolio to write another call option on the underlying security with either a different exercise price or expiration date or both. If a Portfolio desires to sell a particular security from its portfolio on which it has written a call options it will seek to effect a closing transaction prior to, or concurrently with, the sale of the security. There is, of course, no assurance that a Portfolio will be able to effect such closing transactions at a favorable price. If a Portfolio cannot enter into a closing transaction, it may be required to hold a security that it might otherwise have sold, in which case it would continue to be at market risk on the security. This could result in higher transaction costs. A Portfolio will pay transaction costs in connection with the writing of options to close out previously written options. Such transaction costs are normally higher than those applicable to purchases and sales of portfolio securities.

Call options written by a Portfolio will normally have expiration dates of less than nine months from the date written. The exercise price of the options may be below, equal to, or above the current market values of the underlying securities at the time the options are written. From time to time, a Portfolio may purchase an underlying security for delivery in accordance with an exercise notice of a call option assigned to it, rather than delivering the security from its portfolio. In such cases, additional costs will be incurred.

A Portfolio will realize a profit or loss from a closing purchase transaction if the cost of the transaction is less or more than the premium received from the writing of the option. Because increases in the market price of a call option will generally reflect increases in the market price of the underlying security, any loss resulting from the repurchase of a call option is likely to be offset in whole or in part by appreciation of the underlying security owned by the Portfolio.

PURCHASING CALL OPTIONS

The Portfolios may purchase call options to hedge against an increase in the price of securities that the Portfolio wants ultimately to buy. Such hedge protection is provided during the life of the call option because the Portfolio, as holder of the call option, is able to buy the underlying security at the exercise price regardless of any increase in the underlying security's market price. In order for a call option to be profitable, the market price of the underlying security must rise sufficiently above the exercise price to cover the premium and transaction costs. These costs will reduce any profit the Portfolio might have realized had it bought the underlying security at the time it purchased the call option. If paying a premium for a call option, together with a price movement in the underlying security, is such that exercise of the option would not be profitable to the Portfolio, loss of the premium may be offset by a decrease in the acquisition cost of securities by the Portfolio.

PURCHASING PUT OPTIONS

The Portfolios may also purchase put options to protect their portfolio holdings in an underlying security against a decline in market value. Hedge protection is provided during the life of the put option since the Portfolio, as holder of the put option, is able to sell the underlying security at the put exercise price regardless of any decline in the underlying security's market price. For a put option to be profitable, the market price of the underlying security must decline sufficiently below the exercise price to cover the premium and transaction costs. By using put options in this manner, the Portfolio will reduce any profit it might otherwise have realized from appreciation of the underlying security by the premium paid for the put option and by transaction cost. However, any loss of premium may be offset by an increase in the value of the Portfolio's securities.

SECURED PUTS

The Portfolios may write secured puts. For the secured put writer, substantial depreciation in the value of the underlying security would result in the security being "put to" the writer at the strike price of the option which may be substantially greater than the fair market value of the security. If a secured put option expires unexercised, the writer realizes a gain in the amount of the premium.

STRADDLES AND SPREADS

The Portfolios also may engage in straddles and spreads. In a straddle transaction, a Portfolio either buys a call and a put or sells a call and a put on the same security. In a spread, the Portfolio purchases and sells a call or a put. The Portfolio will sell a straddle when Banc One Investment Advisors believes the price of a security will be stable. The Portfolio will receive a premium on the sale of the put and the call. A spread permits the Portfolio to make a hedged investment that the price of a security will increase or decline.

RISK FACTORS IN OPTIONS TRANSACTIONS

Risk of Loss. When it purchases an option, a Portfolio runs the risk of losing its entire investment in the option in a relatively short period of time, unless the Portfolio exercises the option or enters into a closing sale transaction with respect to the option during the life of the option. If the price of the underlying security does not rise (in the case of a call) or fall (in the case of a put) to an extent sufficient to cover the option premium and transaction costs, a Portfolio will lose part or all of its investment in the option. This contrasts with an investment by a Portfolio in the underlying securities, because the Portfolio may continue to hold its investment in those securities notwithstanding the lack of a change in price of those securities. In addition, there may be imperfect or no correlation between the changes in market value of the securities held by the Portfolios and the prices of the options.

Judgement of Advisor. The successful use of the options strategies depends on the ability of Banc One Investment Advisors to assess interest rate and market movements correctly and to accurately

calculate the fair price of the option. The effective use of options also depends on a Portfolio's ability to terminate option positions at times when Banc One Investment Advisors deems it desirable to do so. A Portfolio will take an option position only if Banc One Investment Advisors believes there is a liquid secondary market for the option, however, there is no assurance that a Portfolio will be able to effect closing transactions at any particular time or at an acceptable price.

Liquidity. If a secondary trading market in options were to become unavailable, a Portfolio could no longer engage in closing transactions. Lack of investor interest might adversely affect the liquidity of the market for particular options or series of options. A marketplace may discontinue trading of a particular option or options generally. In addition, a market could become temporarily unavailable if unusual events, such as volume in excess of trading or clearing capability, were to interrupt normal market operations. A marketplace may at times find it necessary to impose restrictions on particular types of options transactions, which may limit a Portfolio's ability to realize its profits or limit its losses.

Market Restrictions. Disruptions in the markets for the securities underlying options purchased or sold by a Portfolio could result in losses on the options. If trading is interrupted in an underlying security, the trading of options on that security is normally halted as well. As a result, a Portfolio as purchaser or writer of an option will be unable to close out its positions until option trading resumes, and it may be faced with losses if trading in the security reopens at a substantially different price. In addition, the Options Clearing Corporation ("OCC") or other options markets may impose exercise restrictions. If a prohibition on exercise is imposed at the time when trading in the option has also been halted, a Portfolio as purchaser or writer of an option will be locked into its position until one of the two restrictions has been lifted. If a prohibition on exercise remains in effect until an option owned by a Portfolio has expired, the Portfolio could lose the entire value of its option.

Foreign Investment Risks. Special risks are presented by internationally-traded options. Because of time differences between the United States and the various foreign countries, and because different holidays are observed in different countries, foreign option markets may be open for trading during hours or on days when U.S. markets are closed. As a result, option premiums may not reflect the current prices of the underlying interest in the United States.

LIMITATIONS ON THE USE OF OPTIONS.

Each Portfolio will limit the writing of put and call options to 25% of its net assets. Some Portfolios may enter into over-the-counter option transactions. There will be an active over-the-counter market for such options which will establish their pricing and liquidity. The Portfolios will only enter into these option transactions with broker/dealers who have a minimum net worth of $20,000,000.

GOVERNMENT SECURITIES

The Portfolios invest in securities issued by agencies and instrumentalities of the U.S. Government. Not all securities issued by U.S. Government agencies and instrumentalities are backed by the full faith and credit of the U.S. Treasury.

- Obligations of certain agencies and instrumentalities of the U.S. government, such as the Government National Mortgage Association ("Ginnie Mae") and the Export-Import Bank, are supported by the full faith and credit of the U.S. Treasury;

- Others, such as the Federal National Mortgage Association ("Fannie Mae"), are supported by the right of the issuer to borrow from the Treasury;

- Others are supported by the discretionary authority of the U.S. government to purchase the agency's obligations; and

- Still others, such as the Federal Farm Credit Banks and the Federal Home Loan Mortgage Corporation ("Freddie Mac") are supported only by the credit of the instrumentality.

No assurance can be given that the U.S. government would provide financial support to U.S. government-sponsored agencies or instrumentalities if it is not obligated to do so by law. A Portfolio will invest in the obligations of these agencies or instrumentalities only when Banc One Investment Advisors believes that the credit risk is minimal. For information on mortgage-related securities issued by certain agencies or instrumentalities of the U.S. government, see "Investment

Objectives and Policies--Mortgage-Related Securities" in this Statement of Additional Information.

HIGH YIELD/ HIGH RISK SECURITIES/JUNK BONDS

The Mid Cap Opportunities Portfolio may invest in convertible securities that are rated below investment grade by the primary rating agencies (BB or lower by S&P and BA or lower by Moody's). Such convertible securities may be structured as bonds or preferred stock that convert to common stock. Terms used to describe these convertible securities include "high yield securities," "lower rated bonds," "non-investment grade bonds," "below investment ". These securities are considered to be high risk investments. The risks include the following:

GREATER RISK OF LOSS. There is a greater risk that issuers of lower rated securities will default than issuers of higher rated securities. Issuers of lower rated securities may be less creditworthy, highly indebted, financially distressed, or bankrupt. These issuers are more vulnerable to real or perceived economic changes, political changes or adverse industry developments. If an issuer fails to pay principal or interest, the Portfolio would experience a decrease in income and a decline in the market value of their investments. The Portfolio may also incur additional expenses in seeking recovery from the issuer.

SENSITIVITY TO INTEREST RATE AND ECONOMIC CHANGES. The income and market value of lower-rated securities may fluctuate more than higher rated securities. Although non-investment grade securities tend to be less sensitive to interest rate changes than investment grade securities, non-investment grade securities are more sensitive to short-term corporate, economic and market developments. During periods of economic uncertainty and change, the market price of the investments in lower-rated securities may be volatile.

VALUATION DIFFICULTIES. It is often more difficult to value lower rated securities than higher rated securities. If an issuer's financial condition deteriorates, accurate financial and business information may be limited or unavailable. In addition, the lower rated investments may be thinly traded and there may be no established secondary market. Because of the lack of market pricing and current information for investments in lower rated securities, valuation of such investments is much more dependent on judgment than is the case with higher rated securities.

LIQUIDITY. There may be no established secondary or public market for investments in lower rated securities. As a result, the Funds may be required to sell investments at substantial losses or retain them indefinitely even where an issuer's financial condition is deteriorating.

HIGH YIELD BOND MARKET. Unlike investment grade securities (including securities which were investment grade when issued but have fallen below investment grade), the track record for bond default rates on new issues of non-investment grade bonds is relatively short. It may be that future default rates on new issues of non-investment grade securities will be more widespread and higher than in the past, especially if economic conditions deteriorate.

CREDIT QUALITY. Credit quality of non-investment grade securities can change suddenly and unexpectedly, and even recently-issued credit ratings may not fully reflect the actual risks posed by a particular high-yield security.

NEW LEGISLATION. Future legislation may have a possible negative impact on the market for high yield, high risk bonds. As an example, in the late 1980's, legislation required federally-insured savings and loan associations to divest their investments in high yield, high risk bonds. New legislation, if enacted, could have a material negative effect on a Portfolio's net asset value and investment practices.

INVESTMENT COMPANY SECURITIES

The Portfolios may invest up to 5% of their total assets in the securities of any one investment company (another mutual fund), but may not own more than 3% of the outstanding securities of any one investment company or invest more than 10% of their total assets in the securities of other

investment companies. Other investment company securities may include securities of a money market fund of One Group(R), and securities of other investment companies for which Banc One Investment Advisors serves as investment advisor or administrator. Because other investment companies employ an investment advisor, such investments by the Portfolios may cause Shareholders to bear duplicate fees. Banc One Investment Advisors will waive its fee attributable to Portfolio assets invested in funds advised by Banc One Investment Advisors. Banc One Investment Advisors will also waive its fees attributable to the assets of any Portfolio invested in any investment company if required by the laws of any state in which shares of the Trust are sold.

LOAN PARTICIPATIONS AND ASSIGNMENTS

Some of the Portfolios may invest in fixed and floating rate loans ("Loans"). Loans are arranged through private negotiations between borrowers (which may be corporate issuers or issuers of sovereign debt obligations) and one or more financial institutions ("Lenders"). Generally, the Portfolios invest in Loans by purchasing Loan Participations ("Participations") or assignments of all or a portion of Loans ("Assignments") from third parties.

Typically, a Portfolio will have a contractual relationship only with the Lender and not with the borrower when it purchases a Participation. In contrast, a Portfolio has direct rights against the borrower on the Loan when it purchases an Assignment. Because Assignments are arranged through private negotiations between potential assignees and potential assignors, however, the rights and obligations acquired by a Portfolio as the purchaser of an Assignment may differ from, and be more limited than, those held by the assigning Lender.

Limitations on Investments in Loan Participations and Assignments. Loan participants and assignments may be illiquid. As a result, a Portfolio will invest no more than 15% of its net assets in these investments. If a government entity is a borrower on a Loan, the Portfolio will consider the government to be the issuer of a Participation or Assignment for purposes of the Portfolio's fundamental investment policy that it will not invest 25% or more of its total assets in securities of issuers conducting their principal business activities in the same industry (i.e., foreign government).

Risk Factors of Loan Participations and Assignments. A Portfolio may have difficulty disposing of Assignments and Participations because to do so it will have to assign such securities to a third party. Because there is no liquid market for such securities, the Portfolios anticipate that such securities could be sold only to a limited number of institutional investors. The lack of a liquid secondary market may have an adverse impact on the value of such securities and a Portfolio's ability to dispose of particular Assignments or Participations when necessary to meet a Portfolio's liquidity needs in response to a specific economic event such as a deterioration in the creditworthiness of the borrower. The lack of a liquid secondary market for Assignments and Participations also may make it more difficult for a Portfolio to assign a value to those securities when valuing the Portfolio's portfolio and calculating its net asset value.

MORTGAGE-RELATED SECURITIES

Mortgage-Backed Securities (CMOs and REMICs). Mortgage-backed securities include collateralized mortgage obligations ("CMOs") and Real Estate Mortgage Investment Conduits ("REMICs"). (A REMIC is a CMO that qualifies for special tax treatment under the Code and invests in certain mortgages principally secured by interests in real property and other permitted investments).

Mortgage-backed securities represent pools of mortgage loans assembled for sale to investors by:

- various governmental agencies such as Ginnie Mae;

- government-related organizations such as Fannie Mae and Freddie Mac;

- nongovernmental issuers such as commercial banks, savings and loan institutions, mortgage bankers, and private mortgage insurance companies. (Non-governmental mortgage securities cannot be treated as U.S. government securities for purposes of investment policies).

There are a number of important differences among the agencies and instrumentalities of the U.S. government that issue mortgage-related securities and among the securities that they issue.

Ginnie Mae Securities. Mortgage-related securities issued by Ginnie Mae include Ginnie Mae Mortgage Pass-Through Certificates which are guaranteed as to the timely payment of principal and interest by Ginnie Mae. Ginnie Mae's guarantee is backed by the full faith and credit of the United States. Ginnie Mae is a wholly-owned U.S. government corporation within the Department of Housing and Urban Development. Ginnie Mae certificates also are supported by the authority of Ginnie Mae to borrow funds from the U.S. Treasury to make payments under its guarantee.

Fannie Mae Securities. Mortgage-related securities issued by Fannie Mae include Fannie Mae Guaranteed Mortgage Pass-Through Certificates which are solely the obligations of Fannie Mae and are not backed by or entitled to the full faith and credit of the United States. Fannie Mae is a government-sponsored organization owned entirely by private stock-holders. Fannie Mae Certificates are guaranteed as to timely payment of the principal and interest by Fannie Mae.

Freddie Mac Securities. Mortgage-related securities issued by Freddie Mac include Freddie Mac Mortgage Participation Certificates. Freddie Mac is a corporate instrumentality of the United States, created pursuant to an Act of Congress, which is owned entirely by Federal Home Loan Banks. Freddie Mac Certificates are not guaranteed by the United States or by any Federal Home Loan Banks and do not constitute a debt or obligation of the United States or of any Federal Home Loan Bank. Freddie Mac Certificates entitle the holder to timely payment of interest, which is guaranteed by Freddie Mac. Freddie Mac guarantees either ultimate collection or timely payment of all principal payments on the underlying mortgage loans. When Freddie Mac does not guarantee timely payment of principal, Freddie Mac may remit the amount due on account of its guarantee of ultimate payment of principal at any time after default on an underlying mortgage, but in no event later than one year after it becomes payable.

CMOs and guaranteed REMIC pass-through certificates ("REMIC Certificates") issued by Fannie Mae, Freddie Mac, Ginnie Mae and private issuers are types of multiple class pass-through securities. Investors may purchase beneficial interests in REMICs, which are known as "regular" interests or "residual" interests. The Bond Portfolio does not currently intend to purchase residual interests in REMICs. The REMIC Certificates represent beneficial ownership interests in a REMIC Trust, generally consisting of mortgage loans or Fannie Mae, Freddie Mac or Ginnie Mae guaranteed mortgage pass-through certificates (the "Mortgage Assets"). The obligations of Fannie Mae, Freddie Mac or Ginnie Mae under their respective guaranty of the REMIC Certificates are obligations solely of Fannie Mae, Freddie Mac or Ginnie Mae, respectively.

GINNIE MAE REMIC CERTIFICATES. Ginnie Mae guarantees the full and timely payment of interest and principal on each class of securities (in accordance with the terms of those classes as specified in the related offering circular supplement). The Ginnie Mae guarantee is backed by the full faith and credit of the United States of America.

FANNIE MAE REMIC CERTIFICATES. Fannie Mae REMIC Certificates are issued and guaranteed as to timely distribution of principal and interest by Fannie Mae. In addition, Fannie Mae will be obligated to distribute the principal balance of each class of REMIC Certificates in full, whether or not sufficient funds are available.

FREDDIE MAC REMIC CERTIFICATES. Freddie Mac guarantees the timely payment of interest, and also guarantees the payment of principal as payments are required to be made on the underlying mortgage participation certificates ("PCs"). PCs represent undivided interests in specified residential mortgages or participation therein purchased by Freddie Mac and placed in a PC pool. With respect to principal payments on PCs, Freddie Mac generally guarantees ultimate collection of all principal of the related mortgage loans without offset or deduction. Freddie Mac also guarantees timely payment of principal on certain PCs referred to as "Gold PCs."

REMIC Certificates issued by Fannie Mae, Freddie Mac and Ginnie Mae are treated as U.S. government securities for purposes of investment policies.

CMOs and REMIC Certificates provide for the redistribution of cash flow to multiple classes. Each class of CMOs or REMIC Certificates, often referred to as a "tranche," is issued at a specific adjustable or fixed interest rate and must be fully retired no later than its final distribution date. This

reallocation of interest and principal results in the redistribution of prepayment risk across to different classes. This allows for the creation of bonds with more or less risk than the underlying collateral exhibits. Principal prepayments on the mortgage loans or the Mortgage Assets underlying the CMOs or

REMIC Certificates may cause some or all of the classes of CMOs or REMIC Certificates to be retired substantially earlier than their final distribution dates. Generally, interest is paid or accrues on all classes of CMOs or REMIC Certificates on a monthly basis.

The principal of and interest on the Mortgage Assets may be allocated among the several classes of CMOs or REMIC Certificates in various ways. In certain structures (known as "sequential pay" CMOs or REMIC Certificates), payments of principal, including any principal prepayments, on the Mortgage Assets generally are applied to the classes of CMOs or REMIC Certificates in the order of their respective final distribution dates. Thus, no payment of principal will be made on any class of sequential pay CMOs or REMIC Certificates until all other classes having an earlier final distribution date have been paid in full.

Additional structures of CMOs and REMIC Certificates include, among others, "parallel pay" CMOs and REMIC Certificates. Parallel pay CMOs or REMIC Certificates are those which are structured to apply principal payments and prepayments of the Mortgage Assets to two or more classes concurrently on a proportionate or disproportionate basis. These simultaneous payments are taken into account in calculating the final distribution date of each class.

A wide variety of REMIC Certificates may be issued in the parallel pay or sequential pay structures. These securities include accrual certificates (also known as "Z-Bonds"), which only accrue interest at a specified rate until all other certificates having an earlier final distribution date have been retired and are converted thereafter to an interest-paying security, and planned amortization class ("PAC") certificates, which are parallel pay REMIC Certificates which generally require that specified amounts of principal be applied on each payment date to one or more classes of REMIC Certificates (the "PAC Certificates"), even though all other principal payments and prepayments of the Mortgage Assets are then required to be applied to one or more other classes of the certificates. The scheduled principal payments for the PAC Certificates generally have the highest priority on each payment date after interest due has been paid to all classes entitled to receive interest currently. Shortfalls, if any, are added to the amount of principal payable on the next payment date. The PAC Certificate payment schedule is taken into account in calculating the final distribution date of each class of PAC. In order to create PAC tranches, one or more tranches generally must be created that absorb most of the volatility in the underlying Mortgage Assets. These tranches tend to have market prices and yields that are much more volatile than the PAC classes. The Z-Bonds in which the Portfolios may invest may bear the same non-credit- related risks as do other types of Z-Bonds. Z-Bonds in which the Portfolio may invest will not include residual interest.

Mortgage Dollar Rolls. Some of the Portfolios may enter into Mortgage Dollar Rolls. In a Mortgage Dollar Role transaction, the Portfolios sell securities for delivery in the current month and simultaneously contract with the same counterparty to repurchase similar (same type, coupon and maturity) but not identical securities on a specified future date. When a Portfolio enters into mortgage dollar rolls, the Portfolio will hold and maintain a segregated account until the settlement date. The segregated account will contain cash or liquid, high grade debt securities in an amount equal to the purchase price that the Portfolio is required to pay. The Portfolios benefit from a mortgage dollar roll to the extent of:

- the difference between the price received for the securities sold and the lower price for the future purchase (often referred to as the "drop"); and

- fee income plus the interest earned on the cash proceeds of the securities sold until the settlement date of the future purchase.

Unless such benefits exceed the amount of income, capital appreciation or gains on the securities sold as part of the mortgage dollar roll, the investment performance of the Portfolios will be less than what the performance would have been without the use of mortgage dollar rolls. The benefits of mortgage dollar rolls may depend upon Banc One Investment Advisors' ability to predict mortgage prepayments and interest rates. There is no assurance that mortgage dollar rolls can be successfully employed. The Portfolios currently intend to enter into mortgage dollar rolls that are accounted for as a financing transaction. For purposes of diversification and investment limitations, mortgage dollar rolls are considered to be mortgage-backed securities.

STRIPPED MORTGAGE BACKED SECURITIES. Stripped Mortgage Backed Securities ("SMBS") are derivative multi-class mortgage securities. SMBS are usually structured with two classes that receive different proportions of the interest and principal distributions from a pool of mortgage assets. A common type of SMBS will have one class receiving all of the interest from the mortgage assets ("IOs"), while the other class will receive all of the principal ("POs"). Mortgage IOs receive monthly interest payments based upon a notional amount that declines over time as a result of the normal monthly amortization and unscheduled prepayments of principal on the associated mortgage POs.

In addition to the risks applicable to Mortgage-Related Securities in general, SMBS are subject to the following additional risks:

PREPAYMENT/INTEREST RATE SENSITIVITY. SMBS are extremely sensitive to changes in prepayments and interest rates. Even though these securities have been guaranteed by an agency or instrumentality of the U.S. government, under certain interest rate or prepayment rate scenarios, the Portfolios may lose money on investments in SMBS.

INTEREST ONLY SMBS. Changes in prepayment rates can cause the return on investment in IOs to be highly volatile. Under extremely high prepayment conditions, IOs can incur significant losses.

PRINCIPAL ONLY SMBS. POs are bought at a discount to the ultimate principal repayment value. The rate of return on a PO will vary with prepayments, rising as prepayment increase and falling as prepayments decrease. Generally, the market value of these securities is unusually volatile in response to changes in interest rates.

YIELD CHARACTERISTICS. Although SMBS may yield more than other mortgage-backed securities, their cash flow patterns are more volatile and there is a greater risk that any premium paid will not be fully recouped. Banc One Investment Advisors will seek to manage these risks (and potential benefits) by investing in a variety of such securities and by using certain analytical and hedging techniques.

A Portfolio may only invest in SMBS issued or guaranteed by the U.S. government, its agencies or instrumentalities. Although the market for SMBS is increasingly liquid, certain SMBS may not be readily marketable and will be considered illiquid for purposes of the Portfolios' limitations on investments in illiquid securities.

ADJUSTABLE RATE MORTGAGE LOANS. The Bond Portfolios and the Balanced Portfolio may invest in adjustable rate mortgage loans ("ARMS"). ARMs eligible for inclusion in a mortgage pool will generally provide for a fixed initial mortgage interest rate for a specified period of time. Thereafter, the interest rates (the "Mortgage Interest Rates") may be subject to periodic adjustment based on changes in the applicable index rate (the "Index Rate"). The adjusted rate would be equal to the Index Rate plus a gross margin, which is a fixed percentage spread over the Index Rate established for each ARM at the time of its origination.

Adjustable interest rates can cause payment increases that some borrowers may find difficult to make. However, certain ARMs may provide that the Mortgage Interest Rate may not be adjusted to a rate above a maximum rate or below a minimum rate. Certain ARMs may also be subject to limitations on the maximum amount by which the Mortgage Interest Rate may adjust for any single adjustment period (the "Maximum Adjustment"). Other ARMs ("Negatively Amortizing ARMs") may provide for limitations on changes in the monthly payment on such ARMs. Limitations on monthly payments can result in monthly payments which are greater or less than the amount necessary to amortize a Negatively Amortizing ARM by its maturity at the Mortgage Interest Rate in effect in any particular month. In the event that a monthly payment is not sufficient to pay the interest accruing on a Negatively Amortizing ARM, any excess interest is added to the principal balance of the loan, causing negative amortization and will be repaid through future monthly payments. It may take borrowers under Negatively Amortizing ARMs longer periods of time to achieve equity and may increase the likelihood of default by such borrowers. In the event that a monthly payment exceeds the sum of the interest accrued at the applicable Mortgage Interest Rate and the principal payment which would have been necessary to amortize the outstanding principal balance over the remaining term of the loan, the excess (or "accelerated amortization") further reduces the principal balance of the ARM. Negatively Amortizing ARMs do not provide for the

extension of their original maturity to accommodate changes in their Mortgage Interest Rate. As a result, unless there is a periodic recalculation of the payment amount (which there generally is), the final payment may be substantially larger than the other payments. These limitations on periodic increases in interest rates and on changes in monthly payment protect borrowers from unlimited interest rate and payment increases.

Certain adjustable rate mortgage loans may provide for periodic adjustments of scheduled payments in order to amortize fully the mortgage loan by its stated maturity. Other adjustable rate mortgage loans may permit their stated maturity to be extended or shortened in accordance with the portion of each payment that is applied to interest as affected by the periodic interest rate adjustments.

There are two main categories of indices which provide the basis for rate adjustments on ARMs: those based on U.S. Treasury securities and those derived from a calculated measure such as a cost of funds index or a moving average of mortgage rates. Commonly utilized indices include the one-year, three-year and five-year constant maturity Treasury bill rates, the three-month Treasury bill rate, the 180-day Treasury bill rate, rates on longer-term Treasury securities, the 11th District Federal Home Loan Bank Cost of funds, the National Median Cost of funds, the one-month, three-month, six-month or one-year London Interbank Offered Rate ("LIBOR"), the prime rate of a specific bank, or commercial paper rates. Some indices, such as the one-year constant maturity Treasury rate, closely mirror changes in market interest rate levels. Others, such as the 11th District Federal Home Loan Bank Cost of funds index, tend to lag behind changes in market rate levels and tend to be somewhat less volatile. The degree of volatility in the market value of the Portfolio's portfolio and therefore in the net asset value of the Portfolio's shares will be a function of the length of the interest rate reset periods and the degree of volatility in the applicable indices.

In general, changes in both prepayment rates and interest rates will change the yield on Mortgage-Backed Securities. The rate of principal prepayments with respect to ARMs has fluctuated in recent years. As is the case with fixed mortgage loans, ARMs may be subject to a greater rate of principal prepayments in a declining interest rate environment. For example, if prevailing interest rates fall significantly, ARMs could be subject to higher prepayment rates than if prevailing interest rates remain constant because the availability of fixed rate mortgage loans at competitive interest rates may encourage mortgagors to refinance their ARMs to "lock-in" a lower fixed interest rate. Conversely, if prevailing interest rates rise significantly, ARMs may prepay at lower rates than if prevailing rates remain at or below those in effect at the time such ARMs were originated. As with fixed rate mortgages, there can be no certainty as to the rate of prepayments on the ARMs in either stable or changing interest rate environments. In addition, there can be no certainty as to whether increases in the principal balances of the ARMs due to the addition of deferred interest may result in a default rate higher than that on ARMs that do not provide for negative amortization. Other factors affecting prepayment of ARMs include changes in mortgagors' housing needs, job transfers, unemployment, mortgagors' net equity in the mortgage properties and servicing decisions.

RISKS FACTORS OF MORTGAGE-RELATED SECURITIES.

Guarantor Risk. There can be no assurance that the U.S. government would provide financial support to Fannie Mae, Freddie Mac or Ginnie Mae if necessary in the future. Although certain mortgage-related securities are guaranteed by a third party or otherwise similarly secured, the market value of the security, which may fluctuate, is not so secured.

Interest Rate Sensitivity. If a Portfolio purchases a mortgage-related security at a premium, that portion may be lost if there is a decline in the market value of the security whether resulting from changes in interest rates or prepayments in the underlying mortgage collateral. As with other interest-bearing securities, the prices of such securities are inversely affected by changes in interest rates. However, though the value of a mortgage-related security may decline when interest rates rise, the converse is not necessarily true because in periods of declining interest rates the mortgages underlying the securities are prone to prepayment. For this and other reasons, a mortgage-related security's stated maturity may be shortened by unscheduled prepayments on the underlying mortgages and, therefore, it is not possible to predict accurately the security's return to the Portfolios. In addition, regular payments received on mortgage-related securities include both interest and principal. No assurance can be given as to the return the Portfolios of the Trust will receive when these amounts are reinvested.

Market Value. The market value of the Portfolio's adjustable rate Mortgage-Backed Securities may be adversely affected if interest rates rise faster than the rates of interest payable on these securities or by the adjustable rate mortgage loans underlying the securities. Furthermore, adjustable rate Mortgage-Backed Securities or the mortgage loans underlying these securities may contain provisions limiting the amount by which rates may be adjusted upward and downward and may limit the amount by which monthly payments may be increased or decreased to accommodate upward and downward adjustments in interest rates.

Prepayments. Adjustable rate Mortgage-Backed Securities have less potential for capital appreciation than fixed rate Mortgage-Backed Securities because their coupon rates will decline in response to market interest rate declines. The market value of fixed rate Mortgage-Backed Securities may be adversely affected by increases in interest rates and, because of the risk of unscheduled principal prepayments, may benefit less than other fixed rate securities of similar maturity from declining interest rates. Finally, to the extent Mortgage-Backed Securities are purchased at a premium, mortgage foreclosures and unscheduled principal prepayments may result in some loss of the Portfolio's principal investment to the extent of the premium paid. On the other hand, if these securities are purchased at a discount, both a scheduled payment of principal and an unscheduled prepayment of principal will increase current and total returns and will accelerate the recognition of income.

Yield Characteristics. The yield characteristics of Mortgage-Backed Securities differ from those of traditional fixed income securities. The major differences typically include more frequent interest and principal payments, usually monthly, and the possibility that prepayments of principal may be made at any time. Prepayment rates are influenced by changes in current interest rates and a variety of economic, geographic, social and other factors and cannot be predicted with certainty. As with fixed rate mortgage loans, adjustable rate mortgage loans may be subject to a greater prepayment rate in a declining interest rate environment. The yields to maturity of the Mortgage-Backed Securities in which the Portfolios invest will be affected by the actual rate of payment (including prepayments) of principal of the underlying mortgage loans. The mortgage loans underlying these securities generally may be prepaid at any time without penalty. In a fluctuating interest rate environment, a predominant factor affecting the prepayment rate on a pool of mortgage loans is the difference between the interest rates on the mortgage loans and prevailing mortgage loan interest rates (giving consideration to the cost of any refinancing). In general, if mortgage loan interest rates fall sufficiently below the interest rates on fixed rate mortgage loans underlying mortgage pass-through securities, the rate of prepayment would be expected to increase. Conversely, if mortgage loan interest rates rise above the interest rates on the fixed rate mortgage loans underlying the mortgage pass-through securities, the rate of prepayment may be expected to decrease.

MUNICIPAL SECURITIES

Municipal Securities are issued to obtain funds for various public purposes, including the construction of a wide range of public facilities such as:

1. bridges,
2. highways,
3. roads,
4. schools,
5. water and sewer works, and
6. other utilities.

Other public purposes for which Municipal Securities may be issued include:

1. refunding outstanding obligations,
2. obtaining funds for general operating expenses and
3. obtaining funds to lend to other public institutions and facilities.

In addition, certain debt obligations known as "private activity bonds" may be issued by or on behalf of municipalities and public authorities to obtain funds to provide

1. water, sewage and solid waste facilities,
2. qualified residential rental projects,
3. certain local electric, gas and other heating or cooling facilities,
4. qualified hazardous waste facilities,
5. high-speed intercity rail facilities,
6. governmentally-owned airports, docks and wharves and mass transportation facilities,

7. qualified mortgages,
8. student loan and redevelopment bonds;
9. and bonds used for certain organizations exempt from Federal income taxation.

Certain debt obligations known as "industrial development bonds" under prior Federal tax law may have been issued by or on behalf of public authorities to obtain funds to provide:

1. privately operated housing facilities,
2. sports facilities,
3. industrial parks,
4. convention or trade show facilities,
5. airport, mass transit, port or parking facilities,
6. air or water pollution control facilities,
7. sewage or solid waste disposal facilities, and
8. facilities for water supply.

Other private activity bonds and industrial development bonds issued to fund the construction, improvement, equipment or repair of privately-operated industrial, distribution, research, or commercial facilities may also be Municipal Securities, but the size of such issues is limited under current and prior Federal tax law. The aggregate amount of most private activity bonds and industrial development bonds is limited (except in the case of certain types of facilities) under federal tax law by an annual "volume cap." The volume cap limits the annual aggregate principal amount of such obligations issued by or on behalf of all governmental instrumentalities in the state.

The two principal classifications of Municipal Securities consist of "general obligation" and "limited" (or revenue) issues. General obligation bonds are obligations involving the credit of an issuer possessing taxing power and are payable from the issuer's general unrestricted revenues and not from any particular fund or source. The characteristics and method of enforcement of general obligation bonds vary according to the law applicable to the particular issuer, and payment may be dependent upon appropriation by the issuer's legislative body. Limited obligation bonds are payable only from the revenues derived from a particular facility or class of facilities or, in some cases, from the proceeds of a special excise or other specific revenue source. Private activity bonds and industrial development bonds generally are revenue bonds and thus not payable from the unrestricted revenues of the issuer. The credit and quality of these bonds is generally related to the credit of the bank selected to provide the letter of credit underlying the bonds. Payment of principal of and interest on industrial development revenue bonds is the responsibility of the corporate user (and any guarantor).

The Portfolios may also acquire "moral obligation" issues, which are normally issued by special purpose authorities, and in other tax-exempt investments including pollution control bonds and tax-exempt commercial paper. Each Portfolio that may purchase municipal securities may purchase:

1. Short-term tax-exempt General Obligations Notes,
2. Tax Anticipation Notes,
3. Bond Anticipation Notes,
4. Revenue Anticipation Notes,
5. Project Notes, and
6. Other forms of short-term tax-exempt loans.

Such notes are issued with a short-term maturity in anticipation of the receipt of tax funds, the proceeds of bond placements, or other revenues. Project Notes are issued by a state or local housing agency and are sold by the Department of Housing and Urban Development. While the issuing agency has the primary obligation with respect to its Project Notes, they are also secured by the full faith and credit of the United States through agreements with the issuing authority which provide that, if required, the federal government will lend the issuer an amount equal to the principal of and interest on the Project Notes.

There are, of course, variations in the quality of Municipal Securities, both within a particular classification and between classifications. Also, the yields on Municipal Securities depend upon a variety of factors, including:

- general money market conditions,

- the financial condition of the issuer,
- general conditions of the municipal bond market,
- the size of a particular offering,
- the maturity of the obligations, and
- the rating of the issue.

The ratings of Moody's and S&P represent their opinions as to the quality of Municipal Securities. However,ratings are general and are not absolute standards of quality. Municipal Securities with the same maturity, interest rate and rating may have different yields while Municipal Securities of the same maturity and interest rate with different ratings may have the same yield. Subsequent to its purchase by a Portfolio, an issue of Municipal Securities may cease to be rated or its rating may be reduced below the minimum rating required for purchase by the Portfolio. Banc One Investment Advisors or the applicable Sub-Advisor will consider such an event in determining whether the Portfolio should continue to hold the obligations.

Municipal securities may include obligations of municipal housing authorities and single-family mortgage revenue bonds. Weaknesses in Federal housing subsidy programs and their administration may result in a decrease of subsidies available for payment of principal and interest on housing authority bonds. Economic developments, including fluctuations in interest rates and increasing construction and operating costs, may also adversely impact revenues of housing authorities. In the case of some housing authorities, inability to obtain additional financing could also reduce revenues available to pay existing obligations. Single-family mortgage revenue bonds are subject to extraordinary mandatory redemption at par in whole or in part from the proceeds derived from prepayments of underlying mortgage loans and also from the unused proceeds of the issue within a stated period which may be within a year from the date of issue.

Municipal leases are obligations issued by state and local governments or authorities to finance the acquisition of equipment and facilities. Municipal Leases may be considered to be illiquid. They may take the form of a lease, an installment purchase contract, a conditional sales contract, or a participation interest in any of the above. The Board of Trustees is responsible for determining the credit quality of unrated municipal leases, on an ongoing basis, including an assessment of the likelihood that the lease will not be canceled.

RISK FACTORS IN MUNICIPAL SECURITIES

Tax Risk. The Code imposes certain continuing requirements on issuers of tax-exempt bonds regarding the use, expenditure and investment of bond proceeds and the payment of rebates to the United States of America. Failure by the issuer to comply after the issuance of tax-exempt bonds with certain of these requirements could cause interest on the bonds to become includable in gross income retroactive to the date of issuance.

Housing Authority Tax Risk. The exclusion from gross income for Federal income tax purposes for certain housing authority bonds depends on qualification under relevant provisions of the Code and on other provisions of Federal law. These provisions of Federal law contain requirements relating to the cost and location of the residences financed with the proceeds of the single-family mortgage bonds and the income levels of tenants of the rental projects financed with the proceeds of the multi-family housing bonds. Typically, the issuers of the bonds, and other parties, including the originators and servicers of the single-family mortgages and the owners of the rental projects financed with the multi-family housing bonds, covenant to meet these requirements. However, there is no assurance that the requirements will be met. If such requirements are not met:

- the interest on the bonds may become taxable, possibly retroactively from the date of issuance;

- the value of the bonds may be reduced;

- you and other Shareholders may be subject to unanticipated tax liabilities;

- a Portfolio may be required to sell the bonds at the reduced value;

- it may be an event of default under the applicable mortgage;

- the holder may be permitted to accelerate payment of the bond; and

- the issuer may be required to redeem the bond.

In addition, if the mortgage securing the bonds is insured by the Federal Housing Administration ("FHA"), the consent of the FHA may be required before insurance proceeds would become payable.

Information Risk. Information about the financial condition of issuers of Municipal Securities may be less available than about corporations having a class of securities registered under the Securities Exchange Act of 1934.

State and Federal Laws. An issuer's obligations under its Municipal Securities are subject to the provisions of bankruptcy, insolvency, and other laws affecting the rights and remedies of creditors. These laws may extend the time for payment of principal or interest, or restrict the Portfolio's ability to collect payments due on Municipal Securities.

Litigation and Current Developments. The power or ability of an issuer to meet its obligations for the payment of interest on and principal of its Municipal Securities may be materially adversely affected by litigation or other conditions. Such litigation or conditions may from time to time have the effect of introducing uncertainties in the market for tax-exempt obligations or certain segments thereof, or may materially affect the credit risk with respect to particular bonds or notes. Adverse economic, business, legal or political developments might affect all or a substantial portion of a Portfolio's Municipal Securities in the same manner.

New Legislation. From time to time, proposals have been introduced before Congress that would restrict or eliminate the Federal income tax exemption for interest on tax exempt bonds, and similar proposals may be introduced in the future. The Supreme Court has held that Congress has the constitutional authority to enact such legislation. It is not possible to determine what effect the adoption of these proposals could have on (i) the availability of Municipal Securities for investment by the Portfolios, and (ii) the value of the investment portfolios of the Portfolios.

LIMITATIONS ON THE USE OF MUNICIPAL SECURITIES

The Bond Portfolio may invest in Municipal Securities either by purchasing them directly or by purchasing certificates of accrual or similar instruments evidencing direct ownership of interest payments or principal payments, or both, on Municipal Securities, provided that, in the opinion of counsel to the initial seller of each certificate or instrument, any discount accruing on the certificate or instrument that is purchased at a yield not greater than the coupon rate of interest on the related Municipal Securities will to the same extent as interest on such Municipal Securities be exempt from Federal income tax and state income tax (where applicable) and not treated as a preference item for individuals for purposes of the Federal alternative minimum tax.

The Portfolio may also invest in Municipal Securities by purchasing from banks participation interests in all or part of specific holdings of Municipal Securities. Such participation may be backed in whole or in part by an irrevocable letter of credit or guarantee of the selling bank. The selling bank may receive a fee from the Portfolio in connection with the arrangement. The Portfolio will not purchase participation interests unless it receives an opinion of counsel or a ruling of the Internal Revenue Service that interest earned by it on Municipal Securities in which it holds such participation interest is exempt from Federal income tax and state income tax (where applicable) and not treated as a preference item for individuals for purposes of the Federal alternative minimum tax.

NEW FINANCIAL PRODUCTS

New options and futures contracts and other financial products, and various combinations thereof, continue to be developed. These various products may be used to adjust the risk and return characteristics of each Portfolio's investments. These various products may increase or decrease exposure to security prices, interest rates, commodity prices, or other factors that affect security values, regardless of the issuer's credit risk. If market conditions do not perform as expected, the performance of each Portfolio would be less favorable than it would have been if these products were not used. In addition, losses may occur if counterparties involved in transactions do not perform as promised. These products may expose the Portfolio to potentially greater return as well as potentially greater risk of loss than more traditional fixed income investments.

PERCS*

The Equity Portfolios may invest in Preferred Equity Redemption Cumulative Stock ("PERCS"). PERCS are preferred stock which convert to common stock after a specified period of time, usually three years, and are considered the equivalent of equity by the ratings agencies. PERCs are mandatorily convertible into common stock. However, PERCS may be called at any time at an initial call price that reflects a substantial premium to the stock's issue price. PERCS offer a higher dividend than that available on the common stock, but in exchange the investors agree to the company placing a cap on the potential price appreciation. The call price declines daily in an amount that reflects the incremental dividend that holders enjoy. PERCS are listed on an exchange where the common stock is listed.

*PERCS is a registered trademark of Morgan Stanley, which does not sponsor and is in no way affiliated with The One Group Investment Trust.

PREFERRED STOCK

Preferred stock is a class of stock that generally pays dividends at a specified rate and has preference over common stock in the payment of dividends and liquidation. Preferred stock generally does not carry voting rights. As with all equity securities, the price of preferred stock fluctuates based on changes in a company's financial condition and on overall market and economic conditions.

REAL ESTATE INVESTMENT TRUSTS ("REITS")

The Portfolios may invest in equity interests or debt obligations issued by REITs. REITs are pooled investment vehicles which invest primarily in income producing real estate or real estate related loans or interest. REITs are generally classified as equity REITs, mortgage REITs or a combination of equity and mortgage REITs. Equity REITs invest the majority of their assets directly in real property and derive income primarily from the collection of rents. Equity REITs can also realize capital gains by selling property that has appreciated in value. Mortgage REITs invest the majority of their assets in real estate mortgages and derive income from the collection of interest payments. Similar to investment companies, REITs are not taxed on income distributed to shareholders provided they comply with several requirements of the Code. A Portfolio will indirectly bear its proportionate share of expenses incurred by REITs in which a Portfolio invests in addition to the expenses incurred directly by a Portfolio.

Investing in REITs involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. Equity REITs may be affected by changes in the value of the underlying property owned by the REITs, while mortgage REITs may be affected by the quality of any credit extended. REITs are dependent upon management skills, are not diversified, are subject to heavy cash flow dependency, default by borrowers and self-liquidation. Other possible risks include failing to qualify for tax free pass-through of income under the Code and failing to maintain their exemption from registration under the Act.

REITs (especially mortgage REITs) are also subject to interest rate risks. When interest rates decline, the value of a REIT's investment in fixed rate obligations can be expected to rise. Conversely, when interest rates rise, the value of a REIT's investment in fixed rate obligations can be expected to decline. In contrast, as interest rates on adjustable rate mortgage loans are reset periodically, yields on a REIT's investment in such loans will gradually align themselves to fluctuate

less dramatically in response to interest rate fluctuations than would investments in fixed rate obligations.

Investment in REITs involves risks similar to those associated with investing in small capitalization companies. These risks include:

- limited financial resources

- infrequent or limited trading

- more abrupt or erratic price movements than larger company securities

Historically, small capitalization stocks, such as REITs, have been more volatile in price than the larger capitalization stocks included in the S&P Index of 500 Common Stocks.

REPURCHASE AGREEMENTS

Under the terms of a repurchase agreement, a Portfolio would acquire securities from a seller, subject to the seller's agreement to repurchase such securities at a mutually agreed-upon date and price. The repurchase price would generally equal the price paid by the Portfolio plus interest negotiated on the basis of current short-term rates, which may be more or less than the rate on the underlying portfolio securities. The seller under a repurchase agreement will be required to maintain the value of collateral held pursuant to the agreement at not less than the repurchase price (including accrued interest).

If the seller defaults on its repurchase obligation or becomes insolvent, the Portfolio holding such obligation would suffer a loss to the extent that the proceeds from a sale of the underlying portfolio securities were less than the repurchase price under the agreement, or to the extent that the disposition of such securities by the Portfolio were delayed pending court action. Additionally, there is no controlling legal precedent under U.S. law and there may be no controlling legal precedents under the laws of certain foreign jurisdictions confirming that a Portfolio would be entitled, as against a claim by such seller or its receiver or trustee in bankruptcy, to retain the underlying securities. However, with respect to repurchase agreements subject to U.S. law, the Board of Trustees of the Trust believes that, under the regular procedures normally in effect for custody of a Portfolio's securities subject to repurchase agreements and under federal laws, a court of competent jurisdiction would rule in favor of the Trust if presented with the question. Securities subject to repurchase agreements will be held by the Trust's custodian or another qualified custodian or in the Federal Reserve/Treasury book-entry system. Repurchase agreements are considered by the SEC to be loans by a Portfolio under the 1940 Act.

> Repurchase Agreement Counterparties. Repurchase counterparties include Federal Reserve member banks with assets in excess of $1 billion and registered broker dealers which Banc One Investment Advisors deems creditworthy under guidelines approved by the Board of Trustees.

REVERSE REPURCHASE AGREEMENTS

Portfolios may borrow money for temporary purposes by entering into reverse repurchase agreements. Under these agreements, a Portfolio would sell portfolio securities to financial institutions such as banks and broker-dealers, and agree to repurchase them at a mutually agreed-upon date and price. A Portfolio would enter into reverse repurchase agreements only to avoid otherwise selling securities during unfavorable market conditions to meet redemptions. At the time a Portfolio entered into a reverse repurchase agreement, it would establish a segregated custodial account. The Portfolio would deposit assets (such as cash or liquid securities) that have a value equal to the repurchase price (including accrued interest). The Portfolio would monitor the account to ensure that such equivalent value was maintained. Reverse repurchase agreements involve the risk that the market value of the securities sold by a Portfolio may decline below the price at which the Portfolio is obligated to repurchase the securities. Reverse repurchase agreements are considered by the SEC to be borrowings by a Portfolio under the 1940 Act.

RESTRICTED SECURITIES

The Portfolios may invest in commercial paper issued in reliance on the exemption from registration afforded by Section 4(2) of the Securities Act of 1933 and other restricted securities. Section 4(2) commercial paper is restricted as to disposition under federal securities law and is

generally sold to institutional investors, such as the Portfolios, who agree that they are purchasing the paper for investment purposes and not with a view to public distribution. Any resale by the purchaser must be in an exempt transaction. Section 4(2) commercial paper is normally resold to other institutional investors like the Portfolios through or with the assistance of the issuer or investment dealers who make a market in Section 4(2) commercial paper, thus providing liquidity. The Portfolios believe that Section 4(2) commercial paper and possibly certain other restricted securities which meet the criteria for liquidity established by the Trustees are quite liquid. The Portfolios intend, therefore, to treat restricted securities that meet the liquidity criteria established by the Board of Trustees, including Section 4(2) commercial paper and Rule 144A Securities, as determined by Banc One Investment Advisors, as liquid and not subject to the investment limitation applicable to illiquid securities.

The ability of the Trustees to determine the liquidity of certain restricted securities is permitted under a SEC Staff position set forth in the adopting release for Rule 144A under the Securities Act of 1933 ("Rule 144A"). Rule 144A is a nonexclusive safe-harbor for certain secondary market transactions involving securities subject to restrictions on resale under federal securities laws. Rule 144A provides an exemption from registration for resales of otherwise restricted securities to qualified institutional buyers. Rule 144A was expected to further enhance the liquidity of the secondary market for securities eligible for resale. The Portfolios believe that the Staff of the SEC has left the question of determining the liquidity of all restricted securities to the Trustees. The Trustees have directed Banc One Investment Advisors to consider the following criteria in determining the liquidity of certain restricted securities:

- the frequency of trades and quotes for the security;

- the number of dealers willing to purchase or sell the security and the number of other potential buyers;

- dealer undertakings to make a market in the security; and

- the nature of the security and the nature of the marketplace trades.

Certain Section 4(2) commercial paper programs cannot rely on Rule 144A because, among other things, they were established before the adoption of the rule. However, the Trustees may determine for purposes of the Trust's liquidity requirements that an issue of 4(2) commercial paper is liquid if the following conditions, which are set forth in a 1994 SEC no-action letter, are met:

- The 4(2) paper must not be traded flat or in default as to principal or interest;

- The 4(2) paper must be rated in one of the two highest rating categories by a least two NRSROs, or if only one NRSRO rates the security, by that NRSRO, or if unrated, is determined by Banc One Investment Advisors to be of equivalent quality; and

- Banc One Investment Advisors must consider the trading market for the specific security, taking into account all relevant factors, including but not limited, to whether the paper is the subject of a commercial paper program that is administered by an issuing and paying agent bank and for which there exists a dealer willing to make a market in that paper, or is administered by a direct issuer pursuant to a direct placement program; and

- Banc One Investment Advisors shall monitor the liquidity of the 4(2) commercial paper purchased and shall report to the Board of Trustees promptly if any such securities are no longer determined to be liquid. If such determination causes a Portfolio to hold more than 15% of its net assets in illiquid securities, the Board of Trustees shall consider what action, if any, should be taken on behalf of the Trust, unless Banc One Investment Advisors is able to dispose of illiquid assets in an orderly manner in an amount that reduces the Portfolio's holdings of illiquid assets to less than 15% of its net assets; and

- Banc One Investment Advisors shall report to the Board of Trustees on the appropriateness of the purchase and retention of liquid restricted securities under these Guidelines no less frequently that quarterly.

SECURITIES LENDING

To generate additional income, each of the Portfolios may lend up to 33 1/3% of the securities in which they are invested pursuant to agreements requiring that the loan be continuously secured by collateral equal at all times to at least 100% of the market value plus accrued interest on the securities lent. Collateral may include cash, securities of the U.S. government or its agencies, shares of an investment trust or mutual fund, letters of credit or any combination of such collateral. The Portfolios will continue to receive interest on the securities lent while simultaneously seeking to earn interest on the investment of cash collateral in U.S. government securities, shares of an investment trust or mutual fund, commercial paper, repurchase agreements, variable and floating rate instruments, restricted securities, asset-backed securities, and the other types of investments permitted by the applicable Portfolio's prospectus. Collateral is marked to market daily to provide a level of collateral at least equal to the market value of the securities lent. There may be risks of delay in recovery of the securities or even loss of rights in the collateral should the borrower of the securities fail financially. However, loans will only be made to borrowers deemed by Banc One Investment Advisors to be of good standing under guidelines established by the Trust's Board of Trustees and when, in the judgment of Banc One Investment Advisors, the consideration which can be earned currently from such securities loans justifies the attendant risk. Loans are subject to termination by the Portfolios or the borrower at any time, and are therefore, not considered to be illiquid investments.

SHORT-TERM FUNDING AGREEMENTS

To enhance yield, the Bond Portfolio maymake limited investments in short-term funding agreements issued by banks and highly rated U.S. insurance companies. Short-term funding agreements issued by insurance companies are sometimes referred to as Guaranteed Investment Contracts ("GICs"), while those issued by banks are referred to as Bank Investment Contracts ("BICs"). Pursuant to these agreements, the Portfolio makes cash contributions to a deposit account at a bank or insurance company. The bank or insurance company then credits to the Portfolio on a monthly basis guaranteed interest at either a fixed, variable or floating rate. These contracts are general obligations of the issuing bank or insurance company (although they may be the obligations of an insurance company separate account) and are paid from the general assets of the issuing entity.

The Portfolio will purchase short-term funding agreements only from banks and insurance companies which, at the time of purchase, are rated in one of the three highest rating categories and have assets of $1 billion or more. Generally, there is no active secondary market in short-term funding agreements. Therefore, short-term funding agreements may be considered by the Portfolio to be illiquid investments. To the extent that a short-term funding agreement is determined to be illiquid, such agreements will be acquired by the Portfolio only if, at the time of purchase, no more than 15% of the Portfolio's net assets will be invested in short-term funding agreements and other illiquid securities.

SPDRs

The Equity Portfolios (except for the Diversified Mid Cap Portfolio) may invest in Standard & Poor's Depository Receipts ("SPDRs"). SPDRs are interests in unit investment trusts. These investment trusts invest in a securities portfolio that includes substantially all of the common stocks (in substantially the same weights) as the common stocks included in a particular Standard & Poor's Index such as the S&P 500. SPDRs are traded on the American Stock Exchange, but may not be redeemed. The results of SPDRs will not match the performance of the designated S&P Index due to reductions in the SPDRs' performance attributable to transaction and other expenses, including fees paid by the SPDR to service providers. SPDRs distribute dividends on a quarterly basis.

SPDRs are not actively managed. Rather, a SPDR's objective is to track the performance of a specified index. Therefore, securities may be purchased, retained and sold by SPDRs at times when an actively managed trust would not do so. As a result, you can expect greater risk of loss (and a correspondingly greater prospect of gain) from changes in the value of securities that are heavily weighted in the index than would be the case if SPDR was not fully invested in such securities. Because of this, a SPDR's price can be volatile, and a Portfolio may sustain sudden, and sometimes substantial, fluctuations in the value of its investment in SPDRs.

A Portfolio will limit its investments in SPDRs to 5% of the Portfolio's total assets and 3% of the outstanding voting securities of the SPDRs issuer. Moreover, a Portfolio's investments in SPDRs will not exceed 10% of the Portfolio's total assets, when aggregated with all other investments in investment companies.

STRUCTURED INSTRUMENTS

Structured instruments are debt securities issued by agencies of the U.S. government (such as Ginnie Mae, Fannie Mae, and Freddie Mac), banks, corporations, and other business entities whose interest and/or principal payments are indexed to certain specific foreign currency exchange rates, interest rates, or one or more other reference indices. Structured instruments frequently are assembled in the form of medium-term notes, but a variety of forms are available and may be used in particular circumstances. Structured instruments are commonly considered to be derivatives.

The terms of structured instruments provide that their principal and/or interest payments are adjusted upwards or downwards to reflect changes in the reference index while the structured instruments are outstanding. In addition, the reference index may be used in determining when the principal is redeemed. As a result, the interest and/or principal payments that may be made on a structured product may vary widely, depending on a variety of factors, including the volatility of the reference index and the effect of changes in the reference index on principal and/or interest payment.

While structured instruments may offer the potential for a favorable rate of return from time to time, they also entail certain risks. Structured instruments may be less liquid than other debt securities, and the price of structured instruments may be more volatile. If the value of the reference index changes in a manner other than that expected by Banc One Investment Advisors, principal and/or interest payments on the structured instrument may be substantially less than expected. In addition, although structured instruments may be sold in the form of a corporate debt obligation, they may not have some of the protection against counterparty default that may be available for publicly traded debt securities (i.e., the existence of a trust indenture). In that case, the risks of default associated with structured instruments may be similar to those associated with swap contracts. See "Swaps, Caps and Floors."

The Portfolios will invest only in structured securities that are consistent with each Portfolio's investment objective, policies and restrictions and Banc One Investment Advisors' outlook on market conditions. In some cases, depending on the terms of the reference index, a structured instrument may provide that the principal and/or interest payments may be adjusted below zero; however, a Portfolio will not invest in structured instruments if the terms of the structured instrument provide that the Portfolio may be obligated to pay more than its initial investment in the structured instrument, or to repay any interest or principal that has already been collected or paid back.

Structured instruments that are registered under the federal securities laws may be treated as liquid. However, many structured instruments may not be registered under the federal securities laws. In that event, a Portfolio's ability to resell such a structured instrument may be more limited than its ability to resell other Portfolio securities. The Portfolio will treat these instruments as illiquid, and will limit its investments in these instruments to no more than 15% of its net assets, when combined with all other illiquid investments of the Portfolio.

SWAPS, CAPS AND FLOORS

The Portfolios may enter into swaps, caps, (collectively, "Swap Contracts") and floors on various securities (such as U.S. government securities), securities indexes, interest rates, prepayment rates, foreign currencies or other financial instruments or indexes, in order to protect the value of the Portfolio from interest rate fluctuations and to hedge against fluctuations in the floating rate market in which the Portfolio's investments are traded, for both hedging and non-hedging purposes. The Portfolios may enter into these transactions to manage their exposure to changing interest rates and other market factors. Some transactions may reduce each Portfolio's exposure to market fluctuations while others may tend to increase market exposure. Although different from options, futures and options on futures, swap contracts are used by the Portfolios for similar purposes (i.e., risk management and hedging) and therefore, expose the

Portfolios to generally the same risks and opportunities as these investments.

Swap contracts typically involve an exchange of obligations by two sophisticated parties. For example, in an interest rate swap, the Portfolio may exchange with another party their respective rights to receive interest, such as an exchange of fixed rate payments for floating rate payments.

Currency swaps involve the exchange of respective rights to make or receive payments in specified currencies. Mortgage swaps are similar to interest rate swaps in that they represent commitments to pay and receive interest. The notional principal amount, however, is tied to a reference pool or pools of mortgages.

Caps and floors are variations on swaps. The purchase of a cap entitles the purchaser to receive a principal amount from the party selling the cap to the extent that a specified index exceeds a predetermined interest rate or amount. The purchase of an interest rate floor entitles the purchaser to receive payments on a notional principal amount from the party selling the floor to the extent that a specified index falls below a predetermined interest rate or amount. Caps and floors are similar in many respects to over-the-counter options transactions, and may involve investment risks that are similar to those associated with options transactions and options on futures contracts.

Because swap contracts are individually negotiated, they remain the obligation of the respective counterparties, and there is a risk that a counterparty will be unable to meet its obligations under a particular swap contract. If a counterparty defaults on a swap contract with a Portfolio, the Portfolio may suffer a loss. To address this risk, each Portfolio will usually enter into interest rate swaps on a net basis, which means that the two payment streams (one from the Portfolio to the counterparty, one to the Portfolio from the counterparty) are netted out, with the Portfolio receiving or paying, as the case may be, only the net amount of the two payments.

Interest rate swaps do not involve the delivery of securities, other underlying assets, or principal, except for the purposes of collateralization as discussed below. Accordingly, the risk of loss with respect to interest rate swaps entered into on a net basis would be limited to the net amount of the interest payments that the Portfolio is contractually obligated to make. If the other party to an interest rate swap defaults, the Portfolio's risk of loss consists of the net amount of interest payments that a Portfolio is contractually entitled to receive. In addition, the Portfolio may incur a market value adjustment on securities held upon the early termination of the swap. To protect against losses related to counterparty default, the Portfolios may enter into swaps that require transfers of collateral for changes in market value.

In contrast, currency swaps and other types of swaps may involve the delivery of the entire principal value of one designated currency or financial instrument in exchange for the other designated currency or financial instrument. Therefore, the entire principal value of such swaps may be subject to the risk that the other party will default on its contractual delivery obligations.

In addition, because swap contracts are individually negotiated and ordinarily non-transferable, there also may be circumstances in which it would be impossible for a Portfolio to close out its obligations under the swap contract prior to its maturity. Under these circumstances, the Portfolio might be able to negotiate another swap contract with a different counterparty to offset the risk associated with the first swap contract. Unless the Portfolio is able to negotiate such an offsetting swap contract, however, the Portfolio could be subject to continued adverse developments, even after Banc One Investment Advisors determines that it would be prudent to close out or offset the first swap contract.

The Portfolios will not enter into any mortgage swap, interest rate swap, cap or floor transaction unless the unsecured commercial paper, senior debt, or the claims paying ability of the other party thereto is rated in one of the top two rating categories by at least one NRSRO, or if unrated, determined by Banc One Investment Advisors to be of comparable quality.

The use of swaps involves investment techniques and risks different from and potentially greater than those associated with ordinary Portfolio securities transactions. If Banc One Investment Advisors is incorrect in its expectations of market values, interest rates, or currency exchange rates, the investment performance of the Portfolios would be less favorable than it would have been if this investment technique were not used. In addition, in certain circumstances entry into a swap contract that substantially eliminates risk of loss and the opportunity for gain in an "appreciated financial position" will accelerate gain to the Portfolios.

The Staff of the SEC is presently considering its position with respect to swaps, caps and floors as senior securities. Pending a determination by the Staff, the Portfolios will either treat swaps, caps and floors as being subject to their senior securities restrictions or will refrain from engaging in swaps, caps and floors. Once the Staff has expressed a position with respect to swaps, caps and floors, the Portfolios intend to engage in swaps, caps and floors, if at all, in a manner

consistent with such position. To the extent the net amount of an interest rate or mortgage swap is held in a segregated account, consisting of cash or liquid, high grade debt securities, the Portfolios and Banc One Investment Advisors believe that swaps do not constitute senior securities under the Investment Company Act of 1940 and, accordingly, will not treat them as being subject to each Portfolio's borrowing restrictions. The net amount of the excess, if any, of each Portfolio's obligations over its entitlements with respect to each interest rate swap will be accrued on a daily basis and an amount of cash or liquid securities having an aggregate net asset value at least equal to the accrued excess will be maintained in a segregated account by the Portfolios' Custodian. The Bond Portfolios generally will limit their investments in swaps, caps and floors to 25% of their total assets.

TREASURY RECEIPTS

The Portfolios may purchase interests in separately traded interest and principal component parts of U.S. Treasury obligations that are issued by banks or brokerage firms and are created by depositing U.S. Treasury notes and U.S. Treasury bonds into a special account at a custodian bank. Receipts include:

- Treasury Receipts ("TRS"),

- Treasury Investment Growth Receipts ("TIGRS"), and

- Certificates of Accrual on Treasury Securities ("CATS").

U.S. TREASURY OBLIGATIONS

The Portfolios may invest in bills, notes and bonds issued by the U.S. Treasury and separately traded interest and principal component parts of those obligations that are transferable through the Federal book-entry system known as Separately Traded Registered Interest and Principal Securities ("STRIPS") and Coupon Under Book Entry Safekeeping ("CUBES"). The Portfolios may also invest in Inflation Indexed Treasury Obligations.

VARIABLE AND FLOATING RATE INSTRUMENTS

Certain obligations purchased by the Portfolios may carry variable or floating rates of interest, may involve a conditional or unconditional demand feature and may include variable amount master demand notes.

VARIABLE AMOUNT MASTER DEMAND NOTES are demand notes that permit the indebtedness thereunder to vary and provide for periodic adjustments in the interest rate according to the terms of the instrument. Because master demand notes are direct lending arrangements between a Portfolio and the issuer, they are not normally traded. Although there is no secondary market in the notes, a Portfolio may demand payment of principal and accrued interest. While the notes are not typically rated by credit rating agencies, issuers of variable amount master demand notes (which are normally manufacturing, retail, financial, brokerage, investment banking and other business concerns) must satisfy the same criteria as set forth above for commercial paper. Banc One Investment Advisors will consider the earning power, cash flow, and other liquidity ratios of the issuers of such notes and will continuously monitor their financial status and ability to meet payment on demand. In determining average weighted portfolio maturity, a variable amount master demand note will be deemed to have a maturity equal to the period of time remaining until the principal amount can be recovered from the issuer through demand.

The Portfolios, subject to their investment objective policies and restrictions, may acquire VARIABLE AND FLOATING RATE INSTRUMENTS. A variable rate instrument is one whose terms provide for the adjustment of its interest rate on set dates and which, upon adjustment, can reasonably be expected to have a market value that approximates its par value. A floating rate instrument is one whose terms provide for the adjustment of its interest rate whenever a specified interest rate changes and which, at any time, can reasonably be expected to have a market value that approximates its par value. These instruments are frequently not rated by credit rating agencies; however, unrated variable and floating rate instruments purchased by a Portfolio will be determined by Banc One Investment Advisors under guidelines established by the Trust's Board of Trustees to be of comparable quality at the time of purchase to rated instruments eligible for purchase under the

Portfolio's investment policies. In making these determinations, Banc One Investment Advisors will consider the earning power, cash flow and other liquidity ratios of the issuers of these instruments (these issuers include financial, merchandising, bank holding and other companies) and will continuously monitor their financial condition. There may be no active secondary market with respect to a particular variable or floating rate instrument purchased by a Portfolio. The absence of an active secondary market, could make it difficult for the Portfolio to dispose of the variable or floating rate instrument involved in the event the issuer of the instrument defaulted on its payment obligations, and the Portfolio could, for this or other reasons, suffer a loss to the extent of the default. Variable or floating rate instruments may be secured by bank letters of credit or other assets. A Portfolio will purchase a variable or floating rate instrument to facilitate portfolio liquidity or to permit investment of the Portfolio's assets at a favorable rate of return.

LIMITATIONS ON THE USE OF VARIABLE AND FLOATING RATE NOTES. Variable and floating rate instruments for which no readily available market exists will be purchased in an amount which, together with securities with legal or contractual restrictions on resale or for which no readily available market exists (including repurchase agreements providing for settlement more than seven days after notice), exceeds 15% of the Portfolio's net assets only if these instruments are subject to a demand feature that will permit the Portfolio to demand payment of the principal within seven days after demand by the Portfolio. There is no limit on the extent to which a Portfolio may purchase demand instruments that are not illiquid. If not rated, these instruments must be found by Banc One Investment Advisors under guidelines established by the Trust's Board of Trustees, to be of comparable quality to instruments that are rated high quality. A rating may be relied upon only if it is provided by a nationally recognized statistical rating organization that is not affiliated with the issuer or guarantor of the instruments. For a description of the rating symbols of S&P, Moody's, and Fitch used in this paragraph, see the Appendix.

WARRANTS

Warrants are securities, typically issued with preferred stock or bonds, that give the holder the right to buy a proportionate amount of common stock at a specified price, usually at a price higher than the market price at the time of issuance of the warrant. The right may last for a period of years or indefinitely.

WHEN-ISSUED SECURITIES AND FORWARD COMMITMENTS

The Portfolios may purchase securities on a "when-issued" and forward commitment basis. When a Portfolio agrees to purchase securities, the Portfolio's custodian will set aside cash or liquid portfolio securities equal to the amount of the commitment in a separate account. The Portfolios may purchase securities on a when-issued basis when deemed by Banc One Investment Advisors to present attractive investment opportunities. When-issued securities are purchased for delivery beyond the normal settlement date at a stated price and yield, thereby involving the risk that the yield obtained will be less than that available in the market at delivery. The Portfolios generally will not pay for these securities or earn interest on them until received. Although the purchase of securities on a when-issued basis is not considered to be leveraging, it has the effect of leveraging. When Banc One Investment Advisors purchases a when-issued security, the Custodian will set aside cash or liquid securities to satisfy the purchase commitment. In this case, a Portfolio may be required subsequently to place additional assets in the separate account to assure that the value of the account remains equal to the amount of the Portfolio's commitment. The Portfolio's net assets may fluctuate to a greater degree when it sets aside portfolio securities to cover purchase commitments than when it sets aside cash. In addition, when a Portfolio engages in "when-issued" transactions, it relies on the seller to complete the trade. Failure of the seller to do so may result in the Portfolio's incurring a loss or missing the opportunity to obtain a price considered to be advantageous.

In a forward commitment transaction, the Portfolios contract to purchase securities for a fixed price at a future date beyond customary settlement time. The Portfolios are required to hold and maintain in a segregated account until the settlement date, cash, U.S. government securities or liquid high-grade debt obligations in an amount sufficient to meet the purchase price. Alternatively, the Portfolios may enter into offsetting contracts for the forward sale of other securities that they own. The purchase of securities on a when-issued or forward commitment basis involves a risk of loss if the value of the security to be purchased declines prior to the settlement date.

Limitations on the Use of When Issued Securities and Forward Commitments. No Portfolio intends to purchase "when-issued" securities for speculative purposes but only for the purpose of

acquiring portfolio securities. Because a Portfolio will set aside cash or liquid portfolio securities to satisfy its purchase commitments in the manner described, the Portfolio's liquidity and the ability of Banc One Investment Advisors to manage the Portfolio might be affected in the event its commitments to purchase when-issued securities ever exceeded 40% of the value of its assets. Commitments to purchase when-issued securities will not, under normal market conditions, exceed 25% of a Portfolio's total assets, and a commitment will not exceed 90 days. A Portfolio may dispose of a when-issued security or forward commitment prior to settlement if Banc One Investment Advisors deems it appropriate to do so.

INVESTMENT RESTRICTIONS

The following investment restrictions are "fundamental policies" of each Portfolio. The investment objectives of each Portfolio (which can be found in response to the first question in each of the Risk/Return Summaries) are also "fundamental policies." Fundamental policies cannot be changed with respect to a Portfolio without the consent of the holders of a majority of the Portfolio's outstanding shares. The term "majority of the outstanding shares" means the vote of (i) 67% or more of the Portfolio's shares present at a meeting, if more than 50% of the outstanding shares of the Portfolio are present or represented by proxy, or (ii) more than 50% of the Portfolio's outstanding shares, whichever is less.

Each Portfolio may not:

1. Purchase securities of any issuer (except securities issued or guaranteed by the United States, its agencies or instrumentalities and repurchase agreements involving such securities) if as a result more than 5% of the total assets of the Portfolio would be invested in the securities of such issuer or the Portfolio would own more than 10% of the outstanding voting securities of such issuer. This restriction applies to 75% of the Portfolio's assets. For purposes of this limitation, a security is considered to be issued by the government entity whose assets and revenues guarantee or back the security. With respect to private activity bonds or industrial development bonds backed only by the assets and revenues of a nongovernmental user, such user would be considered the issuer.

2. Purchase any securities which would cause more than 25% of the total assets of the Portfolio to be invested in the securities of one or more issuers conducting their principal business activities in the same industry, provided that this limitation does not apply to investments in the obligations issued or guaranteed by the U.S. Government or its agencies and instrumentalities and repurchase agreements involving such securities. For purposes of this limitation (i) utility companies will be divided according to their services, for example, gas, gas transmission, electric and telephone will each be considered a separate industry; and (ii) wholly-owned finance companies will be considered to be in the industries of their parents if their activities are primarily related to financing the activities of their parents.

3. Make loans, except that a Portfolio may (i) purchase or hold debt instruments in accordance with its investment objectives and policies; (ii) enter into repurchase agreements; and (iii) engage in securities lending as described in the Prospectus and in the Statement of Additional Information.

4. Purchase securities on margin or sell securities short.

5. Underwrite the securities of other issuers except to the extent that a Portfolio may be deemed to be an underwriter under certain securities laws in the disposition of "restricted securities."

6. Purchase or sell commodities or commodity contracts, except that the Portfolios may purchase or sell financial futures contracts for bona fide hedging and other permissible purposes.

7. Purchase participations or other direct interests in oil, gas or mineral exploration or development programs (although investments by the Portfolios in marketable securities of companies engaged in such activities are not hereby precluded).

8. Invest in any issuer for purposes of exercising control or management.

9. Purchase securities of other investment companies except as permitted by the Investment Company Act of 1940 and the rules and regulations thereunder.

10. Purchase or sell real estate (however, each Portfolio may, to the extent appropriate to its investment objective, purchase securities secured by real estate or interests therein or securities issued by companies investing in real estate or interests therein).

11. Borrow money or issue senior securities, except that each Portfolio may borrow from banks or enter into reverse repurchase agreements for temporary purposes in amounts up to 10% of the value of its total assets at the time of such borrowing; or mortgage, pledge, or hypothecate any assets, except in connection with any such borrowing and in amounts not in excess of the lesser of

the dollar amounts borrowed or 10% of the value of the Portfolio's total assets at the time of its borrowing. A Portfolio will not purchase securities while its borrowings (including reverse repurchase agreements) in excess of 5% of its total assets are outstanding. The foregoing percentages will apply at the time of the purchase of a security.

The Balanced Portfolio, the Government Bond Portfolio, the Large Cap Growth Portfolio, the Mid Cap Growth Portfolio, and the Equity Index Portfolio may not participate on a joint or joint and several basis in any securities trading account.

The following investment restrictions are non-fundamental except as noted otherwise and therefore can be changed by the Board of Trustees without prior shareholder approval.

No Portfolio may invest in illiquid securities in an amount exceeding, in the aggregate, 15% of the Portfolio's net assets. An illiquid security is a security which cannot be disposed of promptly (within seven days) and in the usual course of business without a loss, and includes repurchase agreements maturing in excess of seven days, time deposits with a withdrawal penalty, non-negotiable instruments and instruments for which no market exists.

The foregoing percentages apply at the time of purchase of a security. Banc One Investment Advisors Corporation shall report to the Board of Trustees promptly if any of a Portfolio's investments are no longer determined to be liquid or if the market value of Portfolio assets has changed if such determination or change causes a Portfolio to hold more than 15% of its net assets in illiquid securities in order for the Board of Trustees to consider what action, if any, should be taken on behalf of the Trust, unless Banc One Investment Advisors is able to dispose of illiquid assets in an orderly manner in an amount that reduces the Portfolio's holdings to less than 15% of its net assets.

PORTFOLIO TURNOVER

The portfolio turnover rate for each Portfolio is calculated by dividing the lesser of purchases or sales of portfolio securities for the year by the monthly average value of the portfolio securities. The calculation excludes all securities whose maturities at the time of acquisition were one year or less. The Portfolio turnover rates for the years ended December 31, 1998 and 1997 for the following Portfolios were as follows:

<TABLE>
<CAPTION>

Portfolio	1997	1998
Government Bond Portfolio	21.3%	40.4%
Balanced Portfolio	60.9%	32.1%
Large Cap Growth Portfolio	34.4%	61.0%
Mid Cap Growth Portfolio	175.6%	87.7%
Equity Index Portfolio	NA*	2.3%**

</TABLE>

*The Equity Index Portfolio began operations on May 1, 1998.

**not annualized

The higher portfolio rates for the Mid Cap Growth Portfolio was the result of a conscience shift into larger capitalization issuers and the volatility in small and mid capitalization technology stocks.

The Portfolio turnover rates for the years ended December 31, 1998 and 1997 for the Predecessor Funds of the Bond Fund, the Diversified Mid Cap Portfolio, the Mid Cap Value Portfolio, and the Diversified Equity Portfolio were as follows:

<TABLE>
<CAPTION>

Portfolio	1997	1998
Bond Portfolio	14.8%	14.5%

Diversified Mid Cap Portfolio	80.7%	26.2%

</TABLE>

Mid Cap Value Portfolio	19.6%	39.3%
Diversified Equity Portfolio	31.1%	43.2%

Higher turnover rates will generally result in higher brokerage expenses. Portfolio turnover may vary greatly from year to year as well as within a particular year.

ADDITIONAL TAX INFORMATION CONCERNING THE PORTFOLIOS

It is the policy of each Portfolio to meet the requirements necessary to qualify as a "regulated investment company" under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). By following such policy, each Portfolio expects to eliminate or reduce to a nominal amount the federal income taxes to which it may be subject.

In order to qualify as a regulated investment company, each Portfolio must, among other things, (1) derive at least 90% of its gross income from dividends, interest, payments with respect to securities loans, and gains from the sale or other disposition of stock or securities, foreign currencies or other income (including gains from options, futures or forward contracts) derived with respect to its business of investing in stock, securities or currencies, and (2) diversify its holdings so that at the end of each quarter of its taxable year (i) at least 50% of the market value of the Portfolio's assets is represented by cash or cash items, United States Government securities, securities of other regulated investment companies, and other securities limited, in respect of any one issuer, to an amount not greater than 5% of the value of the Portfolio's total assets and 10% of the outstanding voting securities of such issuer, and (ii) not more than 25% of the value of its total assets is invested in the securities of any one issuer (other than United States Government securities or the securities of other regulated investment companies) or of two or more issuers that the Portfolio controls and that are engaged in the same, similar, or related trades or businesses. These requirements may limit the range of the Portfolio's investments. If a Portfolio qualifies as a regulated investment company, it will not be subject to federal income tax on the part of its income distributed to shareholders, provided the Portfolio distributes during its taxable year at least (a) 90% of its investment company taxable income, and (b) 90% of the excess of (i) its tax-exempt interest income less (ii) certain deductions attributable to that income. Each Portfolio intends to make sufficient distributions to Shareholders to meet this requirement.

For a discussion of the tax consequences of variable annuity contracts, refer to the prospectuses of the separate accounts offering variable life and variable annuity contracts as they may be applicable to your situation. Variable annuity contracts purchased through insurance company separate accounts provide for the accumulation of all earnings from interest, dividends, and capital appreciation without current federal income tax liability for the owner. Depending on the variable annuity contract, distributions from the contract may be subject to ordinary income tax and, in addition, on distributions before age 59 1/2, a 10% penalty tax. Only the portion of a distribution attributable to income on the investment in the contract is subject to federal income tax. Investors should consult with competent tax advisors for a more complete discussion of possible tax consequences in a particular situation.

The Code imposes a non-deductible excise tax on regulated investment companies that do not distribute in each calendar year (regardless of whether they otherwise have a non-calendar taxable year) an amount equal to 98% of their "ordinary income" (as defined) for the calendar year plus 98% of their "capital gain net income" (as defined) for the 1-year period ending on October 31 of such calendar year. The balance, if any, of such income must be distributed during the next calendar year. If distributions during a calendar year were less than the required amount, a particular Portfolio would be subject to a non-deductible excise tax equal to 4% of the deficiency. A Portfolio is exempt from this excise tax if at all times during the calendar year each shareholder in the Portfolio was either a trust described in Section 401(a) of the Code and exempt from tax under section 501(a) of the Code or a segregated asset account of a life insurance company held in connection with variable contracts.

Section 817(h) of the Code imposes certain diversification standards on the underlying assets of variable annuity contracts held in the Portfolios. The Code provides that a variable annuity contract shall not be treated as an annuity contract for any period (and any subsequent period) for which the investments are not, in accordance with regulations prescribed by the Treasury Department, adequately diversified. Disqualification of the variable annuity contract as an annuity contract would result in immediate imposition of federal income tax on variable annuity contract owners with respect to earnings allocable to the contract. This liability would generally arise prior to the receipt of payments under the contract. Section 817(h)(2) of the Code is a safe harbor provision which provides that variable annuity contracts meet the diversification requirements if, as of the close of each quarter, the underlying assets meet the diversification standards for a regulated investment company and no more than fifty-five percent (55%) of the total assets consists of cash, cash items, U.S. Government securities and securities of other regulated investment companies.

The Treasury Department has issued Regulations (Treas. Reg. 1.817-5), that establish diversification requirements for the investment portfolios underlying variable annuity contracts. The Regulations amplify the diversification requirements for variable annuity contracts set forth in Section 817(h) of the Code and provide an alternative to the safe harbor provision described above. Under the Regulations, an investment portfolio will be deemed adequately diversified if (i) no more than 55 percent of the value of the total assets of the portfolio is represented by any one investment; (ii) no more than 70 percent of such value is represented by any two investments; (iii) no more than 80 percent of such value is represented by any three investments; and (iv) no more than 90 percent of such value is represented by any four investments. For purposes of these Regulations all securities of the same issuer, all interests in the same real estate project and all interests in the same commodity are treated as a single investment. The Code provides that for purposes of determining whether or not the diversification standards imposed on the underlying assets of variable annuity contracts by Section 817(h) of the Code have been met, "each United States government agency or instrumentality shall be treated as a separate issuer."

Treasury regulations provide that a variable annuity contract will be able to look through to the assets held by a Portfolio for the purpose of meeting the diversification test if the Portfolio meets certain requirements. Each Portfolio will be managed in such a manner as to comply with the diversification requirements and to allow the variable annuity contracts to be treated as owning a proportionate share of such Portfolio's assets. It is possible that in order to comply with the diversification requirements, less desirable investment decisions may be made which would affect the investment performance of such Portfolio.

The above discussion of the federal income tax treatment of the Portfolios assumes that all the insurance company accounts holding shares of a Portfolio are either segregated asset accounts underlying variable contracts as defined in Section 817(d) of the Code or the general account of a life insurance company as defined in Section 816 of the Code. Additional tax consequences may apply to holders of variable contracts investing in a Portfolio if any of those contracts are not treated as annuity, endowment or life insurance contracts.

VALUATION

VALUATION OF THE PORTFOLIOS

Securities traded on a national securities exchange are valued at the last quoted sale price on the principal exchange, or if no sale, at their fair value as determined in good faith under consistently applied procedures authorized by the Board of Trustees. Securities traded only in the over-the-counter (OTC) market are valued at the last quoted sale price, or if there is no sale, at the quoted bid price provided by an independent pricing agent. Corporate debt securities and debt securities of U.S. issuers, including municipal securities, are valued by a combination of daily quotes and matrix evaluations provided by dealers or by an independent pricing service approved by the Board of Trustees. Inactive securities that have little or no trading activity are evaluated by the independent pricing services by obtaining dealer quotes. Futures contracts and options thereon traded on a commodities exchange or board of trade are valued at the last sales price at the close of trading, or if there was no sale, the quoted bid price at the close of trading. Securities for which reliable market quotations are not readily available or for which the pricing agent does not provide a valuation that in the judgment of the Portfolio's investment adviser, represents fair value, shall each be valued in accordance with procedures authorized by the Board of Trustees.

The Portfolios may invest in repurchase agreements with institutions that the investment advisor has determined are creditworthy. Each repurchase agreement is recorded at cost. The value of a foreign security is determined in its national currency as of the close of trading on the foreign exchange or other principal market on which it is traded, which value is then converted into its U.S. Dollar equivalent at the foreign exchange rate reported by the independent pricing agent via WM/Reuters Forex as of the close of the London exchange.

ADDITIONAL INFORMATION REGARDING THE CALCULATION OF PER SHARE NET ASSET VALUE

The net asset value of each Portfolio is determined and its Shares are priced as of the times specified in the Portfolios' Prospectus. The net asset value per Share of each Portfolio is calculated by determining the value of the interest in the securities and other assets of the Portfolio, less liabilities and dividing such amount by the number of Shares of the Portfolio outstanding.

ADDITIONAL PURCHASE AND REDEMPTION INFORMATION

Shares of the Portfolios are sold continuously to insurance company separate accounts. The Portfolios may suspend the right of redemption or postpone the date of payment for Shares during any period when (a) trading on the New York Stock Exchange (the "Exchange") is restricted by applicable rules and regulations of the Securities and Exchange Commission, (b) the Exchange is closed for other than customary weekend and holiday closings, (c) the Securities and Exchange Commission has by order permitted such suspension, or (d) an emergency exists as determined by the Securities and Exchange Commission.

MANAGEMENT OF THE TRUST

TRUSTEES & OFFICERS

The Board of Trustees oversees the management and administration of the Portfolios. The Trustees are responsible for making major decisions about each Portfolio's investment objectives and policies, but delegate the day-to-day administration of the Portfolios to the officers of the Trust. There are currently five Trustees. The Trustees, in turn, elect the officers of the Portfolios.

The Trustees of the Portfolios, their addresses, ages and principal occupations during the past five years are set forth below.

<TABLE>
<CAPTION>

NAME AND ADDRESS	AGE	POSITION HELD WITH THE TRUST	PRINCIPAL OCCUPATION DURING THE PAST FIVE YEARS
<S>	<C>	<C>	<C>
Peter C. Marshall DCI Marketing, Inc. 2727 W. Good Hope Rd. Milwaukee, WI 53209	56	Trustee	From November, 1993 to present, President, DCI Marketing, Inc.
Charles I. Post 7615 4th Avenue West Bradenton, FL 34209	70	Trustee	From July, 1986 to present, self employed as a consultant.
Frederick W. Ruebeck Eli Lilly & Company Lilly Corporate Center 307 East McCarty Indianapolis, IN 46258	59	Trustee	From June, 1988 to present, Director of Investments, Eli Lilly and Company.
Robert A. Oden, Jr. Office of the President Ransom Hall	52	Trustee	From 1995 to present, President , Kenyon College; from 1989 to 1995, Headmaster, The Hotchkiss School.

</TABLE>

<TABLE>

<S>	<C>	<C>	<C>
Kenyon College Gambier , OH 43022			
*John F. Finn President Gardner, Inc. 1150 Chesapeake Ave. Columbus, Ohio 43212	51	Trustee	Since 1975, President of Gardner, Inc. (Wholesale distributor to outdoor power equipment industry)

</TABLE>

*John F. Finn is an "interested person" as that term is defined in the Investment Company Act of 1940.

The Trustees of the Portfolios receive fees and expenses for each meeting of the Board of Trustees attended. The Compensation Table on the next page sets forth the total compensation to the Trustees from the Trust for the fiscal year ended December 31, 1998.

COMPENSATION TABLE (1)

<TABLE>
<CAPTION>

NAME OF PERSON, POSITION	AGGREGATE COMPENSATION FROM THE PORTFOLIOS(2)	PENSION OR RETIREMENT BENEFITS ACCRUED AS PART OF PORTFOLIO EXPENSES	ESTIMATED ANNUAL BENEFITS UPON RETIREMENT	TOTAL COMPENSATION FROM THE PORTFOLIO COMPLEX
<S>	<C>	<C>	<C>	<C>
Peter C. Marshall, Trustee	$3000	NA	NA	$51,000
Charles I. Post, Trustee	$3000	NA	NA	$48,500
Frederick W. Ruebeck, Trustee(3)	$3000	NA	NA	$48,500
Robert A. Oden, Jr., Trustee	$3000	NA	NA	$48,500
John F. Finn, Trustee(4)	$1500	NA	NA	$24,500

</TABLE>

(1) "Portfolio Complex" comprises the 9 Portfolios of the Trust, as well as the Funds of The One Group(R) as of December 31, 1998 Compensation for the "Portfolio Complex" is for the fiscal year ended December 31, 1998.

(2) Pursuant to a Deferred Compensation Plan for Trustees of One Group Investment Trust (the "Plan") adopted at the November 19, 1998 Board of Trustee's meeting, the Trustees may defer all or a part of their compensation payable by the Trust. Under the Plan, the Trustees may specify Class I Shares (formerly fiduciary class shares) of one or more funds of The One Group to be used to measure the performance of a Trustee's deferred compensation account. A Trustee's deferred compensation account will be paid at such times as elected by the Trustee subject to certain mandatory payment provisions in the Plan (e.g., death of a Trustee).

(3) Includes $750 of deferred compensation.

(4) Includes $750 of deferred compensation.

The officers of the Portfolios receive no compensation directly from the Portfolios for performing the duties of their offices. The officers of the Trust, their addresses, ages and principal occupations during the past five years are shown below:

<TABLE>
<CAPTION>

NAME AND ADDRESS	AGE	POSITION(S) HELD WITH THE TRUST	PRINCIPAL OCCUPATION DURING PAST 5 YEARS
<S>	<C>	<C>	<C>
James F. Laird, Jr.* Three Nationwide Plaza Columbus, Ohio 43215	42	President and Treasurer	Mr. Laird was elected Vice President-General Manager of Nationwide Advisory Services, Inc., on April 5, 1995. Prior to being elected General Manager, Mr. Laird served as Treasurer of Nationwide Advisory Services, Inc. since November, 1987.
Karen R. Tackett* Three Nationwide Plaza Columbus, Ohio 43215	32	Vice President and Assistant Treasurer	Since August, 1998, Ms. Tackett has been Director Strategic Development of Nationwide Advisory Services, Inc. From March, 1996 until July, 1998, Ms. Tackett was Accounting Manager for Nationwide Advisory Services, Inc. Prior to that, Ms. Tackett was Audit Manager and held various other positions with PricewaterhouseCoopers LLP (formerly Coopers & Lybrand,

			L.L.P.)
Craig A. Carver* Three Nationwide Plaza Columbus, Ohio 43215	44	Vice President and Assistant Secretary	Mr. Carver has been Compliance Manager of Nationwide Advisory Services, Inc. since January, 1996. Prior to that time, Mr. Carver served as Financial Controls Manager of Nationwide Advisory Services, Inc.
Christopher A. Cray* Three Nationwide Plaza Columbus, Ohio 43215	40	Vice President and Secretary	Mr. Cray has been Treasurer of Nationwide Advisory Services, Inc. since September, 1997. Prior to that time he served as director-Corporate Accounting of Nationwide Insurance Enterprises.
H. Carl Juckett* Three Nationwide Plaza Columbus, Ohio 43215	43	Vice President and Assistant Treasurer	Mr. Juckett jointed Nationwide Advisory Services in July, 1998 as the manager of Fund Accounting. Prior to joining Nationwide, Mr. Juckett served as a vice president for BISYS Fund Services where he managed Fund Accounting during a four year period. Mr. Juckett also spent eleven years with Huntington Bancshares serving in a variety of positions related to investments, trust and broker/dealer activities.

</TABLE>

* All officers listed above are "interested persons" of the Portfolios as defined in the Investment Company Act of 1940.

INVESTMENT ADVISOR

Investment advisory services to each of the Portfolios are provided by Banc One Investment Advisors. Banc One Investment Advisors makes the investment decisions for the assets of the Portfolios and continuously reviews, supervises and administers the Portfolio's investment program, subject to the supervision of, and policies established by, the Trustees. The Portfolios' shares are not sponsored, endorsed or guaranteed by, and do not constitute obligations or deposits of any bank affiliate of Banc One Investment Advisors and are not insured by the FDIC or issued or guaranteed by the U.S. Government or any of its agencies.

As of December 31, 1998, Banc One Investment Advisors, an indirect wholly-owned subsidiary of BANK ONE CORPORATION, a bank holding company located in the state of Illinois, managed over $54 billion in assets. BANK ONE CORPORATION has affiliate banking organizations in Arizona, Colorado, Illinois, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Texas, Utah, West Virginia and Wisconsin. In addition, BANK ONE CORPORATION has several affiliates that engage in data processing, venture capital, investment and merchant banking, and other diversified services including trust management, investment management, brokerage, equipment leasing, mortgage banking, consumer finance, and insurance.

Banc One Investment Advisors represents a consolidation of the investment advisory staffs of a number of bank affiliates of BANK ONE CORPORATION, which have considerable experience in the management of open-end management investment company portfolios, including One Group (an open-end management investment company which offered units of beneficial interest in 34 separate Portfolios as of December 31, 1998, some of which have similar names as the Portfolios of the Trust and are managed similarly to such Portfolios) since 1985.

All investment advisory services are provided to the Portfolios by Banc One Investment Advisors pursuant to an investment advisory agreement dated August 1, 1994 (the "Advisory Agreement"). Unless sooner terminated, the Advisory Agreement will continue in effect until August 31, 1999, and will continue in effect as to a particular Portfolio from year to year thereafter if such continuance is approved at least annually by the Trust's Board of Trustees or by vote of a majority of the outstanding Shares of such Portfolio (as defined under "ADDITIONAL INFORMATION-- Miscellaneous" in this Statement of Additional Information), and a majority of the Trustees who are not parties to the respective investment advisory agreements or interested persons (as defined in the Investment Company Act of 1940) of any party to the respective investment advisory agreements by votes cast in person at a meeting called for such purpose. The Advisory Agreement may be terminated as to a particular Portfolio at any time on 60 days' written notice without penalty by:

1.___the Trustees,

2.___vote of a majority of the outstanding Shares of that Portfolio, or

3.___the Portfolio's Advisor, as the case may be.

The Advisory Agreement also terminates automatically in the event of any assignment, as defined in the Investment Company Act of 1940.

The Advisory Agreement provides that Banc One Investment Advisors shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Trust in connection with the performance of the Advisory Agreement, except a loss resulting from a breach of fiduciary duty with respect to the receipt of compensation for services or a loss resulting from willful misfeasance, bad faith, or gross negligence on the part of the Advisor in the performance of its duties, or from reckless disregard by it of its duties and obligations under the Agreement.

Banc One Investment Advisors is entitled to a fee, which is calculated daily and paid monthly, at the following percentages of the average daily net assets of each Portfolio:

<TABLE>
<CAPTION>

NAME OF PORTFOLIO	PERCENTAGE
<S>	<C>
Bond Portfolio	0.60%
Government Bond Portfolio	0.45%
Balanced Portfolio	0.70%
Mid Cap Growth Portfolio	0.65%
Large Cap Growth Portfolio	0.65%
Equity Index Portfolio	0.30%
Diversified Equity Portfolio	0.74%
Diversified Mid Cap Portfolio	0.74%
Mid Cap Value Portfolio.	0.74%

</TABLE>

Banc One Investment Advisors has voluntarily agreed to waive all or part of its fees in order to limit the Portfolios' total operating expenses on an annual basis to not more than the following percentages of the average daily net assets of each of the Portfolios:

<TABLE>
<CAPTION>

NAME OF PORTFOLIO	PERCENTAGE
<S>	<C>
Bond Portfolio	0.75%
Government Bond Portfolio	0.75%
Balanced Portfolio	1.00%
Mid Cap Growth Portfolio	1.10%
Large Cap Growth Portfolio	1.00%
Equity Index Portfolio	0.55%
Diversified Equity Portfolio	0.95%
Diversified Mid Cap Portfolio	0.95%
Mid Cap Value Portfolio	0.95%

</TABLE>

These fee waivers are voluntary and may be terminated at any time.

For the fiscal years ended December 31, 1998, 1997, and 1996, the following Portfolios paid investment advisory fees as follows:

FISCAL YEAR ENDED DECEMBER 31,

<TABLE>
<CAPTION>

	1998		1997		1996	
Portfolio	Net	Waived	Net	Waived	Net	Waived
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Government Bond Portfolio	$128,907	$ 9,393	$78,818	$23,446	$23,470	$31,993
Balanced Portfolio	$490,270	$ 2,862	$189,332	$44,906	$26,690	$31,993
Mid Cap Growth Portfolio	$431,700	$ --	$233,609	$ 4,114	$43,318	$48,685
Large Cap Growth Portfolio	$948,112	$ --	$458,066	$ 1,114	$136,980	$53,497
Equity Index Portfolio	$ --	$15,432	NA*	NA*	NA*	NA*

</TABLE>

* The Equity Index Portfolio commenced operations on May 1, 1998.

Prior to March 31, 1999, First Chicago NBD Investment Management Company ("FCNIMCO") provided investment management services to the Predecessor Funds of the Bond Fund, the Diversified Mid Cap Portfolio, the Mid Cap Value Portfolio, and the Diversified Equity Portfolio. FCNIMCO is an indirect subsidiary of BANK ONE CORPORATION and an affiliate of Banc One Investment Advisors. For the fiscal years ended December 31, 1998, 1997, and 1996, the following Portfolios paid investment advisory fees to FCNIMCO as follows:

FISCAL YEAR ENDED DECEMBER 31,

<TABLE>
<CAPTION>

Portfolio	1998 Net	1998 Waived	1997 Net	1997 Waived	1996 Net	1996 Waived
Bond Portfolio	$164,396	$26,975	$59,313	$ 2,899	$ NA*	$ NA*
Diversified Mid Cap Portfolio	$ 5,234	$82,956	$ 2,396	$58,356	$ --	$48,992
Mid Cap Value Portfolio	$ 50,740	$57,553	$20,834	$17,342	$ NA*	$ NA*
Diversified Equity Portfolio	$263,173	$33,240	$96,428	$37,901	$ --	$42,701

</TABLE>

*Commenced operations on May 1, 1997.

GLASS-STEAGALL ACT

In 1971, the United States Supreme Court held in Investment Company Institute v. Camp that the Federal statute commonly referred to as the Glass-Steagall Act prohibits a national bank from operating a Portfolio for the collective investment of managing agency accounts. Subsequently, the Board of Governors of the Federal Reserve System (the "Board") issued a regulation and interpretation to the effect that the Glass-Steagall Act and such decision: (a) forbid a bank holding company registered under the Federal Bank Holding Company Act of 1956 (the "Holding Company Act") or any of its non-bank affiliates from sponsoring, organizing, or controlling a registered, open-end investment company continuously engaged in the issuance of its shares, but (b) do not prohibit a bank holding company or affiliate from acting as investment advisor, transfer agent, and custodian to an investment company. In 1981, the United States Supreme Court held in Board of Governors of the Federal Reserve System v. Investment Company Institute that the Board did not exceed its authority under the Holding Company Act when it adopted its regulation and interpretation authorizing bank holding companies and their non-bank affiliates to act as investment advisors to registered closed-end investment companies. In the Board of Governors case, the Supreme Court also stated that if a national bank complied with the restrictions imposed by the Board in its regulation and interpretation authorizing bank holding companies and their non-bank affiliates to act as investment advisors to investment companies, a national bank performing investment advisory services for an investment company would not violate the Glass-Steagall Act.

In the Advisory Agreement, Banc One Investment Advisors has represented to the Portfolios that it possesses the legal authority to perform the investment advisory services contemplated by the agreement and described in the Prospectus and this Statement of Additional Information without violation of applicable statutes and regulations. Future changes in either Federal or state statutes and regulations relating to the permissible activities of banks or bank holding companies and the subsidiaries or affiliates of those entities, as well as further judicial or administrative decisions or interpretations of present and future statutes and regulations, could prevent or restrict Banc One Investment Advisors from continuing to perform such services for the Portfolios. Depending upon the nature of any changes in the services which could be provided by Banc One Investment Advisors, the Board of Trustees of the Portfolios would review the Portfolios' relationship with Banc One Investment Advisors and consider taking all action necessary in the circumstances.

Should future legislative, judicial, or administrative action prohibit or restrict the proposed activities of BANK ONE CORPORATION subsidiary banks or their correspondent banks in connection with customer purchases of Shares of the Trust, these banks might be required to alter materially or discontinue the services offered by them to Customers. It is not anticipated, however, that any change in the Portfolios' method of operations would affect its net asset value per Share or result in financial losses to any customer.

PORTFOLIO TRANSACTIONS

Pursuant to the Advisory Agreement, Banc One Investment Advisors determines, subject to the general supervision of the Board of Trustees of the Portfolios and in accordance with each Portfolio's investment objective and restrictions, which securities are to be purchased and sold by each such Portfolio and which brokers are to be eligible to execute its portfolio transactions. Purchases and sales of portfolio securities with respect to the Bond Portfolios usually are principal transactions in which portfolio securities are purchased directly from the issuer or from an underwriter or market maker for the securities. Purchases from underwriters of portfolio securities include a commission or concession paid by the issuer to the underwriter and purchases from dealers serving as market makers may include the spread between the bid and asked price. Transactions on stock exchanges (other than certain foreign stock exchanges) involve the payment of negotiated brokerage commissions. Transactions in the over-the-counter market are generally principal transactions with dealers. With respect to the over-the-counter market, the Portfolios, where possible, will deal directly with the dealers who make a market in the securities involved except in those circumstances where better price and execution are available elsewhere. While Banc One Investment Advisors generally seeks competitive spreads or commissions, the Portfolios may not necessarily pay the lowest spread or commission available on each transaction, for reasons discussed below. During each of the past three fiscal years, the brokerage commissions paid by the Portfolios were as follows:

<TABLE>
<CAPTION>

Portfolio	Aggregate Brokerage Commissions 1998	1997	1996
<S>	<C>	<C>	<C>
Balanced Portfolio	$47,608	$34,413	$12,571
Large Cap Growth Portfolio	$109,720	$40,915	$29,546
Equity Index Portfolio	$6,217	NA*	NA*
Diversified Equity Portfolio	$76,844	$46,091	$21,983
Mid Cap Growth Portfolio	$92,962	$125,008	$98,102
Diversified Mid Cap Portfolio	$21,501	$19,787	$19,819
Mid Cap Value Portfolio	$17,896	$16,891	NA**

</TABLE>

* The Equity Index Portfolio commenced operations of May 1, 1998.

** The Mid Cap Value Portfolio commenced operations on May 1, 1997.

As of December 31, 1998, the following Portfolios held investments in securities of their regular broker-dealers as follows:

<TABLE>
<CAPTION>

PORTFOLIO	SECURITY	SHARES OR PRINCIPAL AMOUNT	VALUE
<S>	<C>	<C>	<C>
Balanced Portfolio	Bear Stearns	4,220	$ 157,722
	Morgan Stanley	8,120	$ 576,520
	Goldman Sachs	$ 300,000	$ 317,563
	Lehman Brothers	$1,353,206	$1,353,206
Mid Cap Growth Portfolio	Lehman Brothers	$8,671,517	$8,671,517
Large Cap Growth Portfolio	Morgan Stanley Dean Witter & Co.	100	$ 7,100
	Prudential Securities	$1,000,000	$1,000,000
	Lehman Brothers	$3,330,837	$3,330,837
Equity Index Portfolio	Bear Stearns	200	$ 7,475
	Lehman Brothers	200	$ 8,813
	Lehman Brothers	$ 138,974	$ 138,974
	Merrill Lynch	500	$ 33,375
	Morgan Stanley Dean Witter & Co.	800	$ 56,800

</TABLE>

Allocation of transactions, including their frequency, to various dealers is determined by Banc One Investment Advisors with respect to the Portfolios based on its best judgment and in a manner deemed fair and reasonable to Shareholders. The primary consideration is prompt execution of orders in an effective manner at the most favorable price. Subject to this consideration, dealers who provide supplemental investment research to Banc One Investment Advisors may receive orders for transactions by the Portfolios. Information so received is in addition to and not in lieu of services required to be performed by Banc One Investment Advisors and does not reduce the advisory fees payable to Banc One Investment Advisors. Such information may be useful to Banc One Investment Advisors in serving both the Portfolios and other clients and, conversely, supplemental information obtained by the placement of business of other clients may be useful to Banc One Investment Advisors in carrying out its obligations to the Portfolios.

The Portfolios will not execute portfolio transactions through, acquire portfolio securities issued by, make savings deposits in, or enter into repurchase or reverse repurchase agreements with Banc One Investment Advisors or its affiliates except as may be permitted under the Investment Company Act of 1940, and will not give preference to correspondents of BANK ONE CORPORATION subsidiary banks with respect to such transactions, securities, savings deposits, repurchase agreements, and reverse repurchase agreements.

Investment decisions for each Portfolio are made independently from those for the other Portfolios or any other investment company or account managed by Banc One Investment Advisors. Any such other investment company or account may also invest in the same securities as the Portfolios. When a purchase or sale of the same security is made at substantially the same time on behalf of a given Portfolio and another Portfolio, investment company or account the transaction will be averaged as to price, and available investments allocated as to amount, in a manner which Banc One Investment Advisors believes to be equitable to the Portfolio(s) and such other investment company or account. In some instances, this investment procedure may adversely affect the price paid or received by a Portfolio or the size of the position obtained by a Portfolio. To the extent permitted by law, Banc One Investment Advisors may aggregate the securities to be sold or purchased by it for a Portfolio with those to be sold or purchased by it for other Portfolios or for other investment companies or accounts in order to obtain best execution. As provided by the Advisory Agreement, in making investment recommendations for the Portfolios, Banc One Investment Advisors will not inquire or take into consideration whether an issuer of securities proposed for purchase or sale by the Portfolios is a customer of Banc One Investment Advisors or its parent or subsidiaries or affiliates and, in dealing with its commercial customers, Banc One Investment Advisors and its parent, subsidiaries, and affiliates will not inquire or take into consideration whether securities of such customers are held by the Portfolios.

ADMINISTRATOR

Nationwide Advisory Services, Inc, Three Nationwide Plaza, Columbus, Ohio 43215 ("NAS") serves as Administrator (the "Administrator") to each Portfolio pursuant to an administration agreement with the Trust (the "Administration Agreement"). (NAS is a wholly owned subsidiary of Nationwide Life Insurance Company, which in turn is a wholly owned

subsidiary of Nationwide Financial Services, Inc., a holding company of the Nationwide Insurance Enterprise). The Administrator assists in supervising all operations of each Portfolio to which it serves (other than those performed under the Advisory Agreement, and Custodian and Transfer Agency Agreements for that Portfolio). The Administrator is a broker-dealer registered with the Securities and Exchange Commission, and is a member of the National Association of Securities Dealers, Inc.

Under the Administration Agreement, the Administrator has agreed to price the portfolio securities of each Portfolio it serves and to compute the net asset value and net income of the Portfolios on a daily basis, to maintain office facilities for the Portfolios, to maintain each Portfolio's financial accounts and records, and to furnish the Portfolios with data processing, clerical, accounting, and bookkeeping services, and certain other services required by the Portfolios with respect to each Portfolio. The Administrator prepares annual and semi-annual reports to the Securities and Exchange Commission, prepares federal and state tax returns, prepares filings with state securities commissions, and generally assists in all aspects of the Trust's operations other than those performed under the Advisory Agreement, and Custodian and Transfer Agency Agreements. Under the Administration Agreement, the Administrator may delegate all or any part of its responsibilities.

Unless sooner terminated, the Administration Agreement between the Trust and NAS will continue in effect through August 31, 1999. The Administration Agreement thereafter shall be renewed automatically for successive one year terms, unless written notice not to renew is given by the non-renewing party to the other party at least sixty days prior to the expiration of the then-current term. The Administration Agreement will be reviewed and ratified at least annually by the Board of Trustees, provided that the Administration Agreement is also reviewed and ratified by the majority of the Trustees who are not parties to the Administration Agreement or interested persons (as defined in the Investment Company Act of 1940) of any party to the Administration Agreement, by vote cast in person at a meeting called for the purpose of reviewing and ratifying the Administration Agreement. The Administration Agreement may be terminated with respect to the Trust only upon mutual agreement of the parties to the Administration Agreement and for cause (as defined in the Administration Agreement) by the party alleging cause, on not less than sixty days' notice by the Board of Trustees or by NFS.

The Administrator is entitled to a fee for its services for each of the Portfolios (except the Equity Index Portfolio), which is calculated daily and paid monthly, at the following annualized percentages of average net assets of the Trust (less the assets of the Equity Index Portfolio):

<TABLE>
<CAPTION>

Fee	Average Net Assets
<S>	<C>
0.24%	less than $250 million
0.14%	greater than $250 million

</TABLE>

For the Equity Index Portfolio, the Administrator is entitled to a fee which is calculated daily and paid monthly, equal to 0.14% of the Equity Index Portfolio's average net assets.

The Administration Agreement provides that the Administrator shall not be liable for any error of judgment or mistake of law or any loss suffered by the Portfolios in connection with the matters to which the Administration Agreement relates, except a loss resulting from willful misfeasance, bad faith, or gross negligence in the performance of its duties, or from the reckless disregard by it of its obligations and duties thereunder.

For the fiscal years ended December 31, 1998, 1997, and 1996, the following Portfolios paid administration fees as follows:

<TABLE>
<CAPTION>
FISCAL YEAR ENDED DECEMBER 31,

	1998	1997	1996
<S>	<C>	<C>	<C>
Portfolio	Net	Net	Net
Government Bond Portfolio	$ 69,649	$42,036	$29,580
Balanced Portfolio	$158,161	$64,914	$24,178
Mid Cap Growth Portfolio	$151,830	$86,256	$33,970
Large Cap Growth Portfolio	$330,612	$169,132	$ 70,330
Equity Index Portfolio	$ 7,202	NA*	NA*

</TABLE>

* The Equity Index Portfolio commenced operations on May 1, 1998.

FCNIMCO and BISYS served as co-administrators to the Predecessor Funds of the Bond Fund, the Diversified Mid Cap Portfolio, the Mid Cap Value Portfolio, and the Diversified Equity Portfolio. For the fiscal years ended December 31, 1998, 1997, and 1996, the following Portfolios paid investment administration fees to FCNIMCO and BISYS as follows:

FISCAL YEAR ENDED DECEMBER 31,

<TABLE>
<CAPTION>

	1998		1997		1996	
Portfolio	Net	Waived	Net	Waived	Net	Waived
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Bond Portfolio	$71,764	$ --	$23,329	$ --	NA*	NA*
Diversified Mid Cap Portfolio	$22,048	$ --	$15,188	$ --	--	$10,277
Mid Cap Value Portfolio	$27,073	$ --	$ 9,544	$ --	NA*	NA*
Diversified Equity Portfolio	$74,103	$ --	$33,582	$ --	--	$ 8,957

</TABLE>

* Commenced operations on May 1, 1997.

SUB-ADMINISTRATOR

For the period beginning November 14, 1998 and ending March 31, 1999, NAS served as sub-administrator to the Predecessor Funds and received fees equal to 0.15% of the average net assets of the Predecessor Funds from the Predecessor Funds' administrator.

The Board of Trustees of the Trust has approved a Sub-Administration Agreement between Banc One Investment Advisors and NAS that will be effective on or after April 1, 1999. Under the proposed contract, Banc One Investment Advisors will be entitled to a fee equal to 0.05% of the average net assets of the Trust.

CUSTODIANS, SUB-CUSTODIAN AND TRANSFER AGENT

Custodian. State Street Bank and Trust Company ("State Street"), P.O. Box 8500, Boston, MA 02266-8500 acts as custodian for the Portfolios under a Custodian Agreement with the Trust (the "Custodian Agreement"). Under the Custodian Agreement, State Street:

(i) maintains a separate account or accounts in the name of each Portfolio;
(ii) makes receipts and disbursements of money on behalf of each Portfolio;
(iii) collects and receives all income and other payments and distributions on account of the Portfolios' portfolio securities; responds to correspondence from security brokers and others relating to its duties; and
(iv) makes periodic reports to the Board of Trustees concerning the Portfolios' operations.

State Street may, at its own expense, open and maintain a sub-custody account or accounts on behalf of the Trust, provided that State Street shall remain liable for the performance of all of its duties under the Custodian Agreements.

NBD ("NBD"), an indirect wholly-owned subsidiary of BANK ONE CORPORATION, served as Custodian for the Predecessor Funds pursuant to a Custodian Agreement.

Sub-Custodian. Bank One Trust Company, N.A. (the "Sub-Custodian") serves as Sub-Custodian in connection with the Trust's securities lending activities, pursuant to a Subcustodian Agreement, dated as of June 11, 1998 between the Trust, State Street and Bank One Trust Company and a Securities Lending Agreement, dated as of June 15, 1998 between the Trust, Banc One Investment Advisors, and the Subcustodian. The Sub-Custodian is an indirect subsidiary of BANK ONE CORPORATION and an affiliate of Banc One Investment Advisors. The Sub-Custodian is entitled to a fee from the Trust, which is calculated on an annual basis and accrued daily, equal to:

- .05% of the value of collateral received from the Borrower for each securities loan of U.S. Government and Agency Securities; and

- .10% of the value of collateral received from the Borrower for each loan of equities and corporate bonds.

Use of Depositories. Rules adopted under the Investment Company Act of 1940 permit the Portfolios to maintain their securities and cash in the custody of certain eligible banks and securities depositories.

Transfer Agent and Dividend Disbursing Agent. Nationwide Investors Services, Inc. ("NIS"), One Nationwide Plaza, Columbus, Ohio, 43215, a subsidiary of NAS, the Administrator of the Trust, serves as Transfer Agent and Dividend Disbursing Agent for each Portfolio pursuant to Transfer Agency Agreement with the Trust (the "Transfer Agency Agreement"). Under the Transfer Agency Agreement, NIS has agreed to: (i) issue and redeem Shares of the Portfolios; (ii) address and mail all communications by the Trust to its Shareholders, including reports to Shareholders, dividend and distribution notices, and proxy material for its meetings of Shareholders; (iii) respond to correspondence or inquiries by Shareholders and others relating to its duties; (iv) maintain Shareholder accounts and certain sub-accounts; and (v) make periodic reports to the Board of Trustees concerning the Portfolios operations.

EXPERTS

Independent Public Accountants. PricewaterhouseCoopers LLP, 100 East Broad Street, Columbus, Ohio 43215 serves as the independent accountants of the Trust. For all Portfolios other than the Predecessor Funds, the financial statements for the fiscal year ended December 31, 1998 have been audited by PricewaterhouseCoopers LLP. The Financial Statements for the fiscal year ended December 31, 1998 for the Predecessor Funds to the Bond Portfolio, the Diversified Mid Cap Portfolio, the Mid Cap Value Portfolio and the Diversified Equity Portfolio have been audited by Arthur Andersen LLP, 500 Woodward Avenue, Suite 2700, Detroit, Michigan 48226-3474. (See "Financial Statements" in this Statement of Additional Information).

Fund Counsel. The law firm of Ropes & Gray, One Franklin Square, 1301 K Street, N.W., Suite 800 East, Washington, D.C. 20005-3333 is counsel to the Trust.

ADDITIONAL INFORMATION

DESCRIPTION OF SHARES

The Trust is a Massachusetts business trust. The Trust's Declaration of Trust was filed with the Secretary of State of the Commonwealth of Massachusetts on June 7, 1993 and authorizes the Board of Trustees to issue an unlimited number of Shares, which are units of beneficial interest, without par value. The Trust's Declaration of Trust authorizes the Board of Trustees to establish one or more series of Shares of the Trust, and to classify or reclassify any series into one or more classes by setting or changing in any one or more respects the preferences, designations, conversion, or other rights, restrictions, or limitations as to dividends, conditions of redemption, qualifications, or other terms applicable to the Shares of such class, subject to those matters expressly provided for in the

Declaration of Trust, as amended, with respect to the Shares of each series of the Trust. The Trust presently includes nine series of Shares which represent interests in the following Portfolios:

1. Bond Portfolio
2. Government Bond Portfolio
3. Balanced Portfolio
4. Mid Cap Growth Portfolio
5. Large Cap Growth Portfolio
6. Equity Index Portfolio
7. Diversified Equity Portfolio
8. Diversified Mid Cap Portfolio
9. Mid Cap Value Portfolio

The Declaration of Trust may not be amended without the affirmative vote of a majority of the outstanding shares of the Trust, except that the Trustees may amend the Declaration of the Trust without the vote or consent of shareholders to:

(1) designate series of the Trust;
(2) change the name of the Trust; or

(3) supply any omission, cure, correct, or supplement any ambiguous, defective, or inconsistent provision to conform the Declaration of Trust to the requirements of applicable federal and state laws or regulations if they deem it necessary.

Shares have no pre-emptive or conversion rights. Shares are fully paid and non-assessable, except as set forth below. When a majority is required, it means the lesser of 67% or more of the shares present at a meeting when the holders of more than 50% of the outstanding shares are present or represented by proxy, or more than 50% of the outstanding shares. Shares have no subscription or preemptive rights and only those conversion or exchange rights as the Board of Trustees may grant in its discretion. When issued for payment as described in the Prospectus and this Statement of Additional Information, the Trust's Shares will be fully paid and non-assessable. In the event of a liquidation or dissolution of the Trust, Shares of a Portfolio are entitled to receive the assets available for distribution belonging to the Portfolio, and a proportionate distribution, based upon the relative asset values of the respective Portfolios, of any general assets not belonging to any particular Portfolio which are available for distribution.

Rule 18f-2 under the Investment Company Act of 1940 provides that any matter required to be submitted to the holders of the outstanding voting securities of an investment company such as the Trust shall not be deemed to have been effectively acted upon unless approved by the holders of a majority of the outstanding Shares of each Portfolio affected by the matter. For purposes of determining whether the approval of a majority of the outstanding Shares of a Portfolio is required in connection with a matter, a Portfolio is deemed to be affected by a matter unless it is clear that the interests of each Portfolio in the matter are identical, or that the matter does not affect any interest of the Portfolio. Under Rule 18f-2, the approval of an investment advisory agreement or any change in investment policy would be effectively acted upon with respect to a Portfolio only if approved by a majority of the outstanding Shares of the Portfolio. However, Rule 18f-2 also provides that the ratification of independent public accountants, the approval of principal underwriting contracts, and the election of Trustees may be effectively acted upon by Shareholders of the Trust voting without regard to series.

The Trust may suspend the right of redemption only under the following unusual circumstances:

(i) when the New York Stock Exchange is closed (other than weekends and holidays) or trading is restricted;

(ii) when an emergency exists, making disposal of portfolio securities or the valuation of net assets not reasonably practicable; or

(iii) during any period when the Securities and Exchange Commission has by order permitted a suspension of redemption for the protection of shareholders.

SHAREHOLDER AND TRUSTEE LIABILITY

Under Massachusetts law, holders of units of beneficial interest in a business trust may, under certain circumstances, be held personally liable as partners for the obligations of the Trust. However, the Trust's Declaration of Trust provides that Shareholders shall not be subject to any personal liability for the obligations of the Trust, and that every written agreement, obligation, instrument, or undertaking made by the Trust shall contain a provision to the effect that the Shareholders are not personally liable thereunder. The Declaration of Trust provides for indemnification out of the trust property of any Shareholder held personally liable solely by reason of his being or having been a Shareholder. The Declaration of Trust also provides that the Trust shall, upon request, assume the defense of any claim made against any Shareholder for any act or obligation of the Trust, and shall satisfy any judgment thereon. Thus, the risk of a Shareholder incurring financial loss on account of Shareholder liability is limited to circumstances in which the Trust itself would be unable to meet its obligations.

The Declaration of Trust states further that no Trustee, officer, or agent of the Trust shall be personally liable in connection with the administration or preservation of the assets of the trust or the conduct of the Trust's business; nor shall any Trustee, officer, or agent be personally liable to any person for any action or failure to act except for his own bad faith, willful misfeasance, gross negligence, or reckless disregard of his duties. The Declaration of Trust also provides that all persons having any claim against the Trustees or the Trust shall look solely to the assets of the Trust for payment.

SHAREHOLDERS

All Shares of the Portfolios will be purchased by insurance company separate accounts to fund variable annuity and variable life contracts ("Insurance Contracts"). For information concerning the purchase and redemption of Shares by Separate Accounts, you should refer to the prospectus that you received when you purchased your variable life or variable insurance contract.

As of March 17, 1999, the Trust believes that no Shareholder owned beneficially more than 25% of the outstanding shares of any Portfolio of the Trust.

5% SHAREHOLDERS

In addition, as of March 17, 1999, the following persons were the owners of more than 5% of the outstanding Shares of the following Portfolios:

<TABLE>
<CAPTION>

NAME AND ADDRESS	PORTFOLIO	PERCENT OWNERSHIP	TYPE OF OWNERSHIP

<S>	<C>	<C>	<C>
Nationwide VA Separate Account C Nationwide Life and Annuity Insurance Company CO 68 c/o IPO PO Box 182029 Columbus, Ohio 43218-2029	Government Bond Portfolio	86%	Record
Nationwide Life and Annuity Insurance Company CO 68 c/o IPO PO Box 182029 Columbus, Ohio 43218-2029	Government Bond Portfolio	14%	Record & Beneficial

</TABLE>

<TABLE>

<S>	<C>	<C>	<C>
Nationwide VA Separate Account C Nationwide Life and Annuity Insurance Company CO 68 c/o IPO PO Box 182029 Columbus, Ohio 43218-2029	Balanced Portfolio	98%	Record
Nationwide VA Separate Account C Nationwide Life and Annuity Insurance Company CO 68 c/o IPO PO Box 182029 Columbus, Ohio 43218-2029	Mid Cap Growth Portfolio	99%	Record
Nationwide VA Separate Account C Nationwide Life and Annuity Insurance Company CO 68 c/o IPO PO Box 182029 Columbus, Ohio 43218-2029	Large Cap Growth Portfolio	96%	Record
Nationwide Life Insurance Company Nationwide Life Insurance Co Seed Account One Nationwide Plaza c/o Investment Accounting Attn Pam Smith 1-32-05 Columbus, Ohio 43215-2239	Equity Index Portfolio	14%	Record & Beneficial
Nationwide VA Separate Account C Nationwide Life and Annuity Insurance Company CO 68 c/o IPO PO Box 182029 Columbus, Ohio 43218-2029	Equity Index Portfolio	82%	Record

</TABLE>

As of March 17, 1999, the Trust believes that the trustees and officers of the Trust, as a group, owned less than 1% of the shares of any Portfolio of the Trust.

CALCULATION OF PERFORMANCE DATA

The Portfolios may quote their performance in various ways. All performance information supplied by the Portfolios in advertising is historical and is not intended to indicate future returns. The Portfolios' share prices, yields and total returns fluctuate in response to market conditions and other factors, and the value of Portfolio shares when redeemed may be more or less than their original cost.

From time to time, Banc One Investment Advisors and/or Administrator may voluntarily waive all or a portion of its respective fee and absorb certain expenses for the Portfolios. Performance information contained in advertisements includes the effect of deducting a Portfolio's expenses, but may not include charges and expenses attributable to the variable annuity, variable life or pension/retirement plan through which you have made your investment (a "Funding Vehicle"). Because the Portfolios' shares may only be purchased through a Funding Vehicle, you should carefully review your insurance contracts for information on fees and expenses associated with the Funding Vehicle through which your shares have been purchased. Excluding such fees and expenses from the Portfolios' performance quotations has the effect of increasing the performance quoted.

A Portfolio's respective total return and average annual total return is determined by calculating the change in the value of a hypothetical $1,000 investment in a Portfolio for each of the periods shown. Total return for a Portfolio is computed by determining the average annual compounded rate of return over the applicable period that would equate the initial amount invested to the ending redeemable value of the investment. The ending redeemable value includes dividends and capital gain distributions reinvested at net asset value. The resulting percentages indicated the positive or negative investment results that an investor would have experienced from changes in net asset value and reinvestment of dividends and distributions.

Performance will fluctuate from time to time and is not necessarily representative of future results. Accordingly, a Portfolio's performance may not provide for comparison with bank deposits or other investments that pay a fixed return for a stated period of time. Performance is a function of a Portfolio's quality, composition, and maturity, as well as expenses allocated to the Portfolio.

Statistical and performance information compiled and maintained by CDA Technologies, Inc. ("CDA") and Interactive Data Corporation may also be used. CDA is a performance evaluation service that maintains a statistical data base of performance, as reported by a diverse universe of independently-managed mutual Portfolios. Interactive Data Corporation is a statistical access service that maintains a data base of various industry indicators, such as historical and current price/earning information and individual stock and fixed income price and return information.

Current interest rate and yield information on government debt obligations of various durations, as reported weekly by the Federal Reserve (Bulletin H. 15), may also be used. Current rate information on municipal debt obligations of various durations, as reported daily by the Bond Buyer, may also be used. The Bond Buyer is published daily and is an industry-accepted source for current municipal bond market information.

Comparative information on the Consumer Price Index may also be included. This Index, as prepared by the U.S. Bureau of Labor Statistics, is the most commonly used measure of inflation. It indicates the cost fluctuations of a representative group of consumer goods. It does not represent a return on investment. From time to time, all of the Portfolios may quote actual total return performance in advertising and other types of literature compared to results reported by the Dow Jones Industrial Average.

The Dow Jones Industrial Average is an industry-accepted unmanaged index of generally conservative securities used for measuring general market performance. The performance reported will reflect the reinvestment of all distributions on a quarterly basis and market price fluctuations. The index does not take into account any brokerage commissions or other fees. Comparative information on the Consumer Price Index may also be included.

The Portfolios may also promote the yield and/or total return performance and use comparative performance information computed by and available from certain industry and general market research and publications, such as Lipper Analytical Services, Inc.

The Portfolios may quote actual yield and/or total return performance in advertising and other types of literature compared to indices or averages of alternative financial products available to prospective investors. The performance comparisons may include the average return of various bank instruments, some of which may carry certain return guarantees offered by leading banks and thrifts as monitored by Bank Rate Monitor, and those of corporate bond and government security price indices of various durations. Comparative information on the Consumer Price Index may also be included.

The Portfolios may also use comparative performance information computed by and available from certain industry and general market research and publications, as well as statistical and performance information, compiled and maintained by CDA and Interactive Data Corporation.

The Portfolios may also use current interest rate and yield information on government debt obligations of various durations, as reported weekly by the Federal Reserve (Bulletin H. 15). In addition, current rate information on municipal debt obligations of various durations, as reported daily by the Bond Buyer, may also be used.

The average annual total return for the one year ended December 31, 1998 and for the life of each Portfolio was as follows:

	One Year	Life	Date Portfolio Commenced Operation
Bond Portfolio	8.66%	10.21%	5/1/97
Government Bond Portfolio	7.32%	7.87%	8/1/94
Balanced Portfolio	19.09%	16.32%	8/1/94
Mid Cap Growth Portfolio	38.82%	23.13%	8/1/94
Large Cap Growth Portfolio	41.27%	25.34%	8/1/94
Equity Index Portfolio	--	10.52%	5/1/98
Diversified Equity Portfolio	13.10%	20.31%	3/30/95
Diversified Mid Cap Portfolio	4.91%	17.47%	3/30/95
Mid Cap Value Portfolio	-3.31%	7.65%	5/1/97

The 30 day yield for the Portfolios listed below is as follows:

	30 Day Yield @ 12/31/98
Bond Portfolio	4.89%
Government Bond Portfolio	5.24%
Balanced Portfolio	1.99%

MISCELLANEOUS

The Trust is not required to hold a meeting of Shareholders for the purpose of annually electing Trustees except that

(i) the Trust is required to hold a Shareholders' meeting for the election of Trustees at such time as less than a majority of the Trustees holding office have been elected by Shareholders, and

(ii) if, as a result of a vacancy on the Board of Trustees, less than two-thirds of the Trustees holding office have been elected by the Shareholders, that vacancy may only be filled by a vote of the Shareholders. In addition, Trustees may be removed from office by a written consent signed by the holders of Shares representing two-thirds of the outstanding Shares of the Trust at a meeting duly called for the purpose. This meeting shall be held upon the written request of the holders of Shares representing not less than 20% of the outstanding Shares of the Trust. Except as set forth above, the Trustees may continue to hold office and may appoint successor Trustees.

As used in the Portfolios' Prospectus and in this Statement of Additional Information, "assets belonging to a Portfolio" means the consideration received by the Trust upon the issuance or sale of Shares in that Portfolio, together with all income, earnings, profits, and proceeds derived from the investment thereof, including any proceeds from the sale, exchange, or liquidation of such investments, and any Portfolios or payments derived from any reinvestment of such proceeds, and any general assets of the Trust not readily identified as belonging to a particular Portfolio that are allocated to that Portfolio by the Board of Trustees. The Board of Trustees may allocate such general assets in any manner it deems fair and equitable. It is anticipated that the factor that will be used by the Board of Trustees in making allocations of general assets to particular Portfolios will be the relative net asset values of the respective Portfolios at the time of allocation. Each Portfolio's direct liabilities and expenses will be charged to the assets belonging to that Portfolio. Each Portfolio will also be charged in proportion to its relative net asset value for the general liabilities and expenses of the Trust. The timing of allocations of general assets and general liabilities and expenses of the Trust

to particular Portfolios will be determined by the Board of Trustees of the Trust and will be in accordance with generally accepted accounting principles. Determinations by the Board of Trustees of the Trust as to the timing of the allocation of general liabilities and expenses and as to the timing and allocable portion of any general assets with respect to a particular Portfolio are conclusive.

As used in the Portfolios' Prospectuses and in this Statement of Additional Information, a "vote of a majority of the outstanding Shares" of the Trust, a particular Portfolio, or a particular class of Shares of a Portfolio, means the affirmative vote of the lesser of (a) more than 50% of the outstanding Shares of the Trust, such Portfolio, or such class of Shares of such Portfolio, or (b) 67% or more of the Shares of the Trust, such Portfolio, or such class of Shares of such Portfolio present at a meeting at which the holders of more than 50% of the outstanding Shares of the Trust, such Portfolio, or such class of Shares of such Portfolio are represented in person or by proxy.

The Trust is registered with the Securities and Exchange Commission as a management investment company. Such registration does not involve supervision by the Commission of the management or policies of the Trust.

The Prospectus and this Statement of Additional Information omit certain information contained in the Registration Statement filed with the Securities and Exchange Commission. Copies of such information may be obtained from the Commission upon payment of the prescribed fee.

The Prospectus and this Statement of Additional Information are not an offering of the securities herein described in any state in which such offering may not lawfully be made. No salesman, dealer, or other person is authorized to give any information or make any representation other than those contained in the Prospectus and Statement of Additional Information.

PEGASUS VARIABLE FUNDS

STATEMENTS OF ASSETS AND LIABILITIES
December 31, 1998

<TABLE>
<CAPTION>

	Growth and Value Fund	Mid-Cap Opportunity Fund	Growth Fund	Intrinsic Value Fund	Bond Fund
<S>	<C>	<C>	<C>	<C>	<C>
ASSETS:					
Investments in securities at value (Note 2)	$57,585,080	$17,485,201	$25,147,781	$18,527,487	$53,487,003
Repurchase agreements at cost (Note 2)	1,675,000	598,000	--	3,981,000	6,963,000
Total Investments (cost $50,283,752, $15,373,376, $15,841,827, $22,909,793, $58,145,667)	59,260,080	18,083,201	25,147,781	22,508,487	60,450,003
Cash	56,792	64,643	--	8,391	958
Receivable for investment securities sold	249,984	32,130	1,488,727	--	8,010
Interest and dividends receivable	49,269	8,845	15,514	17,923	477,374
Receivable from investment advisor	5,158	11,115	7,447	9,296	5,097
Deferred organization expenses (Note 2)	4,094	4,137	4,137	--	--
TOTAL ASSETS	59,625,377	18,204,071	26,663,606	22,544,097	60,941,442
LIABILITIES					
Cash overdraft	--	--	1,125,400	--	--
Payable for investment securities purchased	--	--	308,990	--	--
Accrued investment advisory fees	29,679	8,724	13,071	10,549	19,023
Accrued administration fees	7,420	2,181	3,268	2,637	7,134
Accrued custodial fees	3,861	3,267	5,323	3,173	2,448
Accrued professional fees	18,988	21,902	21,618	18,933	16,995
Accrued printing fees	4,285	7,219	7,654	6,489	3,454
Other accrued expenses	785	911	1,362	960	832
TOTAL LIABILITIES	65,018	44,204	1,486,686	42,741	49,886
NET ASSETS	$59,560,359	$18,159,867	$25,176,920	$22,501,356	$60,891,556
Net assets consist of:					
Capital shares (unlimited number of shares authorized $.10 per share)	$ 334,541	$ 123,044	$ 117,095	$ 210,305	$ 567,692
Additional paid-in-capital	49,941,245	15,294,125	13,897,590	22,781,563	58,031,770
Accumulated undistributed net investment income	1,427	994	2,573	--	--
Accumulated undistributed (distributions in excess of) realized gain (loss)	306,818	31,879	1,853,708	(89,206)	(12,242)
Net unrealized appreciation (depreciation) on investments	8,976,328	2,709,825	9,305,954	(401,306)	2,304,336
NET ASSETS	$59,560,359	$18,159,867	$25,176,920	$22,501,356	$60,891,556
Shares of capital stock outstanding	3,345,408	1,230,435	1,170,945	2,103,050	5,676,924

NET ASSET VALUE and redemption price per share	$ 17.80	$ 14.76	$ 21.50	$ 10.70	$ 10.73

</TABLE>

See accompanying notes to financial statements.

PEGASUS VARIABLE FUNDS

STATEMENTS OF OPERATIONS
For the Year Ended December 31, 1998

<TABLE>
<CAPTION>

<S>	Growth and Value Fund <C>	Mid-Cap Opportunity Fund <C>	Growth Fund <C>
INVESTMENT INCOME:			
Dividend income	$ 675,456	$ 96,578	$ 117,327
Interest income	132,794	28,472	27,006
TOTAL INVESTMENT INCOME	808,250	125,050	144,333
EXPENSES:			
Investment advisory fees	296,413	88,190	123,263
Administration fees	74,103	22,048	30,816
Professional fees	56,598	48,840	46,378
Custodial fees	32,222	25,699	17,569
Amortization of deferred organization cost	9,335	9,276	9,276
Printing expense	23,180	17,738	13,427
Other	10,566	10,565	11,007
TOTAL EXPENSES BEFORE WAIVERS	502,417	222,356	251,736
Less waivers	(33,240)	(82,956)	(56,564)
NET EXPENSES	469,177	139,400	195,172
NET INVESTMENT INCOME (LOSS)	$ 339,073	$(14,350)	$ (50,839)
NET REALIZED AND UNREALIZED GAIN (LOSS):			
Net realized gain on investments	$1,444,929	$311,810	$1,853,797
Net change in unrealized appreciation (depreciation) on investments	$4,450,770	551,852	5,582,309
NET REALIZED AND UNREALIZED GAIN (LOSS)	5,895,699	863,662	7,436,106
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	$6,234,772	$849,312	$7,385,267

</TABLE>

<TABLE>
<CAPTION>

<S>	Intrinsic Value Fund <C>	Bond Fund <C>
INVESTMENT INCOME:		
Dividend income	$ 428,435	$ --
Interest income	85,054	2,920,779
TOTAL INVESTMENT INCOME	513,489	2,920,779
EXPENSES:		
Investment advisory fees	108,293	191,371
Administration fees	27,073	71,764
Professional fees	50,303	53,067
Custodial fees	19,005	30,024
Amortization of deferred organization cost	--	--
Printing expense	13,659	27,976
Other	10,595	11,178
TOTAL EXPENSES BEFORE WAIVERS	228,928	385,380
Less waivers	(57,553)	(26,975)
NET EXPENSES	171,375	358,405
NET INVESTMENT INCOME (LOSS)	$ 342,114	$2,562,374
NET REALIZED AND UNREALIZED GAIN (LOSS):		
Net realized gain on investments	$ 283,047	$ 44,671
Net change in unrealized appreciation (depreciation) on investments	(1,346,908)	1,451,053
NET REALIZED AND UNREALIZED GAIN (LOSS)	(1,063,861)	1,375,352
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	$ (721,747)	$4,058,098

</TABLE>

See accompanying notes to financial statements.

PEGASUS VARIABLE FUNDS

STATEMENTS OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

	Growth and Value Fund		Mid-Cap Opportunity	
	Year Ended December 31, 1998	Year Ended December 31, 1997	Year Ended December 31, 1998	Year Ended December 31, 1997
<S>	<C>	<C>	<C>	<C>
INCREASE (DECREASE) IN NET ASSETS:				
FROM OPERATIONS:				
Net investment income (loss)	$ 339,073	$ 206,522	$ (14,350)	$ 4,129
Net realized gains	1,444,929	837,720	311,810	1,743,002
Net change in unrealized appreciation (depreciation) of investments	4,450,770	3,665,139	551,852	725,115
Net increase (decrease) in net assets resulting from operations	6,234,772	4,709,381	849,312	2,472,246
DISTRIBUTIONS TO SHAREHOLDERS:				
From net investment income	(355,811)	(195,276)	--	(3,201)
In excess of net investment income	--	--	--	--
From net realized gains from investment transactions	(1,328,447)	(785,704)	(355,970)	(1,732,223)
In excess of net realized gains	--	--	--	--
Decrease in net assets from distributions to shareholders	(1,684,258)	(980,980)	(355,970)	(1,735,424)
CAPITAL SHARE TRANSACTIONS:				
Proceeds from sale of shares	16,305,399	26,172,441	6,254,470	4,779,295
Net asset value of shares issued to shareholders from reinvestment of distributions	1,684,258	980,980	355,970	1,735,424
	17,989,657	27,153,421	6,610,440	6,514,719
Less: payments for shares redeemed	(1,685,009)	(779,182)	(612,145)	(4,798,971)
Net increase in net assets from capital share transactions	16,304,648	26,374,239	5,998,295	1,715,748
NET INCREASE IN NET ASSETS	20,855,162	30,102,640	6,491,637	2,452,570
NET ASSETS:				
Beginning of period	38,705,197	8,602,557	11,668,230	9,215,660
End of period	$59,560,359	$38,705,197	$18,159,867	$11,668,230
CAPITAL SHARE TRANSACTIONS:				
Shares sold	955,005	1,722,895	435,554	318,480
Shares issued in reinvestment of distributions to shareholders	102,324	61,654	25,066	120,944
	1,057,329	1,784,549	460,620	439,424
Less: shares redeemed	(97,531)	(50,917)	(41,697)	(312,599)
NET INCREASE IN SHARES OUTSTANDING	959,798	1,733,632	418,923	126,825
CAPITAL SHARES:				
Beginning of period	2,385,610	651,978	811,512	684,687
End of period	3,345,408	2,385,610	1,230,435	811,512

</TABLE>

<TABLE>
<CAPTION>

	Growth Fund		Intrinsic Value Fund	
	Year Ended December 31, 1998	Year Ended December 31, 1997	Year Ended December 31, 1998	Year Ended December 31, 1997(1)
<S>	<C>	<C>	<C>	<C>
INCREASE (DECREASE) IN NET ASSETS:				
FROM OPERATIONS:				
Net investment income (loss)	$ (50,839)	$ 28,340	$ 342,114	$ 115,690
Net realized gains	1,853,797	1,211,616	283,047	123,169
Net change in unrealized appreciation (depreciation) of investments	5,582,309	1,819,220	(1,346,908)	945,602
Net increase (decrease) in net assets resulting from operations	7,385,267	3,059,176	(721,747)	1,184,461
DISTRIBUTIONS TO SHAREHOLDERS:				
From net investment income	--	(26,849)	(345,025)	(112,779)
In excess of net investment income	--	--	(1,651)	--

From net realized gains from investment transactions	(44,524)	(1,140,567)	(358,921)	(47,295)
In excess of net realized gains	--	--	(87,555)	--
Decrease in net assets from distributions to shareholders	(44,524)	(1,167,416)	(793,152)	(160,074)
CAPITAL SHARE TRANSACTIONS:				
Proceeds from sale of shares	6,423,743	6,512,260	9,477,532	13,088,467
Net asset value of shares issued to shareholders from reinvestment of distributions	44,524	1,167,416	793,152	160,074
	6,468,267	7,679,676	10,270,684	13,248,541
Less: payments for shares redeemed	(4,472,001)	(5,273,546)	(179,987)	(347,370)
Net increase in net assets from capital share transactions	1,996,266	2,406,130	10,090,697	12,901,171
NET INCREASE IN NET ASSETS	9,337,009	4,297,890	8,575,798	13,925,558
NET ASSETS:				
Beginning of period	15,839,911	11,542,021	13,925,558	--
End of period	$25,176,920	$15,839,911	$22,501,356	$13,925,558
CAPITAL SHARE TRANSACTIONS:				
Shares sold	367,989	428,650	834,191	1,224,500
Shares issued in reinvestment of distributions to shareholders	2,611	74,931	77,627	14,079
	370,600	503,581	911,818	1,238,579
Less: shares redeemed	(229,006)	(343,565)	(16,644)	(30,703)
NET INCREASE IN SHARES OUTSTANDING	141,594	160,016	895,174	1,207,876
CAPITAL SHARES:				
Beginning of period	1,029,351	869,335	1,207,876	--
End of period	1,170,945	1,029,351	2,103,050	1,207,876

</TABLE>

<TABLE>
<CAPTION>

	Bond Fund	
	Year Ended December 31, 1998	Period Ended December 31, 1997(1)
<S>	<C>	<C>
INCREASE (DECREASE) IN NET ASSETS:		
FROM OPERATIONS:		
Net investment income (loss)	$ 2,562,374	$ 921,773
Net realized gains	44,671	20,905
Net change in unrealized appreciation (depreciation) of investments	1,451,053	853,283
Net increase (decrease) in net assets resulting from operations	4,058,098	1,795,961
DISTRIBUTIONS TO SHAREHOLDERS:		
From net investment income	(2,606,134)	(915,681)
In excess of net investment income	--	--
From net realized gains from investment transactions	(44,752)	(20,824)
In excess of net realized gains	(12,242)	--
Decrease in net assets from distributions to shareholders	(2,663,128)	(936,505)
CAPITAL SHARE TRANSACTIONS:		
Proceeds from sale of shares	28,019,206	33,072,130
Net asset value of shares issued to shareholders from reinvestment of distributions	2,663,128	936,505
	30,682,334	34,008,635
Less: payments for shares redeemed	(5,415,618)	(638,221)
Net increase in net assets from capital share transactions	25,266,716	33,370,414
NET INCREASE IN NET ASSETS	26,661,686	34,229,870
NET ASSETS:		
Beginning of period	34,229,870	--
End of period	$60,891,556	$34,229,870
CAPITAL SHARE TRANSACTIONS:		
Shares sold	2,630,322	3,249,652
Shares issued in reinvestment of distributions to shareholders	269,941	90,681
	2,900,263	3,340,333
Less: shares redeemed	(502,456)	(61,216)
NET INCREASE IN SHARES OUTSTANDING	2,397,807	3,279,117
CAPITAL SHARES:		
Beginning of period	3,279,117	--
End of period	5,676,924	3,279,117

</TABLE>

(1) For the period May 1, 1997 (commencement of operations) through December 31, 1997.

See accompanying notes to financial statements.

PEGASUS VARIABLE GROWTH AND VALUE FUND

PORTFOLIO OF INVESTMENTS
December 31, 1998

<TABLE>
<CAPTION>

Description	Shares	Market Value
<S>	<C>	<C>
COMMON STOCK -- 96.68%		
Aerospace/Defense -- 2.04%		
Boeing Co.	24,300	$ 792,787
Lockheed Martin Corp.	5,000	423,750
		1,216,537
Banks -- 7.60%		
BankAmerica Corp.	18,900	1,136,362
First Union Corp.	15,100	918,269
National City Corp.	13,600	986,000
Wells Fargo Co.	37,200	1,485,675
		4,526,306
Building Materials -- 1.87%		
Masco Corp.	38,800	1,115,500
Chemicals -- 1.74%		
Sigma-Aldrich Corp.	35,300	1,036,937
Computer Products & Services -- 12.64%		
Automatic Data Processing, Inc.	20,300	1,627,806
Compaq Computer Corp.	17,000	712,937
Electronic Data Systems Corp.	25,600	1,286,400
Hewlett-Packard Co.	16,900	1,154,481
IMS Health, Inc.	17,000	1,282,437
International Business Machines Corp.	7,900	1,459,525
		7,523,586
Communication Services -- 6.53%		
Bell Atlantic Co.	28,100	1,489,300
Century Telephone Enterprises, Inc.	20,500	1,383,750
SBC Communications, Inc.	19,000	1,018,875
		3,891,925
Electronics -- 3.95%		
AMP, Inc.	18,204	947,746
Intel Corp.	11,825	1,402,002
		2,349,748
Finance -- 2.27%		
Federal Home Loan Mortgage Co.	21,000	1,353,187
Food & Beverages -- 11.78%		
Anheuser-Busch Cos., Inc.	24,800	1,627,500
BestFoods	23,800	1,267,350
ConAgra, Inc.	45,000	1,417,500
PepsiCo, Inc.	35,100	1,436,906
Sara Lee Corp.	44,800	1,262,800
		7,012,056

</TABLE>

See accompanying notes to financial statements.

106

PEGASUS VARIABLE GROWTH AND VALUE FUND

<TABLE>
<CAPTION>

Description	Shares	Market Value
Health Care/Pharmaceutical -- 9.88%		
Abbott Laboratories................	19,800	$ 970,200
American Home Products Corp........	29,900	1,683,744
Bristol-Meyers Squibb Co...........	14,900	1,993,806
Schering-Plough Corp...............	22,400	1,237,600
		5,885,350
Household Products -- 2.57%		
Kimberly Clark Corp................	28,100	1,531,450
Housewares -- 2.02%		
Newell Co..........................	29,200	1,204,500
Insurance -- 4.92%		
American International Group, Inc..	12,300	1,188,487
Chubb Corp.........................	15,600	1,012,050
MGIC Investment Corp...............	18,400	732,550
		2,933,087
Manufacturing -- 4.59%		
Dover Corp.........................	32,900	1,204,963
Johnson Controls, Inc..............	15,700	926,300
York International Corp............	14,700	599,944
		2,731,207
Multi-Industry -- 1.54%		
General Electric Co................	9,000	918,563
Oil & Gas -- 9.17%		
British Petroleum PLC ADR..........	14,406	1,368,570
Enron Corp.........................	23,100	1,318,144
Mobil Corp.........................	15,900	1,385,288
Schlumberger Ltd...................	30,100	1,388,363
		5,460,365
Publishing -- 3.66%		
Gannett Co., Inc...................	19,500	1,257,750
Washington Post Co. Class B........	1,600	924,700
		2,182,450
Retail -- 3.83%		
J. C. Penney Company, Inc..........	22,900	1,073,438
Officemax, Inc.*...................	98,700	1,209,075
		2,282,513
Utilities -- 4.08%		
FPL Group, Inc.....................	17,700	1,090,763
Pinnacle West Capital Corp.........	31,600	1,339,050
		2,429,813
TOTAL COMMON STOCK......................		57,585,080

(Cost $48,608,752)
</TABLE>

See accompanying notes to financial statements.

<TABLE>
<CAPTION>

	Face Amount	Market Value
REPURCHASE AGREEMENTS -- 2.81%		
State Street Bank, 4.40%, dated 12/31/98, due 01/04/99, collateralized by $1,490,000 U.S. Treasury Note, 7.25%, due 05/15/04, market value $1,684,390 (Cost $1,646,000)	$1,646,000	$ 1,646,000
State Street Bank, 4.40%, dated 12/31/98, due 01/04/99, collateralized by $25,000 U.S. Treasury Bond, 10.75%, due 08/15/05, market value $34,375 (Cost $29,000)	29,000	29,000
TOTAL REPURCHASE AGREEMENTS		1,675,000
(Cost $1,675,000)		
TOTAL INVESTMENTS		$59,260,080
(Cost $50,283,752)		

Percentages indicated are based on net assets.

*Non-income producing security.

See accompanying notes to financial statements.

PEGASUS VARIABLE MID-CAP OPPORTUNITY FUND

PORTFOLIO OF INVESTMENTS
December 31, 1998

Description	Shares	Market Value
COMMON STOCK -- 96.28%		
Apparel -- 1.88%		
Tommy Hilfiger Corp	5,700	$ 342,000
Banks -- 8.31%		
Associated Banc Corp	6,847	234,082
Charter One Financial, Inc	16,730	464,257
First Tennessee National Corp	5,800	220,763
Peoples Heritage Financial Group, Inc	12,100	242,000
TCF Financial Corp	14,400	348,300
		1,509,402
Business Equipment & Services -- 7.24%		
Comdisco, Inc	10,300	173,812
Convergys Corp	3,700	82,788
HON Industries, Inc	11,500	275,281
Omnicom Group	4,800	278,400
Sterling Commerce, Inc.*	5,200	234,000
Young & Rubicam Inc	8,400	271,950
		1,316,231
Chemicals -- 1.29%		
OM Group, Inc	6,400	233,600
Computer Products & Services -- 8.83%		
Affiliated Computer Services, Inc.-- Class A	7,800	351,000
Autodesk, Inc	4,700	200,631
DST Systems, Inc	5,600	319,550
National Data Corp	5,600	272,650
Sungard Data Systems, Inc	11,600	460,375
		1,604,206
Construction -- 4.14%		
Applied Power, Inc.-- Class A	8,100	305,775
Crane Co	14,787	446,383
		752,158
Containers -- 1.59%		
AptarGroup, Inc	10,300	289,044

Electronics -- 10.71%		
Ametek, Inc....................................	7,500	167,344
Lexmark International Group, Inc...............	5,800	582,900
Littlefuse, Inc................................	8,100	155,925
Microchip Technology, Inc.*....................	8,100	299,700
Molex, Inc. Class A............................	7,113	226,727
Teradyne, Inc.*................................	5,100	216,112
Xilinx, Inc.*..................................	4,550	296,319
		1,945,027
Energy & Utilities -- .84%		
Noble Affiliates, Inc..........................	6,200	152,675

</TABLE>

See accompanying notes to financial statements.

PEGASUS VARIABLE MID-CAP OPPORTUNITY FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

<TABLE>
<CAPTION>

Description	Shares	Market Value
<S>	<C>	<C>
Finance -- 6.91%		
A. G. Edwards, Inc.............................	6,750	$ 251,438
FINOVA Group Inc...............................	7,700	415,319
Heller Financial, Inc..........................	12,500	367,188
Waddell & Reed Financial, Inc. Class A..........	9,300	220,294
		1,254,239
Food Wholesalers -- 1.51%		
U.S. Foodservice...............................	5,600	274,400
Health Care/Pharmaceutical -- 6.58%		
DENTSPLY International, Inc.....................	7,200	185,400
HCR Manor Care, Inc.*..........................	5,800	170,375
Health Management Associates, Inc. Class A......	6,543	141,492
Sybron International Corp......................	16,500	448,594
Universal Health Services, Inc.-- Class B.......	4,800	249,000
		1,194,861
Home Furnishings -- 1.53%		
Leggett & Platt, Inc...........................	12,600	277,200
Industrial Automation -- 0.68%		
DT Industries, Inc.............................	7,800	122,850
Information Technology -- 1.05%		
Galileo International, Inc.....................	4,400	191,400
Insurance -- 7.19%		
Capital Re Corp................................	9,000	180,562
CMAC Investment Corp...........................	6,000	275,625
Everest Reinsurance Holdings, Inc..............	9,100	354,331
Executive Risk, Inc............................	3,900	214,256
PMI Group, Inc.................................	2,850	140,718
Transatlantic Holdings, Inc....................	1,850	139,791
		1,305,283
Manufacturing -- 5.67%		
Harsco Corp....................................	6,100	185,669
Hubbell Inc. Class B...........................	4,000	152,000
Idex Corp......................................	4,775	116,987
Juno Lighting, Inc.............................	11,100	259,462
Teleflex, Inc..................................	6,900	314,813
		1,028,931
Miscellaneous -- 3.13%		
Kemet Corp.....................................	6,300	70,875

Waters Corp.	5,700	497,325
		568,200

</TABLE>

See accompanying notes to financial statements.

PEGASUS VARIABLE MID-CAP OPPORTUNITY FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

<TABLE>
<CAPTION>

Description	Shares	Market Value
<S>	<C>	<C>
Motor Vehicles -- 6.51%		
Borg-Warner Automotive, Inc.	5,900	$ 329,294
Harley-Davidson, Inc.	9,300	440,587
Tower Automotive, Inc.	16,500	411,469
		1,181,350
Multi-Industry -- 0.83%		
Lancaster Colony Corp.	4,700	150,988
Oil & Gas -- 2.32%		
Apache Corp.	8,300	210,094
Cooper Cameron Corp.	5,900	144,550
Global Industries, Limited	10,900	66,762
		421,406
Retail -- 7.54%		
Kohls Corp.*	3,600	221,175
Saks Inc.	12,600	397,687
The Men's Wearhouse, Inc.	10,750	341,313
Zale Corp.	12,700	409,575
		1,369,750
TOTAL COMMON STOCK		17,485,201
(Cost $14,775,376)		

</TABLE>

<TABLE>
<CAPTION>

	Face Amount	
<S>	<C>	<C>
REPURCHASE AGREEMENTS -- 3.29%		
State Street Bank, 4.40%, dated 12/31/98, due 01/04/99, collateralized by $450,000 U.S. Treasury Bond, 8.00% due 11/15/21, market value $607,364 (Cost $590,000)	$590,000	$ 590,000
State Street Bank, 4.40%, dated 12/31/98, due 01/04/99, collateralized by $10,000 U.S. Treasury Bond, 7.25% due 05/15/16, market value $12,184 (Cost $8,000)	8,000	8,000
TOTAL REPURCHASE AGREEMENTS		598,000
(Cost $598,000)		
TOTAL INVESTMENTS		$18,083,201
(Cost $15,373,376)		

</TABLE>

Percentages indicated are based on net assets.

*Non-income producing security.

See accompanying notes to financial statements.

PEGASUS GROWTH FUND

PORTFOLIO OF INVESTMENTS
December 31, 1998

Description	Shares	Market Value
COMMON STOCK -- 99.88%		
Banks -- 2.26%		
State Street Corp.	3,000	$ 208,688
Wells Fargo Co.	9,000	359,437
		568,125
Beverages -- 3.75%		
Coca Cola Co.	8,000	535,000
PepsiCo, Inc.	10,000	409,374
		944,374
Business Services -- 2.78%		
Interpublic Group Cos., Inc.	4,000	319,000
Service Corp. International	10,000	380,625
		699,625
Health Care/Pharmaceutical -- 22.98%		
American Home Products Corp.	5,000	281,563
Amgen, Inc.*	5,000	522,813
Elan Corp. PLC ADR*	10,000	695,624
Eli Lilly & Co.	5,000	444,375
Guidant Corp.	5,000	551,250
Merck & Co., Inc.	4,000	590,750
Mylan Laboratories, Inc.	14,000	441,000
Pfizer, Inc.	4,500	564,469
SmithKline Beecham PLC ADR	8,000	556,000
Stryker Corp.	7,000	385,438
United HeathCare Corp.	7,000	301,438
Warner-Lambert Co.	6,000	451,125
		5,785,845
Computer Products & Services -- 17.59%		
Dell Computer Corp.*	8,000	585,500
Cisco Systems, Inc.*	12,000	1,113,750
Compuware Corp.*	5,000	390,625
International Business Machines Corp.	2,000	369,500
Microsoft Corp.*	8,000	1,109,499
Sun Microsystems, Inc.*	10,000	856,249
		4,425,123
Electronics -- 5.47%		
Altera Corp.*	9,000	547,875
Intel Corp.	7,000	829,937
		1,377,812
Entertainment -- 0.83%		
Walt Disney Co.	7,000	210,000

See accompanying notes to financial statements.

PEGASUS GROWTH FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

Description	Shares	Market Value

Finance -- 5.22%		
Associates First Capital Corp..........	10,000	$ 423,750
Freddie Mac............................	8,000	515,500
MBNA Corp..............................	15,000	374,063
		1,313,313
Household Products -- 1.09%		
Procter & Gamble Co....................	3,000	273,938
Insurance -- 2.90%		
AFLAC, Inc.............................	6,000	264,000
UNUM Corp..............................	8,000	467,000
		731,000
Manufacturing -- 2.95%		
Illinois Tool Works, Inc...............	5,000	290,000
Tyco International Ltd.................	6,000	452,625
		742,625
Multi-Industry -- 4.05%		
General Electric Co....................	10,000	1,020,625
Oil & Gas -- 0.91%		
Baker Hughes, Inc......................	13,000	229,938
Retail -- 12.48%		
Dollar General Corp....................	20,000	472,500
Home Depot, Inc........................	13,000	795,438
Rite Aid Corp..........................	9,000	446,062
Staples, Inc.*.........................	14,000	611,625
Walgreen Co............................	7,000	409,938
Wal-Mart Stores, Inc...................	5,000	407,188
		3,142,751
Telecommunications -- 10.81%		
AirTouch Communications, Inc.*.........	11,000	793,375
Lucent Technologies, Inc...............	4,000	440,000
MCI WorldCom, Inc.*....................	10,000	717,500
Telefonaktiebolaget LM Ericsson ADR....	15,000	359,063
Tellabs, Inc.*.........................	6,000	411,374
		2,721,312
Tobacco -- 2.12%		
Philip Morris Cos., Inc................	10,000	535,000
Utilities -- 1.69%		
AES Corp.*.............................	9,000	426,375
TOTAL INVESTMENTS......................		$25,147,781
(Cost $15,841,827)		

</TABLE>

Percentages indicated are based on net assets.
*Non-income producing security.

See accompanying notes to financial statements.

PEGASUS VARIABLE INTRINSIC VALUE FUND

PORTFOLIO OF INVESTMENTS
December 31, 1998

<TABLE>
<CAPTION>

Description	Face Amount	Market Value
CONVERTIBLE BOND -- 0.70%		
Pep Boys, Zero Coupon, 09/20/11..................	$300,000	$ 157,125
(Cost $169,945)		

	Shares	
COMMON STOCK -- 81.64%		
Aerospace -- 3.54%		
Lockheed Martin Corp...........................	9,400	796,650
Apparel -- 3.47%		
Unifi, Inc....................................	40,000	782,500
Auto Parts & Equipment -- 2.65%		
Bandag, Inc. Class A...........................	17,090	596,014
Banks -- 5.34%		
Marshall & Ilsley Corp.........................	6,100	356,469
Pacific Century Financial Corp.................	21,000	511,875
SouthTrust Corp................................	9,000	332,438
		1,200,782
Business Services -- 1.91%		
Grey Advertising, Inc..........................	1,180	429,520
Chemicals -- 1.90%		
NCH Corp.......................................	7,200	428,400
Communication Services -- 1.65%		
Century Telephone Enterprises, Inc............	5,500	371,250
Consumer Cyclicals -- 1.26%		
Enesco Group, Inc..............................	12,200	283,650
Energy & Utilities -- 11.19%		
Allegheny Energy, Inc..........................	9,400	324,300
Arch Coal, Inc.................................	22,100	378,463
CMS Energy Corp................................	6,500	314,844
Energy East Corp...............................	5,600	316,400
Pinnacle West Capital Corp.....................	7,000	296,625
SJW Corp.......................................	3,500	205,625
Sierra Pacific Resources.......................	10,300	391,399
St. Joseph Light & Power Co....................	12,200	218,838
Tennant Co.....................................	1,800	72,225
		2,518,719
Finance -- 6.54%		
Financial Security Assurance Holdings Ltd......	7,000	379,750
Fund American Enterprises Holdings, Inc........	7,800	1,092,487
		1,472,237
Food & Agriculture -- 2.19%		
Farmer Brothers Co.............................	2,300	492,200
Health Care -- 1.12%		
Block Drug Co., Inc. Class A...................	5,799	251,527
Houseware -- 0.95%		
National Presto Industries, Inc................	5,000	213,125

</TABLE>

See accompanying notes to financial statements.

PEGASUS VARIABLE INTRINSIC VALUE FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

<TABLE>
<CAPTION>

Description	Shares	Market Value
<S>	<C>	<C>
Insurance -- 14.20%		
American National Insurance Co...	7,400	$ 612,350
Leucadia National Corp...	28,100	885,150
Ohio Casualty Corp...	6,250	257,031
Old Republic International Corp..	27,550	619,874

PXRE Corp.	15,260	382,454
SAFECO Corp.	10,200	437,963
		3,194,822
Multi-Industry -- 4.88%		
Loews Corp.	11,180	1,098,434
Oil & Gas -- 3.48%		
Atlantic Richfield Co.	2,300	150,075
El Paso Energy Corp.	9,300	323,756
Southwest Gas Corp.	11,500	309,063
		782,894
REITS -- 0.33%		
Associates Estates Realty Corp.	6,200	73,238
Restaurants -- 5.82%		
Luby's Cafeterias, Inc.	19,200	296,400
Sbarro, Inc.	38,700	1,013,455
		1,309,855
Retail -- 4.97%		
Office Depot, Inc.*	9,600	354,600
Payless ShoeSource, Inc.*	16,100	762,738
		1,117,338
Tobacco -- 1.16%		
UST, Inc.	7,500	261,563
Transportation-Railroads -- 3.09%		
Canadian National Railway Co. ADR	13,410	695,644
TOTAL COMMON STOCK		$18,370,362
(Cost $18,758,848)		
REPURCHASE AGREEMENTS -- 17.69%		
	Face Amount	
State Street Bank, 4.40%, dated 12/31/98, due 01/04/99, collateralized by $10,000 U.S. Treasury Bond, 7.50% due 11/15/16, market value $12,486 (Cost $11,000)	$11,000	$ 11,000
State Street Bank, 4.40%, dated 12/31/98, due 01/04/99, collateralized by $3,585,000 U.S. Treasury Note, 7.25% due 05/15/04, market value $4,052,710 (Cost $3,970,000)	3,970,000	3,970,000
TOTAL REPURCHASE AGREEMENTS		3,981,000
(Cost $3,981,000)		
TOTAL INVESTMENTS		$22,508,487
(Cost $22,909,793)		

</TABLE>

Percentages indicated are based on net assets.

* Non-income producing security.

See accompanying notes to financial statements.

PEGASUS VARIABLE INTRINSIC VALUE FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

<TABLE>
<CAPTION>

Description	Face Amount	Market Value
<S>	<C>	<C>
U.S. GOVERNMENT AND AGENCY OBLIGATIONS -- 77.21%		
U.S. Treasury Securities -- 45.66%		
U.S. Treasury Bonds:		
10.375%, 11/15/09	$400,000	$ 511,375
12.75%, 11/15/10	9,745,000	14,169,844

10.375%, 11/15/12	2,790,000	3,858,048
8.75%, 05/15/17	2,400,000	3,342,751
U.S. Treasury Inflation Protection Securities:		
3.625%, 07/15/02	200,000	203,458
3.375%, 01/15/07	200,000	199,584
3.625%, 04/15/28	550,000	543,567
U.S. Treasury Note, 7.125%, 02/29/00	4,000,000	4,110,000
U.S. Treasury Strips:		
11/15/11	500,000	254,178
02/15/13	300,000	140,836
02/15/14	450,000	198,476
05/15/18	800,000	274,068
(Cost $26,016,836)		27,806,185
Agency Obligations -- 31.55%		
Federal Home Loan Mortgage Corp. Participation Ctfs.:		
#555238, 12.00%, 07/01/19	77,175	85,333
#G10777, 9.00%, 06/01/10	642,506	675,807
Federal Home Loan Mortgage Corp. Gtd. Multi-Class Mortgage Participation Ctfs.:		
Series 11 Class D, 9.50%, 07/15/19	250,000	263,274
Series 22 Class C, 9.50%, 04/15/20	151,920	159,821
Series 47 Class F, 10.00%, 06/15/20	80,546	84,783
Series 99 Class Z, 9.50%, 01/15/21	45,739	48,767
Series 128 Class I, 6.50%, 02/15/21	161,630	162,088
Series 1051 Class D, 7.00%, 11/15/19	14,266	14,278
Series 1065 Class J, 9.00%, 04/15/21	75,419	79,688
Series 1250 Class J, 7.00%, 05/15/22	211,000	215,554
Series 1295 Class JB, 4.50%, 03/15/07	300,000	292,433
Series 1297 Class H, 7.50%, 01/15/20	212,671	215,995
Series 1370 Class F, 6.75%, 03/15/19	110,040	110,252
Series 1389 Class SA, IF, 10/15/07	25,024	24,273
Series 1465 Class SA, IO, IF, 02/15/08	501,442	17,748
Series 1489 Class L, 5.50%, 04/15/08	64,574	64,449
Series 1505 Class Q, 7.00%, 05/15/23	200,000	202,703
Series 1543 Class JC, IF, 07/15/23	95,000	85,894
Series 1586 Class A, 6.00%, 09/15/08	127,711	127,656
Series 1589 Class Z, 6.25%, 09/15/23	762,949	732,003
Series 1595 Class S, IO, IF, 10/15/13	689,513	18,407
Series 1603 Class JF, IF, 01/15/23	45,000	45,542
Series 1606 Class LC, IF, 05/15/08	167,150	170,201
Series 1609 Class LG, IF, 11/15/23	145,827	139,348
Series 1619 Class SD, IF, 11/15/23	144,098	144,548

</TABLE>

See accompanying notes to financial statements.

PEGASUS VARIABLE INTRINSIC VALUE FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

<TABLE>
<CAPTION>

Description	Face Amount	Market Value
<S>	<C>	<C>
Series 1625 Class SD, IF, 12/15/08	$200,000	$ 204,693
Series 1646 Class MD, IF, 8.50%, 10/15/22	173,833	174,545
Series 1647 Class SB, IF, 12/15/08	66,281	66,361
Series 1679 Class O, 6.40%, 02/15/09	199,762	201,745
Series 1685 Class Z, 6.00%, 11/15/23	133,546	126,966
Series 1686 Class SL, IF, 02/15/24	88,814	88,642
Series 1689 Class SD, IF, 10/15/23	100,000	101,819
Series 1700 Class GA, PO, 02/15/24	286,574	225,167
Series 1709 Class C, 5.50%, 12/15/19	285,501	284,746
Series 1796-A Class S, IF, 02/15/09	125,000	118,307
Series 1859 Class SB, IO, IF, 10/15/23	109,262	14,420
Series 1967 Class PC, PO, 10/15/08	217,029	190,712
Series 1981 Class Z, 6.00%, 05/15/27	324,921	315,039
Series 1987 Class W, PO, 02/15/22	500,000	387,497
Series 2002 Class A, PO, 11/15/22	144,000	112,061
Series 2025 Class PE, 6.30%, 01/15/13	300,000	303,337
Series 2038 Class PN, IO, 7.00%, 03/15/28	768,835	158,222
Series 2054 Class PV, 7.50%, 05/15/28	500,000	526,109
Federal National Mortgage Assn. Pass Thru Securities:		
Pool #116612, AR, 03/01/19	59,457	62,537

Pool #303532, AR, 03/01/29	119,332	120,047
Federal National Mortgage Assn. Pass Thru Securities Gtd. Remic Trust:		
1989 Class 83-H, 8.50%, 11/25/19	318,238	329,249
1990 Class 1-D, 8.80%, 01/25/20	107,802	113,199
1990 Class 93-G, 5.50%, 08/25/20	90,080	88,105
1990 Class 140-K, HB, 652.1454%, 12/25/20	1,047	16,111
1990 Class 143-J, 8.75%, 12/25/20	118,963	123,696
1991 Class 161-H, 7.50%, 02/25/21	5,301	5,289
1992-G Class 15-Z, 7.00%, 01/25/22	290,006	304,121
1992-G Class 42-Z, 7.00%, 07/25/22	156,335	158,228
1992-G Class 59-F, IF, 10/25/22	105,346	102,877
1992-G Class 61-Z, 7.00%, 10/25/22	36,911	37,143
1992-G Class 66-JB, 5.00%, 11/25/21	200,000	193,785
1992 Class 143-MA, 5.50%, 09/25/22	400,000	385,392
1992 Class 204-B, 6.00%, 10/25/20	234,939	234,741
1993-G Class 1-KA, IF, 01/25/23	169,000	184,170
1993-G Class 12-C, PO, 02/25/23	218,610	207,466
1993-G Class 13-G, 6.00%, 06/25/20	138,209	138,110
1993 Class 19-G, 5.00%, 05/25/19	208,938	207,740
1993-G Class 19-K, 6.50%, 06/25/19	20,275	20,333
1993 Class 38-S, IO, IF, 11/25/22	3,733	20
1993 Class 44-S, IO, IF, 04/25/23	92,482	3,414
1993 Class 58-J, 5.50%, 04/25/23	29,929	29,525
1993 Class 94-K, 6.75%, 05/25/23	28,139	28,117
1993 Class 134-SA, IF, 08/25/08	200,000	205,096
1993 Class 139-SG, IF, 08/25/23	135,828	130,045
1993 Class 155-SB, IO, IF, 09/25/23	282,447	8,598
1993 Class 175-S, IF, 05/25/07	70,953	70,945

</TABLE>

See accompanying notes to financial statements.

PEGASUS VARIABLE BOND FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

<TABLE>
<CAPTION>

Description	Face Amount	Market Value
<S>	<C>	<C>
1993 Class 193-B, 3.00%, 09/25/23	$226,154	$ 217,405
1993 Class 196-FA, IF, 10/25/08	153,556	151,208
1993 Class 220-SD, IF, 11/25/13	49,707	48,362
1993 Class X-225C-FP, IF, 10/25/22	120,000	112,504
1993 Class 230-FA, IF, 12/25/23	179,385	178,814
1993 Class 257-C, PO, 06/25/23	600,000	419,454
1994 Class 8-G, PO, 11/25/23	86,531	80,331
1994-G Class 13-ZB, 7.00%, 11/17/24	178,642	177,001
1994 Class 30-LA, 6.50%, 10/25/21	24,464	24,588
1994 Class 82-SA, IO, IF, 06/25/23	818,911	20,594
1995 Class 13-B, 6.50%, 03/25/09	107,087	107,378
1996 Class 7-C, 6.50%, 12/25/10	199,989	199,546
1996 Class 20-L, PO, 09/25/08	182,059	157,588
1996 Class 24-B, PO, 10/25/08	200,000	158,738
1996 Class 24-K, PO, 02/25/08	100,000	92,500
1996 Class 39-J, PO, 09/25/08	150,000	118,038
1996 Class 59-J, 6.50%, 08/25/22	268,000	268,646
1997 Class 39-PD, 7.50%, 05/20/27	200,000	209,108
1997 Class 85-L, IO, 12/25/20	386,108	40,780
Federal National Mortgage Assn. Strips:		
Class K-2, IO, 11/01/08	7,706	44,087
Government National Mortgage Assn. Pass Thru Securities:		
Pool #297628, 8.00%, 09/15/22	126,995	132,387
Pool #2006, 8.50%, 05/20/25	250,859	265,722
Pool #2324, 8.00%, 11/20/26	546,547	565,327
Pool #2362, 8.00%, 01/20/27	897,875	929,426
Pool #460372, 8.00%, 05/15/28	257,674	268,010
Pool #468066, 8.00%, 07/15/28	238,900	248,482
Pool #486537, 7.50%, 09/15/28	474,497	489,818
Government National Mortgage Assn. Pass Thru Securities Gtd. Remic Trust:		
1994 Class 3-PQ, 7.4875%, 07/16/24	250,000	265,820
1994 Class 4-SA, IO, IF, 10/16/22	546,060	22,426
1996 Class 16-E, 7.50%, 08/16/26	713,000	750,081
1996 Class 22-VB, 7.00%, 08/16/13	120,000	124,400

1997 Class 8-PN, 7.50%, 05/16/27	500,000	521,176
1998 Class 26-K, 7.50%, 09/17/25	491,000	510,244
(Cost $18,759,129)		19,209,321
TOTAL U.S. GOVERNMENT AND AGENCY OBLIGATIONS		47,015,506
(Cost $44,775,965)		

</TABLE>

See accompanying notes to financial statements.

PEGASUS VARIABLE BOND FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

<TABLE>
<CAPTION>

Description	Face Amount	Market Value
<S>	<C>	<C>
ASSET BACKED SECURITIES -- 7.69%		
Arcadia Automobiles Receivables Trust,		
Series 1997-B, Class A3, 6.30%, 07/16/01	$517,542	$ 520,106
Series 1998-B, Class A3, 5.95%, 11/15/02	250,000	253,186
Series 1998-A, Class A4, 6.00%, 11/17/03	200,000	201,291
Case Equipment Loan Trust Asset Backed Pass Thru. Ctf.,		
Series 1995-A, Class A, 7.30%, 03/15/02	40,549	40,611
Series 1995-B, Class A-3, 6.15%, 09/15/02	80,917	81,057
Series 1996-A, Class A2, 5.50%, 02/15/03	72,237	72,373
Chase Manhattan Grantor Trust, Series 1995-A, Class A, 6.00%, 09/17/01	94,782	95,162
Chase Mortgage Finance Corp., Series 1994-E, Class A6B, IF, 04/25/10	156,021	155,484
CPS Auto Trust Asset Backed Pass Thru Ctf.,		
Series 1997-4, Class A1, 6.07%, 03/15/03	88,499	88,921
Series 1998-3, Class A4, 6.08%, 10/15/03	400,000	409,778
Ford Credit Auto Owner Trust Asset Backed Pass Thru Ctf.,		
Series 1997-B, Class A2, 5.59%, 01/15/00	87,493	87,638
Merrill Lynch Home Equity Loan, 1992-1, Class A, AR, 07/15/22	43,905	43,903
Nationsbank Auto Grantor Trust Asset Backed Ctf.,		
Series 1995-A, Class A, 5.85%, 06/15/02	17,640	17,714
Navistar Financial Corp. Owner Trust, Series 1995-A, Class A2, 6.55%, 11/20/01	36,824	36,877
Olympic Automobile Rec. Trust Asset Backed Pass Thru Ctf.,		
Series 1995-C, Class A2, 6.20%, 01/15/02	138,004	138,770
Series 1996-C, Class A5, 7.00%, 03/15/04	300,000	309,266
ONYX Acceptance Grantor Trust Auto Loan Pass Thru Ctf.,		
Series 1996-1, Class A, 5.40%, 05/15/01	85,014	85,190
Series 1998-B, Class A2, 5.85%, 07/15/03	250,000	253,169
Premier Auto Trust, Series 1998-5, Class A3, 5.07%, 07/08/02	500,000	498,353
Sears Credit Account, Series 1998-1, Class A, 5.80%, 08/15/05	200,000	201,385
WFS Financial Owner Trust Asset Backed Pass Thru Ctf.,		
Series 1996-C, Class A4, 6.80%, 12/20/03	150,000	152,287
Series 1996-D, Class A3, 6.05%, 07/20/01	121,538	121,783
Series 1997-A, Class A3, 6.50%, 09/20/01	115,405	116,701
Series 1997-B, Class A2, 6.05%, 07/20/00	65,992	66,218
Series 1997-C, Class A2, 5.95%, 06/20/00	104,647	104,976
World Omni Automobile Lease Sec Trust Asset Backed Pass Thru Ctf.,		
Series 1997-B, Class A1, 6.07%, 11/25/03	231,662	232,052
Series 1997-B, Class A3, 6.18%, 11/25/03	299,834	301,745
TOTAL ASSET BACKED SECURITIES		4,685,996
(Cost $4,651,043)		

</TABLE>

See accompanying notes to financial statements.

PEGASUS VARIABLE BOND FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

<TABLE>
<CAPTION>

Description	Face Amount	Market Value

<S>	<C>	<C>
CORPORATE BONDS AND NOTES -- 2.93%		
Automobile -- 1.02%		
Ford Motor Credit, 8.20%, 02/15/02	$300,000	$ 322,260
General Motors Acceptance Corp., 5.75%, 11/10/03	300,000	301,571
(Cost $615,547)		623,831
Finance -- 0.87%		
Associates Corp. of North America:		
9.125%, 04/01/00	85,000	88,734
8.15%, 08/01/09	200,000	235,350
5.96%, 05/15/37	200,000	206,141
(Cost $514,307)		530,225
Industry -- 1.04%		
Boeing Co.:		
6.36%, 07/15/05	500,000	501,997
7.95%, 08/15/24	110,000	129,448
(Cost $625,805)		631,445
TOTAL CORPORATE BONDS AND NOTES		1,785,501
(Cost $1,755,659)		
REPURCHASE AGREEMENTS -- 11.44%		
State Street Bank, 4.40%, dated 12/31/98, due 01/04/99, collateralized by $60,000 U.S. Treasury Note, 7.25%, due 05/15/04, market value $67,828 (cost $66,000)	$ 66,000	$ 66,000
State Street Bank, 4.40%, dated 12/31/98, due 01/04/99, collateralized by $6,225,000 U.S. Treasury Note, 7.25%, due 05/15/04, market value $7,037,132 (cost $6,897,000)	6,897,000	6,897,000
TOTAL REPURCHASE AGREEMENTS		6,963,000
(Cost $6,963,000)		
TOTAL INVESTMENTS		$60,450,003
(Cost $58,145,667)		

Percentages indicated are based on net assets.

</TABLE>

See accompanying notes to financial statements.

PEGASUS VARIABLE BOND FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

NOTES TO PORTFOLIO OF INVESTMENTS

The Pegasus Variable Bond Fund invests in securities whose value is derived from an underlying pool of mortgages or consumer loans. Some of these securities are collateralized mortgage obligations (CMOs). CMOs are debt securities issued by U.S. government agencies or by financial institutions and other mortgage lenders which are collateralized by a pool of mortgages held under an indenture. Descriptions of certain collateralized mortgage obligations are as follows:

Adjustable Rate (AR) represents securities with an interest rate that changes periodically based upon an index of market rates. The rate reflected on the Portfolio of Investments is the rate in effect at December 31, 1998.

Inverse Floaters (IF) represent securities that pay interest at a rate that increases (decreases) with a decline (increase) in a specified index.

Interest Only (IO) represents the right to receive the monthly interest payments on an underlying pool of mortgage loans. The face amount shown represents the par value on the underlying pool. The yields on these securities are generally higher than prevailing market yields other mortgage-backed securities because their cash flow patterns are more volatile and there is a greater risk that the initial investment will not be fully recouped. These securities are subject to accelerated principal paydowns as a result of prepayments or refinancing of the underlying pool of mortgage instruments. As a result, interest income may be reduced considerably.

High Coupon Bonds (HB) (a.k.a. "IOettes") represent the right to receive interest payments on an underlying pool of mortgages with similar risks as those associated with IO securities. Unlike IO's, the owner also has a right to receive a very small portion of principal. The high interest rate results from taking interest payments from other classes in the REMIC Trust and allocating them to the small principal of the HB class.

Principal Only (PO) represents the right to receive the principal portion only on an underlying pool of mortgage loans. The market value of these securities is extremely volatile in response to changes in market interest rates. As prepayments on the underlying mortgages of these securities increase, the yield on these securities increases.

The abbreviations in the Portfolio of Investments stand for the following:

ADR -- American Depositary Receipt
Ltd. -- Limited
PLC -- (British) Public Limited Company
REITS -- Real Estate Investment Trust

See accompanying notes to financial statements.

PEGASUS VARIABLE BOND FUND

PORTFOLIO OF INVESTMENTS -- (Continued)
December 31, 1998

(1) Organization and Commencement of Operations

The Pegasus Variable Funds (the "Trust" or the "Funds") was organized as a Delaware business trust on November 7, 1994, and registered under the Investment Company Act of 1940, as amended, as an open-end investment company. As of December 31, 1998, the Trust consisted of five separate series of which there were four Equity Funds and one Bond Fund, as described below.

Equity Funds:
- Pegasus Variable Growth and Value Fund
- Pegasus Variable Mid-Cap Opportunity Fund
- Pegasus Variable Growth Fund
- Pegasus Variable Intrinsic Value Fund

Bond Fund:
- Pegasus Variable Bond Fund

The Funds commenced operations on March 30, 1995, except for the Intrinsic Value Fund and the Bond Fund, which commenced operations on May 1, 1997. Shares of the Trust are made available to serve as the underlying investment media of the variable annuity contracts issued by Separate Account Six of ITT Hartford Life & Annuity Insurance Company. Orders for the Trust's shares are executed in accordance with the investment instructions of the contract owners.

On June 26, 1997, the Pegasus Variable Annuity Managed Assets Balanced and Money Market Funds liquidated their assets and discontinued operations. Shareholder investments in these two portfolios were reallocated into other existing mutual funds offered by Separate Account Six within ITT Hartford Life and Annuity Insurance Company, such shares being equal in value to the net assets so reallocated.

As of December 31, 1997 the Pegasus Variable Annuity Growth and Value Fund, Pegasus Variable Annuity Mid-Cap Opportunity Fund, Pegasus Variable Annuity Growth Fund, Pegasus Variable Annuity Intrinsic Value Fund, and Pegasus Variable Annuity Bond Fund changed their names to the Pegasus Variable Growth and Value Fund, Pegasus Variable Mid-Cap Opportunity Fund, Pegasus Variable Growth Fund, Pegasus Variable Intrinsic Value Fund, and Pegasus Variable Bond Fund, respectively.

On October 2, 1998, First Chicago NBD Investment Management Company's (FCNIMCO) parent company, First Chicago NBD Corporation, merged with and into BANC ONE CORPORATION at which time was renamed to BANK ONE CORPORATION. BANK ONE CORPORATION has now begun the process of reorganizing their proprietary mutual funds. ITT Hartford Life and Annuity Insurance Company has filed an exemption application with the Securities and Exchange Commission (SEC) requesting relief from certain rules in order to substitute One Group Investment Trust Funds for the Pegasus Variable Funds in their Separate Account Six. In turn, One Group Investment Trust has filed a post effective amendment to its registration statement, creating four new funds with similar investment objectives as the Funds. The Pegasus Variable Growth Fund will be substituted with an existing fund in One Group Investment Trust. Assuming approval by the SEC, it is anticipated this substitution will occur in March, 1999. The substitution is intended to be effected on a tax-free basis, so that none of the Funds' shareholders will recognize taxable gains or losses as a result of the substitution.

(2) Significant Accounting Policies

The following is a summary of significant accounting policies followed in the preparation of the financial statements. The policies are in conformity with generally accepted accounting principles for investment companies. Following generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Investments

The Funds value investment securities at market value which is determined by a pricing service based upon quoted market prices or dealer quotes. Securities for which market prices or dealer quotes are not readily available are valued in accordance with procedures approved by the Board of Trustees. Fixed income securities are valued at the mean of the closing bid and ask price as estimated by an independent pricing service.

Investment security purchases and sales are accounted for on the trade date. Realized gains and losses from security transactions are recorded on the specific identified cost basis.

The Trust invests in securities subject to repurchase agreements. Such transactions are entered into only with institutions included on the Federal Reserve System's list of institutions with whom the Federal Reserve open market desk will do business. Under the supervision of the Board of Trustees, the following additional policies and procedures relating to the Trust's investments in securities subject to repurchase agreements are established: 1) the value of the underlying collateral is required to equal or exceed 102% of the funds advanced under the repurchase agreement including accrued interest; 2) collateral is marked-to-market daily to assure its value remains at least equal to 102% of the repurchase agreement amount; and 3) funds are not disbursed by the Trust or its agent unless collateral is presented or acknowledged by the collateral custodian.

Investment Income

Interest income is recorded daily on the accrual basis adjusted for amortization of premium and accretion of discount on debt instruments. Bond premiums and discounts are amortized/accreted under the effective interest rate method. For mortgage-backed securities, as prepayments on the underlying mortgages increase or decrease the expected life, the yield is adjusted to amortize/accrete the security to its new expected life. Dividends are recorded on the ex-dividend date.

Federal Income Taxes

It is the Trust's policy to comply with the requirements of Subchapter M of the Internal Revenue Code, as amended, applicable to regulated investment companies and to distribute substantially all of its net investment income and realized gains to its shareholders. Therefore, no federal income tax provision is required in the accompanying financial statements.

Net investment income and realized gains (losses) differ for financial statement and tax purposes primarily because of the recognition of wash sales transactions and post-October 31 capital losses. Also, due to the timing of dividend distributions, the fiscal year in which amounts are distributed may differ from the year that net investment income or realized gains were recorded by the Funds. Certain book-to-tax timing differences for the Funds are reflected as excess distributions in the Statements of Changes in Net Assets. These distributions do not constitute a tax return of capital.

Shareholder Dividends

Dividends from net investment income are declared and paid quarterly by the Equity Funds and monthly by the Bond Fund. Net realized capital gains are distributed annually or as necessary to comply with Subchapter M of the Internal Revenue Code. Distributions from net investment income and net realized gains are made during each year to prevent the 4% excise tax imposed on regulated investment companies by the Internal Revenue Code.

Deferred Organization Costs

Organization costs are amortized on a straight-line basis over a five year period beginning with the commencement of operations of each portfolio.

Expenses

Direct expenses of a fund are allocated to that fund. General expenses of the Trust are allocated to each Fund based upon each Fund's relative net assets.

When Issued/To Be Announced (TBA) Securities

The Bond Fund may purchase securities on a "when issued" basis. These securities have been registered by a municipality or government agency, but have not yet been issued to the public. These transactions involve a commitment by the Fund to purchase particular securities, with payment and delivery taking place at a future date, for which all specific information, such as the face amount and maturity date of such investment security, is not known at the time of the trade. These transactions are subject to market fluctuations and the risk that the value at delivery may be more or less than the purchase price at which the transactions were entered. The current value of these securities is determined in the same manner as that of other portfolio securities. Although the Bond Fund generally purchases these securities with the intention of acquisition, such securities may be sold before the settlement.

(3) Investment Advisory Fee, Administration Fee and Other Transactions With Affiliates

FCNIMCO is the investment advisor pursuant to an Advisory Agreement with the Trust. For its advisory services to the Trust, FCNIMCO earns an annual fee of 0.60% from the Equity Funds and 0.40% from the Bond Fund based on the average daily net assets of each Fund.

FCNIMCO and BISYS Fund Services serve as the Trust's Co-Administrators pursuant to an Administration Agreement. Under the Administration Agreement, the Co-Administrators generally assist in aspects of the Trust's administration and operations, other than providing investment advice, subject to the overall authority of the Trust's Board of Trustees in accordance with Delaware law. FCNIMCO and BISYS appointed Nationwide Advisory Services, Inc. ("NAS") to provide the administrative services of the Trust. Under the terms of the Administration Agreement, the Co-Administrators are entitled to a monthly administration fee at the annual rate of 0.15% of each Fund's average daily net assets which is then paid to NAS.

FCNIMCO has agreed that they may waive their fees in whole or in part; and, if in part, may specify the particular Fund to which such waiver relates as may be required to satisfy any expense limitation imposed by state securities laws or other applicable laws. At present, no restrictive expense limitation is imposed on the Trust. Restrictive limitations could be imposed as a result of changes in current state laws and regulations in those states where the Trust has qualified its shares, or by a decision of the Trustees to qualify the shares in other states having restrictive expense limitations. For the year ended December 31, 1998, FCNIMCO voluntarily agreed to waive their advisory fees to the extent that the Funds' expenses exceeded 0.95% for the Growth and Value, Mid-Cap Opportunity, Growth, and Intrinsic Value Funds and 0.75% for the Bond Fund (as a percentage of each Fund's average daily net assets). For the year ended December 31, 1998, FCNIMCO waived fees in the amounts of $33,240 in the Variable Growth and Value Fund, $82,956 in the Variable Mid-Cap Opportunity Fund, $56,564 in the Variable Growth Fund, $57,553 in the Variable Intrinsic Value Fund, and $26,975 in the Variable Bond Fund.

(4) Investment Securities Transactions

At December 31, 1998, the accumulated net unrealized appreciation (depreciation) on investments for federal tax purposes and the federal tax cost of investments was as follows:

<TABLE>
<CAPTION>

<S>	Growth and Value Fund <C>	Mid-Cap Opportunity Fund <C>	Growth Fund <C>	Intrinsic Value Fund <C>	Bond Fund <C>
Gross Unrealized Appreciation (Federal tax cost)	$10,031,572	$ 3,582,525	$ 9,570,842	$ 992,072	$ 2,463,574
Gross Unrealized Depreciation (Federal tax cost)	(1,055,791)	(876,352)	(264,888)	(1,393,378)	(159,238)

Net Unrealized Appreciation (Depreciation)	$ 8,975,781	$ 2,706,173	$ 9,305,954	$ (401,306)	$ 2,304,336
Federal Tax Cost	$48,609,299	$14,779,028	$15,841,827	$18,928,793	$51,182,667

</TABLE>

The following summarizes the securities transactions entered into by the Funds, excluding short-term investments, for the year ended December 31, 1998:

<TABLE>
<CAPTION>

<S>	Growth and Value Fund <C>	Mid-Cap Opportunity Fund <C>	Growth Fund <C>	Intrinsic Value Fund <C>	Bond Fund <C>
Purchases	$34,178,733	$8,870,717	$11,828,501	$12,755,820	$27,782,628
Sales	$20,314,165	$3,727,831	$ 8,932,579	$ 6,595,389	$ 6,420,623

</TABLE>

(5) Equity of Affiliates:

As of December 31, 1998, Hartford Life Insurance Company held a direct interest in shares as follows:

<TABLE>
<CAPTION>

<S>	Shares <C>	Percentage of Total Shares <C>
Pegasus Variable Growth and Value Fund	57,163	1.71%
Pegasus Variable Mid-Cap Opportunity Fund	62,050	5.04%
Pegasus Variable Growth Fund	55,179	4.71%
Pegasus Variable Intrinsic Value Fund	52,847	2.51%
Pegasus Variable Bond Fund	219,235	3.86%

</TABLE>

PEGASUS VARIABLE FUNDS

FINANCIAL HIGHLIGHTS
For a share outstanding throughout each period

<TABLE>
<CAPTION>

	Growth and Value Fund			
<S>	Year Ended December 31, 1998 <C>	Year Ended December 31 1997 <C>	Year Ended December 31, 1996 <C>	Year Ended December 31, 1995(1) <C>
NET ASSET VALUE - BEGINNING OF PERIOD	$ 16.22	$ 13.19	$ $11.63	$10.00
Net investment income (loss)	0.11	0.13	0.15	0.13
Net realized and unrealized appreciation	2.00	3.38	2.02	1.63
Total from investment operations	2.11	3.51	2.17	1.76
Distributions:				
From net investment income	(0.12)	(0.13)	(0.14)	(0.13)
From net realized gains from investments	(0.41)	(0.35)	(0.47)	--
Total distributions	(0.53)	(0.48)	(0.61)	(0.13)
Net increase in net asset value	1.58	3.03	1.56	1.63
NET ASSET VALUE-END OF PERIOD	$ 17.80	$ 16.22	$13.19	$11.63
Total return	13.10%	26.80%	18.75%	22.75%(2)
Ratios and supplemental data:				
Net assets end of period (000)	$59,560	$38,705	$8,603	$3,754
Ratio of net expenses to average net assets	0.95%	0.93%	0.85%	0.85%(2)
Ratio of expenses to average net assets excluding waivers	1.02%	1.10%	2.27%	4.93%(2)
Ratio of net investment income (loss) to average net assets	.69%	.93%	1.35%	1.78%(2)
Portfolio turnover	43.2%	31.1%	46.8%	17.5%(2)

</TABLE>

<TABLE>
<CAPTION>

<S> <C>

	Mid-Cap Opportunity			
	Year Ended December 31, 1998	Year Ended December 31, 1997	Year Ended December 31, 1996	Year Ended December 31, 1995(1)
NET ASSET VALUE - BEGINNING OF PERIOD	$ 14.38	$ 13.46	$11.02	$10.00
Net investment income (loss)	(0.01)	0.01	0.03	0.05
Net realized and unrealized appreciation	0.70	3.55	2.67	1.02
Total from investment operations	0.69	3.56	2.70	1.07
Distributions:				
From net investment income	--	(0.01)	(0.03)	(0.05)
From net realized gains from investments	(0.31)	(2.63)	(0.23)	--
Total distributions	(0.31)	(2.64)	(0.26)	(0.05)
Net increase in net asset value	0.38	0.92	2.44	1.02
NET ASSET VALUE-END OF PERIOD	$ 14.76	$ 14.38	$13.46	$11.02
Total return	4.91%	26.65%	24.53%	14.20%(2)
Ratios and supplemental data:				
Net assets end of period (000)	$18,160	$11,668	$9,216	$4,972
Ratio of net expenses to average net assets	0.95%	0.91%	0.85%	0.85%(2)
Ratio of expenses to average net assets excluding waivers	1.52%	1.49%	2.11%	4.64%(2)
Ratio of net investment income (loss) to average net assets	(.10)%	.04%	.28%	.67%(2)
Portfolio turnover	26.2%	80.7%	37.4%	32.1%(2)

</TABLE>

(1) Commenced operations on March 30, 1995.

(2) Annualized.

See accompanying notes to financial statements.

FINANCIAL HIGHLIGHTS
For a share outstanding throughout each period

<TABLE>
<CAPTION>

<S> <C>

	Growth Fund			
	Year Ended December 31, 1998	Year Ended December 31, 1997	Year Ended December 31, 1996	Year Ended December 31, 1995(1)
NET ASSET VALUE - BEGINNING OF PERIOD	$ 15.39	$ 13.28	$ 11.37	$10.00
Net investment income (loss)	(0.04)	0.03	0.05	0.05
Net realized and unrealized appreciation (depreciation)	6.19	3.36	1.94	1.38
TOTAL FROM INVESTMENT OPERATIONS	6.15	3.39	1.99	1.43
Distributions:				
From net investment income	--	(0.03)	(0.05)	(0.05)
From net realized gains from investments	(0.04)	(1.25)	(0.01)	(0.01)
In excess of realized gains from investment transactions	--	--	(0.02)	--
TOTAL DISTRIBUTIONS	(0.04)	(1.28)	(0.08)	(0.06)
NET INCREASE (DECREASE) IN NET ASSET VALUE	6.11	2.11	1.91	1.37
NET ASSET VALUE-END OF PERIOD	$ 21.50	$ 15.39	$ 13.28	$11.37
TOTAL RETURN	40.03%	25.48%	17.52%	18.82%(3)
RATIOS AND SUPPLEMENTAL DATA:				
Net assets end of period (000)	$25,177	$15,840	$11,542	$6,435
Ratio of net expenses to average net assets	0.95%	0.91%	0.85%	0.85%(3)
Ratio of expenses to average net assets excluding waivers	1.23%	1.26%	1.65%	3.15%(3)
Ratio of net investment income (loss) to average net assets	(.25)%	.21%	.49%	.81%(3)
Portfolio turnover	44.8%	51.0%	23.1%	4.5%(3)

</TABLE>

	Intrinsic Value Fund		Bond Fund	
	Year Ended December 31, 1998	Year Ended December 31, 1997(2)	Year Ended December 31, 1998	Year Ended December 31, 1997(2)
NET ASSET VALUE - BEGINNING OF PERIOD	$ 11.53	$ 10.00	$ 10.44	$ 10.00
Net investment income (loss)	0.21	0.12	0.57	0.37
Net realized and unrealized appreciation (depreciation)	(0.58)	1.57	0.31	0.45
TOTAL FROM INVESTMENT OPERATIONS	(0.37)	1.69	0.88	0.82
Distributions:				
From net investment income	(0.21)	(0.12)	(0.58)	(0.37)
From net realized gains from investments	(0.20)	(0.04)	(0.01)	(0.01)
In excess of realized gains from investment transactions	(0.05)	--	--	--
TOTAL DISTRIBUTIONS	(0.46)	(0.16)	(0.59)	(0.38)
NET INCREASE (DECREASE) IN NET ASSET VALUE	(0.83)	1.53	0.29	0.44
NET ASSET VALUE-END OF PERIOD	$ 10.70	$ 11.53	$ 10.73	$ 10.44
TOTAL RETURN	-3.31%	25.26%(3)	8.66%	12.29%(3)
RATIOS AND SUPPLEMENTAL DATA:				
Net assets end of period (000)	$22,501	$13,926	$60,892	$34,230
Ratio of net expenses to average net assets	0.95%	0.95%(3)	0.75%	0.75%(3)
Ratio of expenses to average net assets excluding waivers	1.27%	1.22%(3)	0.81%	.77%(3)
Ratio of net investment income (loss) to average net assets	1.90%	1.83%(3)	5.36%	5.97%(3)
Portfolio turnover	39.3%	19.6%(3)	14.5%	14.8%(3)

(1) Commenced operations on March 30, 1995.

(2) Commenced operations on May 1, 1997.

(3) Annualized.

See accompanying notes to financial statements.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Trustees and Shareholders of the
Pegasus Variable Funds:

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of the PEGASUS VARIABLE FUNDS (comprising as indicated in Note 1, the Growth and Value, Mid-Cap Opportunity, Growth, Intrinsic Value and Bond Funds) as of December 31, 1998, and the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended and the financial highlights for each of the years from inception (as indicated in Note 1) through December 31, 1998. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included physical counts and confirmation of securities owned as of December 31, 1998, by inspection and correspondence with custodians, banks and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of each of the respective funds constituting the Pegasus Variable Funds as of December 31, 1998, and the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended and their financial highlights for each of the periods from inception (as indicated in Note 1) through December 31, 1998, in conformity with generally accepted accounting principles.

ARTHUR ANDERSEN LLP

Detroit, Michigan,
February 12, 1999.

THE ONE GROUP(R) INVESTMENT TRUST

ANNUAL REPORT
DECEMBER 31, 1998

THE ONE GROUP(R) INVESTMENT TRUST
ANNUAL REPORT
DECEMBER 31, 1998

TABLE OF CONTENTS

THE ONE GROUP(R) INVESTMENT TRUST

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

GOVERNMENT BOND FUND
DECEMBER 31, 1998

HOW DID THE FUND PERFORM?
For the year ended December 31, 1998, the Government Bond Fund posted a total return of 7.32%.

HYPOTHETICAL $10,000 INVESTMENT

$1,400	$14,103
1,300	$13,977 (Gov't Bond)

1,200
1,100
1,000
9000
8/1/94 12/31/94 12/31/95 12/31/96 12/31/97 12/31/98

-.- Government Bond -..- Solomon Bros. 3-7 Yr. Treas./Gov't
</TABLE>

---

*Initial public offering commenced August 1, 1994.

<TABLE>
<CAPTION>

Government Bond Fund
Average Annual Total Return

<S> One Year	<C> Since Inception
7.32%	7.87%

</TABLE>

Past performance is not predictive of future performance.

HOW WOULD YOU CHARACTERIZE THE BOND MARKET DURING 1998?
1998 will be characterized as one of the most volatile periods for the fixed income markets. During the year, interest rates declined overall as the economic flu that attacked Southeast Asia in late 1997 spread to Russia and Latin America. (The yield on the 10-year Treasury, for example, declined from 5.74% to 4.66%.)

These economic problems along with the fear of further contagion through the developed world, especially the United States, led to a significant increase in interest rate volatility and a huge flight to quality. For this reason, spreads on non-Treasury securities significantly deteriorated, and illiquidity became a concern in the markets. In addition, as non-Treasury borrowing cost rose (as the result of the illiquidity), several large and very leveraged investors were forced into liquidation, which only compounded the market problems. These events led the Federal Reserve to ease monetary policy in the fall, which significantly helped the markets return to more "normal" behavior.

WHAT HAPPENED IN THE MORTGAGE-BACKED SECTOR?
The decline in interest rates (both in January and in the fall) provided borrowers with the best opportunities to refinance their homes since 1993. The rapid increase in prepayments led to a significant shortening of mortgage durations, and to large cash flows that needed to be invested at the new lower interest rates. In addition, the rise in quality spreads meant that mortgage-backed spreads needed to rise to compensate for both the larger prepayment risk and the competing yields from other fixed income products. Due to these factors, mortgages were the worst-performing fixed income sector for the one-year period, lagging Treasuries, agencies and corporate securities.

HOW DID THIS INFLUENCE FUND PERFORMANCE?
With an average mortgage position of 68%, the Fund suffered from its focus on mortgage securities. As interest rates declined, the duration of our mortgage-backed component dropped sharply. Because our strategy involves maintaining stable portfolio duration close to five years, the cost of maintaining this duration rose sharply as interest rate volatility increased, also negatively affecting the performance of the Fund.

WHAT WAS THE FUND'S PRIMARY INVESTMENT STRATEGY?
As always, the Fund's strategy is to maximize total rate of return while maintaining a very stable duration of approximately five years. (Duration is a measure of a fund's sensitivity to interest rate changes. A higher number indicates greater sensitivity; a lower number indicates less.) Furthermore, the Fund invests only in assets that are directly or indirectly guaranteed by the U.S. government.

In our efforts to maximize the Fund's income return, we typically invest a significant portion of the Fund in mortgage-backed securities that represent attractive value. Because mortgage-backed durations tend to fluctuate with changes in interest rates, we must constantly adjust the Fund's duration in order to maintain total portfolio duration of five years.

This strategy is successful when undervalued mortgage securities appreciate to their full value and when interest rate volatility remains low to moderate. However, during 1998, interest rate volatility was very strong, which created problems for mortgage-backed securities.

WHAT IS YOUR OUTLOOK FOR THE MARKET?
We expect interest rates to remain stable or decline slightly in 1999, as the U.S. economy slows down in response to the economic problems abroad. In addition, we expect the overall level of volatility to gradually decline, as the uncertainty relating to emerging markets and the economic flu dissipates. In this environment, we expect mortgage-backed securities to perform well, which may help the Fund recapture some of the luster that it lost in 1998.

/s/ Gary J. Madich
Gary J. Madich
Senior Managing Director of Fixed Income Securities

The Fund's composition is subject to change.
Please refer to the prospectus and the accompanying financial statements for further information about your Fund.

THE ONE GROUP(R) INVESTMENT TRUST

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

ASSET ALLOCATION FUND
DECEMBER 31, 1998

HOW DID THE FUND PERFORM?
For the year ended December 31, 1998, the Asset Allocation Fund posted a total return of 19.09%.

HYPOTHETICAL $10,000 INVESTMENT

<TABLE>
<CAPTION>

<S>	<C>
$30,000	$29,377
25,000	$22,055
20,000	$19,509
15,000	$13,929
10,000	

8/1/94 12/31/94 12/31/95 12/31/96 12/31/97 12/31/98

-.- Asset Allocation   -..- Blended Index**
-0- LB Interm Gov't Corp   -00- S&P 500

</TABLE>

---

*Initial public offering commenced August 1, 1994.
**Blended Index consists of 60% S&P 500 & 40% Lipper Intermediate U.S. Government Bond Index

<TABLE>
<CAPTION>

Asset Allocation Fund
Average Annual Total Return

<S> One Year	<C> Since Inception
19.09%	16.32%

</TABLE>

Past performance is not predictive of future performance.

WHAT WAS YOUR PRIMARY ASSET ALLOCATION STRATEGY?
In November 1998 we increased the Fund's equity weighting by 3 percentage points, bringing the Fund's asset allocation to 60% equities and 40% fixed income securities. Our research indicated that while stock valuations remained fairly high, interest rates were easing. This prompted the slight shift toward equities.

HOW DID EVENTS PLAY OUT IN THE FUND'S EQUITY PORTFOLIO?
Overall, corporate profits exceeded expectations throughout the year,

contributing to the market's strong performance. At the same time, a favorable interest rate environment helped support additional gains in the market.

The Fund's equity philosophy is research driven. Our bottom-up stock selection philosophy led to attractive results in the Fund's equity portfolio. Instead of trying to time the market or focus on certain market sectors, we rely on fundamental research to select individual stocks from all market sectors. As a result, the Fund's stock portfolio represents the "best ideas" of the equity research team.

Equity returns primarily were driven by stock selection in the following areas: technology (America Online, up 164%; Dell Computer, up 248%), energy (Exxon, up 22%), capital equipment (Tyco, up 67%), retail (Wal-Mart, up 107%), and consumer capital spending (Medusa, up 42%).

THE ONE GROUP(R) INVESTMENT TRUST

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

ASSET ALLOCATION FUND (CONTINUED)
DECEMBER 31, 1998

WHAT WERE THE TOP 10 HOLDINGS IN THE EQUITY PORTFOLIO?*
As of December 31, 1998, the Fund's top 10 equity holdings included Microsoft (technology), General Electric (capital goods), Intel (technology), Cisco Systems (technology), IBM (technology), Exxon (energy), Wal-Mart (retail), Bristol Myers Squibb (health care), Philip Morris (consumer non-durable) and MCI WorldCom (utilities).

HOW DID EVENTS PLAY OUT IN THE FIXED INCOME PORTFOLIO?
In general, the bond market benefited from the overall decline in interest rates throughout 1998. The most significant event, though, was a late-summer rally in the U.S. Treasury market that was sparked by the ongoing economic problems in Asia, Russia and Latin America. This flight-to-quality, which lasted into October, pushed Treasuries ahead of all other bond market sectors for 1998.

Our ongoing strategy is to maintain diversity among government, agency mortgage-backed and corporate securities, with a focus on non-Treasury sectors. Our research indicates that over the long term, non-Treasury sectors tend to outperform Treasuries, and we will continue to pursue this strategy. At the end of the year, 14% of the Fund's portfolio was invested in government securities, 16% in mortgage-backed securities and 7.5% in corporate and asset-backed securities.
Credit quality within the Fund's bond portfolio remained high, with 81% of the portfolio's securities AAA-rated, 3% AA-rated, 13% A-rated and 4% BBB-rated. (Percentages are rounded.)

WHAT IS YOUR OUTLOOK FOR THE FINANCIAL MARKETS AND THE FUND?
We plan to maintain the Fund's current asset allocation mix and investment strategies, as we expect the U.S. economy to maintain steady, albeit slower, growth during 1999. Of course, we will continue to monitor valuation levels in the financial markets and watch for signs of inflationary pressures. Any changes may warrant a shift in our strategy.

In the stock market, we expect corporate earnings growth to decelerate, and, thus, we look for more "normal" performance from the stock market. We plan to maintain our sector neutrality/research-driven stock selection process, which presents opportunities in various industries and companies.

Because we expect economic growth to slow somewhat, we plan to upgrade the bond portfolio's holdings by slightly reducing its corporate and asset-backed securities. Our outlook for mortgage-backed securities remains positive, and we have increased the portfolio's exposure to this sector.

/s/ Richard R. Jandrain III
Richard R. Jandrain III
Senior Managing Director of Equity Securities

* The Fund's composition is subject to change.
Please refer to the prospectus and the accompanying financial statements for further information about your Fund.

THE ONE GROUP(R) INVESTMENT TRUST

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

GROWTH OPPORTUNITIES FUND
DECEMBER 31, 1998

HOW DID THE FUND PERFORM?
The Growth Opportunities Fund posted a total return of 38.82% for the year ended December 31, 1998.

HYPOTHETICAL $10,000 INVESTMENT

<TABLE>
<CAPTION>
<S> <C>

$30,000	$27,319
25,000	$25,082
20,000	$18,433
15,000	
10,000	

8/1/94* 12/31/94 12/31/95 12/31/96 12/31/97 12/31/98

-.- Growth Opportunities -..- Russell 2000
-0- S&P/BARRA Midcap 400 Growth

</TABLE>

---

*Initial public offering commenced August 1, 1994.

<TABLE>
<CAPTION>

Growth Opportunities Fund
Average Annual Total Return

<S> One Year	<C> Since Inception
38.82%	23.13%

</TABLE>

Past performance is not predictive of future performance.

The Russell 2000, an unmanaged index, is generally representative of small to mid-sized companies. The S&P/BARRA Midcap 400 Growth Index, an unmanaged index, represents the highest price to book securities in the S&P Midcap 400 Index. The benchmark index for the Growth Opportunities Fund will be changing from the Russell 2000 to the S&P/BARRA Midcap 400 Growth Index in order to better represent the investment policies of the Fund for comparison purposes.

TO WHAT DO YOU ATTRIBUTE THE FUND'S SOLID RETURN?
Despite a severe stock market downturn in late summer and early fall, medium-capitalization growth stocks continued to benefit from a strong economy, solid corporate earnings, low inflation and low interest rates. In addition to these factors, the Fund's performance has benefited from good stock selection. Instead of looking for stocks based on general economic or market trends, we evaluate stocks on an individual basis, searching for those with appealing fundamentals.

WHAT WERE YOUR PRIMARY STRATEGIES AND TACTICS?
Our primary investment strategy is to identify high growth companies within attractive, fast-growing industries. We look for companies that will benefit from strong management teams and competitive advantages. These factors should allow sustained high growth at a rate that outpaces the industry average.

After the Asian crisis erupted, we evaluated the impact of the fallout. Many of the Fund's technology companies had significant Asian exports, so we cut certain technology holdings to lessen the impact that decreased Asian demand would have on these companies. At the same time, we increased our retail holdings because many of these companies purchase materials from Asia. As such, these retailers were able to benefit from lower prices on Asian imports.

THE ONE GROUP(R) INVESTMENT TRUST

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

GROWTH OPPORTUNITIES FUND (CONTINUED)
DECEMBER 31, 1998

DID THE PORTFOLIO BENEFIT FROM ANY PARTICULARLY STRONG HOLDINGS?*
The Fund enjoyed outstanding performance from computer manufacturer Dell Computer, up 248% for the year; online services provider America Online, up 164%, and technology company Compuware, up 144%.

WHAT WERE THE FUND'S TOP TEN HOLDINGS?*
At year-end, the Fund's top 10 holdings included Coca-Cola Enterprises (consumer non-durable), BMC Software (technology), Just for Feet (retail), AES Corp. (utilities), AFLAC (financial services), America Online, USA Waste Services (capital equipment), Compuware, Kohl's (retail) and Staples (retail).

WHAT IS YOUR OUTLOOK FOR THE FUND?
Looking ahead, we remain optimistic about continued U.S. economic growth and low inflation. However, we think that economic growth will slow somewhat. We believe that interest rates may continue to decline, which would support ongoing stock market growth, but perhaps not at the unusually strong pace we've seen over the last several years. As such, it seems prudent to lower our expectations somewhat for the next year.

Our overall strategy remains intact -- to search for companies with strong fundamentals, effective management teams and favorable long-term growth rates. Because the Asian situation remains unresolved, we will continue to monitor its effects on the Fund's holdings.

/s/ Ashi Parikh
Ashi Parikh
Managing Director, Growth Equity Team

/s/ Richard R. Jandrain III
Richard R. Jandrain III
Senior Managing Director of Equity Securities

* The Fund's composition is subject to change.
Please refer to the prospectus and the accompanying financial statements for more information about your fund.

THE ONE GROUP(R) INVESTMENT TRUST

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

LARGE COMPANY GROWTH FUND
DECEMBER 31, 1998

HOW DID THE FUND PERFORM?
The Large Company Growth Fund posted a total return of 41.27% for the year ended December 31, 1998.

HYPOTHETICAL $10,000 INVESTMENT

<TABLE>
<CAPTION>

<S>	<C>
$35,000	$34,602
30,000	$29,377
25,000	$27,133
20,000	
15,000	
10,000	

8/1/94* 12/31/94 12/31/95 12/31/96 12/31/97 12/31/98

-.- Large Co. -..- S&P 500
-0- S&P/BARRA 500 Growth
</TABLE>

---

*Initial public offering commenced August 1, 1994.

<TABLE>
<CAPTION>

Large Company Growth Fund
Average Annual Total Return

<S> One Year	<C> Since Inception
41.27%	25.34%

</TABLE>

Past performance is not predictive of future performance.

The S&P 500, an unmanaged index, is generally representative of the performance of large companies in the U.S. stock market. The S&P/BARRA 500 Growth Index, an unmanaged index, represents the highest price to book securities in the S&P 500. The benchmark index for the Large Company Growth Fund will be changing from the S&P 500 to the S&P/BARRA 500 Growth Index in order to better represent the investment policies of the Fund for comparison purposes.

TO WHAT DO YOU ATTRIBUTE THE FUND'S SOLID RETURN?
Despite global economic crises and a strong stock market downturn in late summer and early fall, a strong domestic economy, low inflation and declining interest rates all worked together to maintain a favorable equity environment. Once again, the market favored the largest growth-oriented companies because of their earnings reliability and stock liquidity.

WHAT WERE YOUR PRIMARY STRATEGIES AND TACTICS?
Our primary investment strategy during this market climate has been to find good companies within industries that are growing at a faster rate than the economy. These are companies that have the ability to exhibit sustained growth at some multiple of their underlying industry growth rate. In addition, we search for strong management teams and superior product positioning.

After evaluating the impact of the Asian crisis on the Fund's stocks, we cut the portfolio's technology holdings because much of these companies' exports went to Asia. We also increased our retail holdings, as many of these companies purchase their materials from Asia and thus benefit from lower costs.

THE ONE GROUP(R) INVESTMENT TRUST

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

LARGE COMPANY GROWTH FUND (CONTINUED)
DECEMBER 31, 1998

DID THE PORTFOLIO BENEFIT FROM ANY PARTICULARLY STRONG HOLDINGS?*
The Fund enjoyed outstanding performance from computer manufacturer Dell Computer, up 248% for the year; software giant Microsoft, up 115% and online service provider America Online, up 164%.

WHAT WERE THE FUND'S TOP TEN HOLDINGS?*
At year-end, the Fund's top 10 holdings included Dell Computer, Lucent Technologies (technology), General Electric (capital goods), Microsoft, Coca-Cola (consumer non-durable), Wal-Mart (retail), Merck (health care), Bristol-Myers Squibb (health care), Pfizer (health care) and Proctor & Gamble (consumer non-durable).

WHAT IS YOUR OUTLOOK FOR THE FUND?
Looking ahead, we remain optimistic about continued U.S. economic growth and low inflation. However, we think that economic growth will slow down somewhat. We believe that interest rates may continue to decline, which would support ongoing stock market growth, but perhaps not at the unusually strong pace we've seen over the last several years. As such, it seems prudent to lower our expectations somewhat for the next year.

Our overall strategy remains intact--to search for companies with strong fundamentals, effective management teams and favorable long-term outlooks. Because the Asian situation remains unresolved, we will continue to monitor its effects on the Fund's holdings.

/s/ Ashi Parikh
Ashi Parikh
Managing Director, Growth Equity Team

/s/ Richard R. Jandrain III
Richard R. Jandrain III
Senior Managing Director of Equity Securities

* The Fund's composition is subject to change.
Please refer to the prospectus and the accompanying financial statements for more information about your fund.

THE ONE GROUP(R) INVESTMENT TRUST

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

EQUITY INDEX FUND
DECEMBER 31, 1998

HOW DID THE FUND PERFORM?
For the period May 1, 1998 to December 31, 1998, the Equity Index Fund posted a total return of 10.52%.

HYPOTHETICAL $10,000 INVESTMENT

<TABLE>
<CAPTION>

<S>	<C>
$12,000	$11,172
11,500	$11,052
11,000	
10,500	
10,000	
5/1/98	12/31/98

-.- S&P 500 -..- EQUITY INDEX
</TABLE>

*Initial public offering commenced May 1, 1998.

<TABLE>
<CAPTION>

Equity Index Fund Total Return	
<S>	<C>
One Year	Since Inception
NA	10.52%

</TABLE>

Past performance is not predictive of future performance.

As it is designed to do, the Fund offered a return that nearly matched that of the S&P 500 Index, the unmanaged group of stocks the Fund seeks to track. The S&P 500 Index returned 11.72% for the period May 1, 1998 to December 31, 1998. The slight difference in returns between the Fund and the Index is due to fees and transaction costs charged to the Fund but not to the Index.

WHAT CONTRIBUTED TO SUCH A STRONG RETURN?
The market suffered a severe setback in late summer and early fall, but a series of Federal Reserve interest rate cuts helped renew investor confidence in the U.S. stock market. In addition, a strong economy, low inflation and favorable corporate earnings growth helped generate attractive stock market returns for yet another year. Once again, large-capitalization growth companies, the type represented in the S&P 500 Index, outperformed other types of U.S. stocks.

WHICH MARKET SECTORS OFFERED NOTABLE PERFORMANCE?
The Fund offered exposure to 15 market sectors. Among those sectors, retail, telephone utilities and technology offered the strongest performance. The retail sector benefited from lower costs on Asian imports, while telephone utilities advanced due to acquisition activity. Strong returns late in the year from the largest technology companies helped boost the technology sector's overall performance.

The weakest-performing sectors included energy and industrial commodities. Energy stocks declined due to lower oil prices, and in the industrial commodities sector (chemical, paper and metal companies), stocks suffered from a lack of pricing power.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

EQUITY INDEX FUND (CONTINUED)
DECEMBER 31, 1998

WHAT WERE SOME OF THE STRONGEST AND WEAKEST STOCKS?*
The Fund enjoyed outstanding performance from a handful of stocks, including technology provider Unisys, computer manufacturer Dell Computer, cable television company Tele-Communications, financial service provider Providian Financial, and auto manufacturer Ford Motor.

Weak earnings contributed to poor performance from certain holdings, including diversified mining company Freeport-McMoran Copper and Gold, technology company Advanced Micro Devices, and technology provider Cabletron Systems.

WHAT IS YOUR OUTLOOK FOR THE STOCK MARKET?
The environment for stocks should remain favorable during the coming year. We expect economic growth to continue, but at a slower pace. We also expect interest rates and inflation to remain low. Corporate earnings and stock prices should continue to grow, but earnings are likely to come under increasing pressure. Nevertheless, it's important to remember that returns of the last few years have been unusually strong, and they probably are not sustainable. We expect to see stock returns revert to more "normal" levels.

/s/ Richard R. Jandrain III
Richard R. Jandrain III
Senior Managing Director of Equity Securities

* The Fund's composition is subject to change.
Please refer to the prospectus and the accompanying financial statements for more information about your Fund.

The S&P 500 Index is an unmanaged group of stocks generally representative of the performance of large U.S.-based companies. Investors cannot purchase the index directly, but they can invest in the underlying securities.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Trustees and Shareholders of
The One Group(R) Investment Trust

In our opinion, the accompanying statements of assets and liabilities, including the statements of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of the Government Bond Fund, the Asset Allocation Fund, the Growth Opportunities Fund, the Large Company Growth Fund, and the Equity Index Fund (five of the portfolios constituting The One Group Investment Trust, hereafter referred to as the "Trust"), at December 31, 1998, and the results of each of their operations, the changes in each of their net assets and the financial highlights for each of the periods presented, in conformity with generally accepted accounting principles. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Trust's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 1998 by correspondence with the custodian and brokers, provide a reasonable basis for the opinion expressed above.

PricewaterhouseCoopers LLP
Columbus, Ohio
February 17, 1999

THE ONE GROUP(R) INVESTMENT TRUST

GOVERNMENT BOND FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998

<TABLE>
<CAPTION>

PRINCIPAL	SECURITY	VALUE
<C>	<S>	<C>
	U.S. GOVERNMENT AND AGENCY OBLIGATIONS (27.7%)	
$1,500,000	FHLB, 6.145%, 09/30/02	$ 1,548,166
1,000,000	FNMA Disc. Note, 5.25%, 01/15/03	1,007,977
600,000	FNMA Disc. Note, 5.75%, 04/15/03	616,292
975,000	Resolution Funding Corp., Principal STRIP, 10/15/08	593,549
3,500,000	Resolution Funding Corp., Principal STRIP, 10/15/16	1,271,718
1,000,000	Resolution Funding Corp., Principal STRIP, 10/15/17	342,398
2,000,000	Resolution Funding Corp., Principal STRIP, 01/15/20	600,956
4,000,000	Resolution Funding Corp., Principal STRIP, 07/15/20	1,172,932
1,000,000	U.S. Treasury Bond, 6.25%, 08/15/23 (a)	1,118,750
1,000,000	U.S. Treasury Inflation Protection Security, 3.625%, 01/15/08 (a)	995,154
900,000	U.S. Treasury Notes, 7.50%, 11/15/01 (a)	967,218
750,000	U.S. Treasury Notes, 6.50%, 08/15/05 (a)	824,062
550,000	U.S. Treasury Notes, 6.875%, 05/15/06 (a)	621,672
	TOTAL U.S. GOVERNMENT AND AGENCY OBLIGATIONS	11,680,844

	(cost $11,034,677)	
	MORTGAGE-BACKED SECURITIES (68.6%)	
64,904	FGLMC 5Y, 6.50%, Pool #G50324, 01/01/01	64,886
169,815	FGLMC 15Y, 8.50%, Pool #E20150, 12/01/09	176,509
727,897	FGLMC 15Y, 7.00%, Pool #E63959, 02/01/11	744,420
387,643	FGLMC 15Y, 6.00%, Pool #E00560, 07/01/13	389,221
1,000,000	FGLMC 15Y, 6.50%, 01/01/14	1,015,320
500,457	FGLMC 30Y, 8.00%, Pool #D55955, 09/01/24	518,623
773,120	FGLMC 30Y, 6.50%, Pool #D65545, 11/01/25	778,755
977,289	FGLMC 30Y, 6.00%, Pool #D70244, 04/01/26	966,567
476,592	FGLMC 30Y, 8.50%, Pool #G00981, 07/01/28	499,168
2,285,000	FHR, 2018 PE, 6.25%, 04/15/27	2,242,878
1,400,000	FHR, 2075 PM, 6.25%, 08/15/28	1,336,056
2,000,000	FHR, 2080 PJ, 6.50%, 08/15/28	2,027,048
1,118,000	FHR, 2091 PG, 6.00%, 11/15/28	1,055,569
363,330	FNMA 7Y, 7.00%, Pool #359952, 09/01/03	371,490
249,440	FNMA 15Y, 7.50%, Pool #279759, 08/01/09	256,706
225,793	FNMA 15Y, 6.50%, Pool #356206, 11/01/11	229,037

</TABLE>

<TABLE>
<CAPTION>

PRINCIPAL	SECURITY	VALUE
<C>	<S>	<C>
	MORTGAGE-BACKED SECURITIES (CONTINUED)	
$ 385,645	FNMA 30Y, 6.50%, Pool #250375, 09/01/25	$ 388,352
758,485	FNMA 30Y, 6.50%, Pool #341811, 03/01/26	763,513
799,532	FNMA 30Y, 6.50%, Pool #338417, 05/01/26	804,832
840,514	FNR, 97-26 GD, 7.00%, 07/17/05	858,498
500,000	FNR, 98-37 VB, 6.00%, 01/17/13	483,330
245,000	FNR, 93-155 PJ, 7.00%, 09/25/23	252,221
1,000,000	FNR, 98-58 PC, 6.50%, 10/25/28	998,111
1,500,000	GNR, 98-14 PG, 6.375%, 11/20/26	1,519,556
500,000	GNR, 97-19 PJ, 6.50%, 06/20/27	492,831
1,000,000	GNR, 98-22 PD, 6.50%, 09/20/28	1,001,086
395,749	GNMA 30Y, 7.50%, Pool #326977, 05/15/23	408,009
239,209	GNMA 30Y, 7.50%, Pool #359588, 06/15/23	246,619
295,454	GNMA 30Y, 9.00%, Pool #780029, 11/15/24	316,153
104,206	GNMA 30Y, 7.00%, Pool #405535, 12/15/25	106,653
319,039	GNMA 30Y, 7.50%, Pool #2341, 12/20/26	326,970
709,859	GNMA 30Y, 6.00%, Pool #80094, 07/20/27	718,178
381,462	GNMA 30Y, 8.00%, Pool #412336, 10/15/27	396,301
458,471	GNMA 30Y, 7.00%, Pool #412369, 11/15/27	469,039
851,304	GNMA 30Y, 7.50%, Pool #427208, 01/15/28	877,728
488,815	GNMA 30Y, 6.50%, Pool #467705, 03/15/28	493,707
495,787	GNMA 30Y, 7.00%, Pool #472543, 04/15/28	507,254
483,708	GNMA 30Y, 7.00%, Pool #472679, 06/15/28	494,896
458,421	GNMA 30Y, 7.50%, Pool #780828, 07/15/28	472,650
249,347	GNMA 30Y, 6.50%, Pool #467225, 09/15/28	251,843
996,681	GNMA 30Y, 6.00%, Pool#2657, 10/20/28	982,986
999,127	GNMA 30Y, 7.00%, Pool #469699, 11/15/28	1,022,236

600,000	GNMA 30Y, 6.50%, Pool #2689, 12/20/28	602,825
	TOTAL MORTGAGE-BACKED SECURITIES	28,928,630
	(cost $28,751,462)	

THE ONE GROUP(R) INVESTMENT TRUST

GOVERNMENT BOND FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

PRINCIPAL	SECURITY	VALUE
	SHORT TERM DEBT (1.7%)	
$ 703,000	FMC Discount Note 0.00%, 01/20/99 (cost $701,358)	$ 701,399
SHARES		
	MUTUAL FUNDS (3.8%)	
1,623,986	The One Group Government Money Market Fund	1,623,986
	(cost $1,623,986)	
	TOTAL INVESTMENTS	$42,934,859
	(cost $42,111,483)	

Cost for federal income tax purposes: $42,111,483

The abbreviations in the above statement stand for the following:

- FGLMC Federal Home Loan Mortgage Corporation Gold
- FHLB Federal Home Loan Bank
- FNR Fannie Mae REMIC
- FNMA Federal National Mortgage Association
- FHR Federal Home Loan Mortgage Corporation REMIC
- GNMA Government National Mortgage Association
- GNR Ginnie Mae REMIC
- REMIC Real Estate Mortgage Investment Conduit
- STRIP Separate Trading of Registered Interest and Principal Securities

Portfolio holding percentages represent market value as a percentage of net assets.

(a) A portion of this security was loaned as of December 31, 1998.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

ASSET ALLOCATION FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998

SHARES	SECURITY	VALUE
	COMMON STOCK (59.6%)	
	AIRCRAFT (0.3%)	
3,100	Lockheed Martin Corp.	$ 262,725
	APPAREL (0.2%)	
8,810	Jones Apparel Group, Inc.*	194,371
300	Warnaco Group, Inc. Class A	7,575

		201,946
	BANKS (5.3%)	
14,540	BankAmerica Corp.	874,217
10,080	Charter One Financial, Inc.	279,720
9,590	Chase Manhattan Corp.	652,719
15,520	Citigroup, Inc.	768,240
7,080	First Union Corp.	430,552
12,590	MBNA Corp.	313,963
6,520	National City Corp.	472,700
7,230	PNC Bank Corp.	391,324
10,770	SouthTrust Corp.	397,817
4,800	State Street Corp.	333,900
14,250	Wells Fargo Co.	569,109
		5,484,261
	BEVERAGES (0.8%)	
9,470	Coca Cola Co.	633,306
4,820	Coca-Cola Enterprises, Inc.	172,315
		805,621
	BROADCASTING (1.9%)	
10,150	Belo, (AH) Corp. Series A	202,366
8,740	Tele-Communications, Inc. Class A*	483,431
12,200	Time Warner, Inc.	757,163
6,860	Viacom, Inc. Class B*	507,640
		1,950,600
	BUSINESS EQUIPMENT & SERVICES (1.0%)	
5,510	Herman Miller, Inc.	148,081
7,230	Office Depot, Inc.*	267,058
10,100	Service Corp. International	384,431
4,230	Waste Management, Inc.	197,224
		996,794
	CAPITAL EQUIPMENT (0.4%)	
9,900	Teleflex, Inc.	451,688
	CHEMICALS-PETROLEUM & INORGANIC (0.6%)	
7,290	Du Pont (E.I.) De Nemours & Co.	386,826
3,700	Monsanto Co.	175,750
		562,576

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	CHEMICALS-SPECIALTY (1.6%)	
7,350	Crompton & Knowles Corp.	$ 152,053
5,620	Cytec Industries, Inc.*	119,425
2,320	Eastman Chemical Co.	103,820
8,820	Ferro Corp.	229,320
9,710	Morton International, Inc.	237,895
6,630	Nalco Chemical Co.	205,530
6,330	Olin Corp.	179,218
11,910	RPM, Inc., Ohio	190,560
3,130	Sigma-Aldrich Corp.	91,944
9,050	Wellman, Inc.	92,197
		1,601,962
	COMMUNICATION EQUIPMENT (2.6%)	
7,140	BMC Software, Inc.*	318,176
15,600	Cisco Systems, Inc.*	1,447,875
8,250	Lucent Technologies, Inc.	907,500
		2,673,551
	COMPUTERS-MAIN/MINI (1.4%)	
7,600	International Business Machines Corp.	1,404,100

	COMPUTERS-MICRO (1.0%)	
14,330	Dell Computer Corp.*	1,048,777
	COMPUTERS-PERIPHERAL (3.4%)	
7,240	American Power Conversion Corp.*	350,687
8,770	Cadence Design Systems, Inc.*	260,907
6,460	EMC Corp.*	549,100
16,820	Microsoft Corp.*	2,332,724
		3,493,418
	CONSTRUCTION MATERIALS (0.2%)	
1,130	Martin Marietta Materials, Inc.	70,272
2,100	Southdown, Inc.	124,294
		194,566
	COSMETIC/TOILETRY (0.1%)	
5,910	Revlon, Inc. Class A*	97,146
	ELECTRICAL EQUIPMENT (3.5%)	
7,290	Emerson Electric Co. (a)	441,045
20,180	General Electric Co.	2,059,621
3,240	Hubbell, Inc. Class B	123,120
5,020	Johnson Controls, Inc.	296,180
8,860	Tyco International Ltd.	668,376
		3,588,342

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

ASSET ALLOCATION FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	ELECTRONIC COMPONENTS (2.0%)	
12,300	Intel Corp.	$ 1,458,319
6,470	Maxim Integrated Products, Inc.*	282,658
4,880	SCI Systems, Inc.* (a)	281,820
		2,022,797
	ELECTRONIC INSTRUMENTS (0.2%)	
5,210	Applied Materials, Inc.*	222,402
	FINANCE COMPANIES (0.2%)	
4,680	Associates First Capital Corp.	198,315
	FOOD & RELATED (1.6%)	
17,030	Archer-Daniels-Midland Co.	292,703
6,160	General Mills, Inc.	478,940
5,680	Interstate Bakeries Corp. (a)	150,165
14,760	Sara Lee Corp.	416,048
7,310	Smithfield Foods, Inc.*	247,626
		1,585,482
	FOREST/PAPER PRODUCT (0.9%)	
12,110	Kimberly Clark Corp.	659,995
7,230	Pentair, Inc.	287,844
		947,839
	FURNITURE (0.6%)	
11,410	Leggett & Platt, Inc.	251,020
13,230	Masco Corp.	380,363
		631,383
	HEALTH CARE-DRUGS (2.3%)	
4,420	Cardinal Health, Inc. (a)	335,367

100	Elan Corp. PLC ADR* (a)	6,956
4,650	Merck & Co., Inc.*	686,747
3,150	Pfizer, Inc.	395,128
15,190	Schering-Plough Corp.	839,248
1,950	Watson Pharmaceuticals, Inc.*	122,606

		2,386,052

	HEALTH CARE-GENERAL (4.2%)	
13,470	American Home Products Corp.	758,529
7,230	Bausch & Lomb, Inc.	433,800
4,910	Boston Scientific, Inc.* (a)	131,649
9,460	Bristol-Meyers Squibb Co.	1,265,866
7,360	IDEXX Laboratories, Inc.*	198,030
3,470	Johnson & Johnson	291,046
2,440	Sofamor Danek Group, Inc.*	297,070
5,190	Sybron International Corp.*	141,103
10,660	Warner-Lambert Co.	801,499

		4,318,592

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	HOSPITAL SUPPLY & MANAGEMENT (0.6%)	
8,150	Medtronic, Inc.	$ 605,138

	HOTELS & GAMING (0.4%)	
11,860	Hilton Hotels Corp.	226,823
5,290	MGM Grand, Inc.* (a)	143,491

		370,314

	HOUSEHOLD-GENERAL PRODUCT (1.1%)	
3,850	Lancaster Colony Corp.	123,681
9,100	Newell Co.	375,375
3,960	Procter & Gamble Co.	361,598
8,370	Rubbermaid, Inc.	263,132

		1,123,786

	INSURANCE-LIFE (0.2%)	
4,210	Equitable Cos., Inc.	243,654

	INSURANCE-PROPERTY/CASUALTY (1.8%)	
9,040	Allstate Corp.	349,170
5,550	American International Group, Inc.	536,269
5,210	CIGNA Corp.	402,798
8,450	Hartford Financial Services Group, Inc.	463,694
2,320	PMI Group, Inc.	114,550

		1,866,481

	LEISURE TIME PRODUCTS (0.6%)	
9,460	Hasbro, Inc.	341,742
10,120	Walt Disney Co.	303,600

		645,342

	MOTOR VEHICLE PARTS (0.5%)	
6,080	Danaher Corp.	330,220
4,980	Lear Corp.*	191,730

		521,950

	PETROLEUM-DOMESTIC (1.0%)	
4,710	Ashland, Inc.	227,846
4,150	Devon Energy Corp. (a)	127,353
6,510	Tosco Corp.	168,446
6,630	Ultramar Diamond Shamrock Corp.	160,778
13,100	USX-Marathon Group	394,638

		1,079,061

	PETROLEUM-INTERNATIONAL (2.5%)	
18,520	Exxon Corp.	1,354,275

12,450	Royal Dutch Petroleum Co.	596,044
10,870	Texaco, Inc.	574,751
		2,525,070

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

ASSET ALLOCATION FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	PETROLEUM-SERVICES (0.2%)	
3,850	Halliburton Co.	$ 114,056
3,880	Transocean Offshore, Inc.	104,033
		218,089
	RESTAURANTS (0.2%)	
4,890	Outback Steakhouse, Inc.*	194,989
	RETAIL-FOOD STORES (0.8%)	
7,900	Kroger Co.*	477,950
6,370	Safeway, Inc.*	388,172
		866,122
	RETAIL-GENERAL MERCHANT (2.4%)	
8,680	Dayton Hudson Corp.	470,890
11,900	Family Dollar Stores, Inc.	261,800
6,260	Kohls Corp.*	384,599
16,540	Wal-Mart Stores, Inc.	1,346,976
		2,464,265
	RETAIL-SPECIALTY (0.6%)	
100	Abercrombie & Fitch*	7,075
14,500	Just For Feet, Inc.*	251,938
200	Saks, Inc.*	6,313
9,720	Williams Sonoma, Inc.*	391,838
		657,164
	SECURITY & COMMERCIAL BROKER (1.5%)	
4,220	Bear Stearns Cos., Inc. (a)	157,722
10,820	Fannie Mae	800,680
8,120	Morgan Stanley Dean Witter & Co.	576,520
		1,534,922
	TIMESHARE & SOFTWARE (0.5%)	
3,410	America Online, Inc.*	545,600
	TOBACCO (1.4%)	
22,040	Philip Morris Cos., Inc.	1,179,140
8,120	UST, Inc.	283,185
		1,462,325
	UTILITIES-ELECTRIC (1.7%)	
8,790	Baltimore Gas and Electric Co.	271,391
8,150	Cinergy Corp.	280,156
11,160	Energy East Corp.	630,540
9,740	GPU, Inc.	430,386
5,050	LG & E Energy Corp.	142,978
		1,755,451

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE

	UTILITIES-GAS/PIPELINE (0.6%)	
6,760	El Paso Energy Corp.	$ 235,332
12,980	Williams Cos., (The)	404,814
		640,146
	UTILITIES-TELEPHONE (4.7%)	
7,630	Century Telephone Enterprises, Inc.	515,025
11,570	GTE Corp.	752,050
16,260	MCI WorldCom, Inc.*	1,166,655
8,200	Qwest Communications International, Inc.*	410,000
20,570	SBC Communications, Inc.	1,103,066
9,860	Sprint Corp.	829,473
4,200	Sprint PCS Group, Inc.*	97,125
		4,873,394
	TOTAL COMMON STOCK	61,324,198
	(cost $50,917,898)	
PRINCIPAL		
	CORPORATE BONDS (7.0%)	
	BANKS (1.4%)	
$ 250,000	Banco Central Hispano, 7.50%, 06/15/05	266,350
250,000	BankAmerica Corp., 8.125%, 02/01/02	268,525
376,000	First Hawaiian, Inc., 6.25%, 08/15/00	379,883
250,000	Huntington National Bank, 6.75%, 06/15/03	261,488
230,000	Society National Bank, 6.75%, 06/15/03	239,287
		1,415,533
	BROKER DEALERS (0.5%)	
300,000	Goldman Sachs Group, 7.20%, 03/01/07	317,563
200,000	Morgan Stanley Group, 6.50%, 03/30/01	203,778
		521,341
	DIVERSIFIED FINANCE (2.3%)	
200,000	Associates Corp. of North America, 6.375%, 07/15/02	205,107
300,000	Boatmens Bancshares, 6.75%, 03/15/03	312,425
250,000	Chrysler Financial Corp., 5.875%, 02/07/01	252,675
200,000	Ford Capital, 9.375%, 05/15/01	216,606
250,000	GMAC Medium Term Note, 8.25%, 02/24/04	279,110
465,000	Lockheed Corp., 6.75%, 03/15/03	483,136
333,000	McDonnel Douglas Finance, 6.45%, 12/05/02	343,242
300,000	Tyco International, 6.25%, 06/15/13	303,105
		2,395,406

THE ONE GROUP(R) INVESTMENT TRUST

ASSET ALLOCATION FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

PRINCIPAL	SECURITY	VALUE

<C>	<S>	<C>
	OIL & GAS (0.5%)	
$ 248,000	Columbia Gas Systems, 6.80%, 11/28/05	$ 261,841
250,000	Occidental Petroleum, 9.25%, 08/01/19	283,672
		545,513
	RENTAL SERVICES (0.2%)	
250,000	Hertz Corp., 6.00%, 01/15/03	251,537
	RETAIL (0.8%)	
250,000	Dayton Hudson Co., 7.25%, 09/01/04	270,244
250,000	J.C. Penny & Co., 7.25%, 04/01/02	260,196
250,000	Sears Roebuck Acceptance Corp., 7.13%, 05/02/03	262,572
		793,012
	TELECOMMUNICATIONS (0.5%)	
250,000	AT&T Corp., 7.50%, 06/01/06	281,625
200,000	Ohio Bell Telephone Co., 5.75%, 05/01/00	201,711
		483,336
	TRANSPORTATION (0.5%)	
250,000	Hunt, J.B., Transport, 6.25%, 09/01/03	248,379
250,000	International Lease, 5.875%, 01/15/01	251,681
		500,060
	UTILITIES (0.3%)	
250,000	Virginia Electric & Power Co., 6.625%, 04/01/03	261,851
	TOTAL CORPORATE BONDS	7,167,589
	(cost $7,001,847)	
	ASSET-BACKED SECURITIES (0.5%)	
250,000	Chemical Master 95-2, 6.23%, 06/15/03	254,205
250,000	Circuit City 1995 1-A, 6.375%, 08/15/05	254,622
	TOTAL ASSET-BACKED SECURITIES	508,827
	(cost $504,591)	
	MORTGAGE-BACKED SECURITIES (15.7%)	
303,905	FNMA 7Y, 6.50%, Pool #250357, 09/01/02	308,272
486,528	FNMA 15Y, 6.00%, Pool #251900, 08/01/13	487,900
105,248	FNMA 30Y, 7.00%, Pool #270725, 08/01/25	107,435
1,000,000	FNMA 15Y, 7.50%, Pool #292020, 08/01/09	1,029,130
901,336	FNMA 30Y, 8.50%, Pool #313280, 12/15/28	955,741
497,348	FNMA 15Y, 6.00%, Pool #323458, 11/01/13	498,751
191,122	FNMA 30Y, 7.50%, Pool #402032, 10/01/27	196,282
461,756	FNMA 15Y, 6.50%, Pool #414513, 04/01/13	468,396
398,311	FNMA 15Y, 7.00%, Pool #427488, 06/01/13	406,986

</TABLE>

<TABLE>
<CAPTION>

PRINCIPAL	SECURITY	VALUE
<C>	<S>	<C>
	MORTGAGE-BACKED SECURITIES (CONTINUED)	
$ 992,866	FNMA 30Y, 6.00%, Pool #428970, 06/01/28	$ 980,048
996,437	FNMA 30Y, 6.50%, Pool #433526,	

	08/01/28	1,003,362
552,203	FGLMC 30Y, 8.00%, Pool #C00476, 09/01/26	571,745
996,384	FGLMC 30Y, 6.00%, Pool #C13638, 08/01/28	984,138
325,144	FGLMC 30Y, 7.50%, Pool #D81027, 07/01/27	333,946
418,560	FGLMC 30Y, 7.00%, Pool #D83256, 10/01/27	426,797
473,877	FGLMC 15Y, 6.50%, Pool #E00552, 06/01/13	481,137
445,110	FGLMC 15Y, 7.00%, Pool #E00554, 06/01/13	455,080
458,354	FGLMC 15Y, 6.00%, Pool #E69409, 03/01/13	460,220
468,647	FGLMC 15Y, 6.50%, Pool #E69466, 03/01/13	476,291
455,167	FGLMC 30Y, 8.50%, Pool #G00981, 07/01/28	476,728
498,341	GNMA 30Y, 6.00%, Pool #2657, 11/01/28	491,494
489,769	GNMA 30Y, 6.50%, Pool #430634, 03/15/28	494,672
496,359	GNMA 15Y, 6.50%, Pool #468228, 09/15/13	505,462
1,000,000	GNMA 15Y, 7.00%, Pool #348872, 07/15/08	1,029,410
166,194	GNMA 15Y, 7.00%, Pool #412559, 02/15/11	170,937
177,130	GNMA 30Y, 7.50%, Pool #398663, 05/15/26	182,525
331,409	GNMA 30Y, 7.50%, Pool #2360, 01/20/27	339,827
420,183	GNMA 30Y, 8.00%, Pool #451932, 09/15/27	436,528
405,966	GNMA 30Y, 7.00%, Pool #473915, 04/15/28	415,356
438,534	GNMA 30Y, 7.50%, Pool #465069, 05/15/28	452,146
497,296	GNMA 30Y, 7.00%, Pool #477123, 06/15/28	508,797
	TOTAL MORTGAGE-BACKED SECURITIES	16,135,539
	(cost $15,975,589)	
	U.S. GOVERNMENT OBLIGATIONS (13.8%)	
5,700,000	U.S. Treasury Note, 6.50%, 08/31/01	5,958,284
2,275,000	U.S.Treasury Note, 7.25%, 05/15/04 (a)	2,549,422
2,500,000	U.S.Treasury Note, 7.00%, 07/15/06 (a)	2,846,875
2,175,000	U.S. Treasury Bond, 7.875%, 02/15/21 (a)	2,866,243
	TOTAL U.S. GOVERNMENT OBLIGATIONS	14,220,824
	(cost $13,635,973)	
	FOREIGN GOVERNMENT OBLIGATIONS (0.5%)	
500,000	Province of Quebec, 6.50%, 01/17/06	522,420
	(cost $504,525)	

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

ASSET ALLOCATION FUND

<TABLE>
<CAPTION>

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

SHARES	SECURITY	VALUE
<S>	<C>	<C>
	MUTUAL FUNDS (2.4%)	
2,459,200	The One Group Prime Money Market Fund	$ 2,459,200
	(cost $2,459,200)	

PRINCIPAL		
	SHORT-TERM SECURITIES HELD AS COLLATERAL (1.3%)	
$1,353,206	Lehman Brothers A2/P2 Tri-Party Repurchase Agreement 5.50%, dated 12/31/98, due 01/04/99, collateralized by RACERS 1998-MM-12-2, 06/07/99, market value $1,420,940	1,353,206
	(cost $1,353,206)	
	TOTAL INVESTMENTS	$103,691,803
	(cost $92,352,829)	

</TABLE>

Cost for federal income tax purposes: $92,379,235

* Denotes a non-income producing security.

The abbreviations in the above statement stand for the following:

ADR	American Depository Receipt
FGLMC	Federal Home Loan Mortgage Corporation Gold
FNMA	Federal National Mortgage Association
GNMA	Government National Mortgage Association
PLC	Public Limited Company

Portfolio holding percentages represent market value as percentage of net assets.

(a) A portion of this security was loaned as of December 31, 1998.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

GROWTH OPPORTUNITIES FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998

SHARES	SECURITY	VALUE
	COMMON STOCK (97.5%)	
	AIR TRANSPORTATION (0.3%)	
8,600	Airborne Freight Corp.	$ 310,137
	AIRCRAFT (0.1%)	
200	United Technologies Corp.	21,750
	APPAREL (0.4%)	
18,200	Jones Apparel Group, Inc.*	401,538
	BANKS (3.1%)	
325	Associated Banc-Corp.	11,111
9,700	City National Corp.	403,762
100	Fifth Third Bancorp.	7,131
400	First Security Corp.	9,350
18,900	First Tennessee National Corp.	719,381
1,300	Marshall & Ilsley Corp.	75,969
18,900	North Fork Bancorp., Inc.	452,419
100	Northern Trust Corp.	8,731
20,600	Sovereign Bancorp., Inc.	293,550
100	State Street Corp.	6,956
1,100	Union Planters Corp.	49,844
3,600	Wilmington Trust Corp.	221,850
10,400	Zions Bancorp	648,700
		2,908,754

	BEVERAGES (0.1%)	
600	Coca-Cola Enterprises, Inc.	21,450
	BROADCASTING (0.2%)	
6,600	TCA Cable TV, Inc.	235,537
	BUSINESS EQUIP. & SERVICE (7.0%)	
23,000	Allied Waste Industries, Inc.*	543,375
7,200	Cambridge Tech Partners, Inc.*	159,300
16,300	Cintas Corp.	1,148,131
20,800	Comdisco, Inc.	351,000
3,400	Convergys Corp.* (a)	76,075
10,200	Corrections Corp. of America*	179,775
3,100	GTech Holdings Corp.*	79,437
14,600	Herman Miller, Inc.	392,375
100	Interpublic Group of Cos., Inc.	7,975
12,900	Manpower, Inc.	324,919
13,100	Modis Professional Services, Inc.*	189,950
8,900	NOVA Corp.*	308,719
500	Omnicom Group, Inc.	29,000
1,900	Pittston Brink's Group	60,562
15,700	Reynolds & Reynolds Co. Class A	360,119
7,850	Staples, Inc.*	342,947
14,366	Sterling Commerce, Inc.*	646,470
20,300	Sungard Data Systems, Inc.* (a)	805,656

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	BUSINESS EQUIP. & SERVICE (CONTINUED)	
8,000	Viad Corp.	$ 243,000
7,000	Wallace Computer Services, Inc.	184,625
300	Waste Management, Inc.	13,987
		6,447,397
	CAPITAL EQUIPMENT (1.0%)	
9,075	Diebold, Inc.	323,864
2,100	Donaldson Co., Inc.	43,575
500	Flowserve Corp.	8,281
9,200	Sundstrand Corp.	477,250
4,800	UCAR International, Inc.*	85,500
		938,470
	CHEMICALS--PETROLEUM & INORGANIC (0.6%)	
11,200	Lyondell Petrochemical Co.	201,600
17,000	Solutia, Inc.	380,375
		581,975
	CHEMICALS--SPECIALTY (1.3%)	
12,200	Crompton & Knowles Corp.	252,387
6,000	Cytec Industries, Inc.*	127,500
5,900	Ferro Corp.	153,400
5,100	Vulcan Materials Co. (a)	670,969
		1,204,256
	COMMUNICATION EQUIPMENT (2.7%)	
24,100	ADC Telecommunications, Inc.*	837,475
100	Cisco Systems, Inc.*	9,281
9,600	Comverse Technology, Inc.*	681,600
20,600	Fore Systems, Inc.*	377,237
300	Northern Telecom Ltd. (a)	15,037
9,200	Symbol Technology, Inc.	588,225
500	Telefonaktiebolaget LM Ericsson ADR	11,969
300	Tellabs, Inc.*	20,569
		2,541,393

	COMPUTERS--MAIN/MINI (0.1%)	
100	Xerox Corp.	11,800
	COMPUTERS--MICRO (0.3%)	
3,700	Dell Computer Corp.*	270,794
	COMPUTERS--PERIPHERAL (12.1%)	
13,300	American Power Conversion Corp.*	644,219
2,100	Beyond.com Corp.* (a)	43,575
32,000	Cadence Design Systems, Inc.*	952,000
6,100	Citrix Systems, Inc.*	592,081
32,700	Compuware Corp.*	2,554,687
300	Creative Technology Ltd.*	4,500
8,800	Electronic Arts, Inc.*	493,900
8,600	Intuit, Inc.*	623,500

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

GROWTH OPPORTUNITIES FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	COMPUTERS--PERIPHERAL (CONTINUED)	
12,300	Keane, Inc.*	$ 491,231
11,700	Lexmark International Group, Inc.*	1,175,850
3,400	Maxtor Corp.*	47,600
400	Microsoft Corp.*	55,475
22,850	Networks Associates, Inc.*	1,513,812
700	Peoplesoft, Inc.*	13,256
13,400	Platinum Technology, Inc.* (a)	256,275
12,700	Siebel Systems, Inc.*	431,006
17,700	Storage Technology Corp.*	629,456
2,700	Structural Dynamics Research Corp.*	53,662
5,600	Symantec Corp.*	121,800
9,900	Synopsys, Inc.*	537,075
		11,234,960
	CONSTRUCTION MATERIALS (0.8%)	
12,300	American Standard Cos.*	442,800
5,200	Martin Marietta Materials, Inc.	323,375
		766,175
	ELECTRICAL EQUIPMENT (0.2%)	
5,300	Federal Signal Corp.	145,087
300	Hubbell, Inc. Class B	11,400
200	Tyco International Ltd.	15,087
		171,574
	ELECTRONIC COMPONENTS (8.3%)	
13,200	Altera Corp.*	803,550
44,433	Analog Devices, Inc.*	1,394,085
11,700	Linear Technology Corp.	1,047,881
26,500	Maxim Integrated Products, Inc.*	1,157,719
11,700	Microchip Technology, Inc.* (a)	432,900
10,500	SCI Systems, Inc.* (a)	606,375
17,400	Solectron Corp.*	1,617,112
10,100	Xilinx, Inc.* (a)	657,762
		7,717,384
	ELECTRONIC INSTRUMENTS (0.1%)	
300	Applied Materials, Inc.*	12,806
	FINANCE COMPANIES (1.4%)	
4,800	Capital One Financial Corp.	552,000

16,350	Robert Half International, Inc.*	730,641
1,700	UniCapital Corp.*	12,537

		1,295,178

	FOOD & RELATED (2.3%)	
9,200	Dean Foods Co.	375,475
12,400	Dole Food Co., Inc. (a)	372,000
14,600	Flowers Industries, Inc.	349,487
15,100	General Nutrition Cos., Inc.*	245,375
10,800	Interstate Bakeries Corp. (a)	285,525

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	FOOD & RELATED (CONTINUED)	
14,100	McCormick & Co., Inc.	$ 476,756
2,200	Vlasic Foods International, Inc.*	52,387
200	Wrigley (Wm.) Jr. Co.	17,912

		2,174,917

	FOREST/PAPER PRODUCTS (0.6%)	
200	Sealed Air Corp.*	10,212
14,650	Sonoco Products Co.	434,006
5,100	Wausau-Mosinee Paper Corp.	90,206

		534,424

	FURNITURE/FURNISHINGS (1.4%)	
9,200	Hon Industries, Inc.	220,225
28,900	Leggett & Platt, Inc.	635,800
19,000	Shaw Industries, Inc.	460,750

		1,316,775

	HEALTH CARE--DRUGS (7.2%)	
14,700	Biogen, Inc.*	1,220,100
2,647	Cardinal Health, Inc. (a)	200,841
10,500	Centocor, Inc.*	473,812
5,100	Covance, Inc.*	148,537
500	Eli Lilly & Co.	44,437
12,200	Forest Labs, Inc.*	648,887
10,000	ICN Pharmaceuticals, Inc.	226,250
16,100	McKesson Corp. (a)	1,272,906
17,600	Mylan Laboratories, Inc. (a)	554,400
13,400	Quintiles Transnational Corp.*	715,225
1,000	Schering-Plough Corp.	55,250
17,600	Watson Pharmaceuticals, Inc.*	1,106,600

		6,667,245

	HEALTH CARE--GENERAL (3.3%)	
1,700	Allegiance Corp.	79,263
2,500	Beckman Coulter, Inc.	135,625
300	Bristol-Meyers Squibb Co.	40,144
12,000	Dentsply International, Inc.	309,000
9,400	Hillenbrand Industries, Inc.	534,625
16,800	Omnicare, Inc. (a)	583,800
9,900	Steris Corp.*	281,531
26,300	Sybron International Corp.*	715,031
12,800	Total Renal Care Holdings, Inc.* (a)	378,400
500	Warner-Lambert Co.	37,594

		3,095,013

	HOSPITAL SUPPLY & MANAGEMENT (3.0%)	
2,100	Concentrated Managed Care, Inc.* (a)	22,444
12,500	First Health Group Corp.*	207,031
20,000	Foundation Health Systems, Inc*	238,750
200	Guidant Corp.	22,050
800	HBO & Co.	22,950

</TABLE>

150

THE ONE GROUP(R) INVESTMENT TRUST

GROWTH OPPORTUNITIES FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	HOSPITAL SUPPLY & MANAGEMENT (CONTINUED)	
600	HCR Manor Care, Inc.*	$ 17,625
35,550	Health Management Associates, Inc. Class A*	768,769
200	HealthSouth Corp.*	3,088
6,800	Lincare Holdings, Inc.* (a)	275,825
14,200	Oxford Health Plans, Inc.*	211,225
4,800	PSS World Medical, Inc.*	110,400
13,700	Quorum Health Group, Inc.*	177,244
13,600	Stryker Corp. (a)	748,850
		2,826,251
	HOTELS & GAMING (0.5%)	
17,200	International Game Technology	418,175
600	Marriott International, Inc. Class A	17,400
475	Promus Hotel Corp.*	15,378
		450,953
	HOUSEHOLD--GENERAL PRODUCTS (0.8%)	
300	Colgate-Palmolive Co.	27,863
15,300	Dial Corp. (The) (a)	441,788
8,450	Lancaster Colony Corp.	271,456
		741,107
	INSURANCE--LIFE (2.0%)	
41,400	AFLAC, Inc.	1,821,600
200	SunAmerica, Inc.	16,225
		1,837,825
	INSURANCE--PROPERTY & CASUALTY (0.1%)	
200	American International Group, Inc.	19,325
300	MGIC Investment Corp.	11,944
		31,269
	LEISURE TIME INDUSTRIES (0.1%)	
500	Callaway Golf Co.	5,125
100	Walt Disney Co.	3,000
		8,125
	METAL FABRICATION (0.4%)	
8,500	Fastenal Co. (a)	374,000
	MOTOR VEHICLE PARTS (2.3%)	
21,400	Danaher Corp.	1,162,288
8,600	Federal-Mogul Corp.	511,700
3,500	Kaydon Corp.	140,219
4,800	SPX Corp.	321,600
		2,135,807
	MOTOR VEHICLES (1.1%)	
21,100	Harley-Davidson, Inc.	999,613

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>

	MULTIPLE INDUSTRY (0.5%)	
4,500	Celestica, Inc.* (a)	$ 111,094
15,100	Whitman Corp.	383,163
		494,257
	NON-RESIDENT CONSTRUCTION (0.1%)	
3,400	Newport News Shipbuilding, Inc.	113,688
	PETROLEUM--DOMESTIC (0.1%)	
14,400	Ocean Energy, Inc.	90,900
	PETROLEUM--SERVICES (1.1%)	
300	BJ Services Co.*	4,688
600	Ensco International, Inc.	6,413
32,100	Global Marine, Inc.*	294,919
500	Halliburton Co.	14,813
1,200	Nabors Industries, Inc.* (a)	16,275
300	R & B Falcon Corp.*	2,288
1,582	Schlumberger Ltd.	72,970
6,700	Smith International, Inc.*	168,756
16,700	Varco International, Inc.*	129,425
13,800	Weatherford International, Inc.*	267,375
		977,922
	PUBLISHING (1.2%)	
300	Gannett Co., Inc.	19,350
200	McGraw-Hill Cos., Inc.	20,375
3,500	Media General, Inc. Class A	185,500
900	Meredith Corp.	34,088
200	Tribune Co.	13,200
1,400	Washington Post Co. Class B	809,113
		1,081,626
	RAILROAD (0.9%)	
92	Canadian National Railway Co.	4,773
17,000	Kansas City Southern Industries, Inc.	836,188
		840,961
	RESTAURANTS (1.3%)	
7,300	Outback Steakhouse, Inc.*	291,088
15,500	Starbucks Corp.*	869,938
		1,161,026
	RETAIL--FOOD STORES (0.1%)	
500	Walgreen Co.	29,281
400	Safeway, Inc.	24,375
		53,656
	RETAIL--GENERAL MERCHANDISE (0.8%)	
300	Dayton Hudson Corp.	16,275
2,195	Dollar General Corp.	51,857
28,100	Family Dollar Stores, Inc.	618,200

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

GROWTH OPPORTUNITIES FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	RETAIL--GENERAL MERCHANDISE (CONTINUED)	
400	Kohls Corp.*	$ 24,575
1,300	TJX Cos., Inc.	37,700
100	Wal-Mart Stores, Inc.	8,144
		756,751

	RETAIL--SPECIALTY (7.0%)	
11,900	Abercrombie & Fitch Co.*	841,925
10,000	Barnes & Noble, Inc.*	425,000
21,100	Bed, Bath and Beyond, Inc.*	720,038
18,500	Best Buy, Inc.*	1,135,438
12,900	Borders Group, Inc.*	321,694
300	CompUSA, Inc.*	3,919
1	Consolidated Stores Corp.*	20
12,000	Dollar Tree Stores, Inc.*	524,250
400	Fred Meyer, Inc.*	24,100
750	Gap, Inc.	42,188
200	Home Depot, Inc.	12,238
96,000	Just For Feet, Inc.*	1,668,000
4,200	Lands End, Inc.*	113,138
7,900	Ross Stores, Inc.	311,063
100	Tandy Corp.	4,119
16,600	The Finish Line, Inc.* (a)	132,800
4,600	Tiffany & Co.	238,625
		6,518,555
	SAVINGS & LOANS (0.1%)	
4,900	TCF Financial Corp.	118,519
	SECURITIES & COMMERCIAL BROKERS (0.8%)	
100	American Express Co.	10,225
100	Amresco, Inc.*	875
100	Fannie Mae	7,400
900	Franklin Resources, Inc.* (a)	28,800
20,700	Price, T Rowe Associates, Inc. (a)	708,975
150	Schwab, Charles Corp.	8,428
		764,703
	TEXTILE (0.5%)	
7,300	Unifi, Inc.	142,806
10,900	Westpoint Stevens, Inc.* (a)	344,031
		486,837
	TIMESHARE & SOFTWARE (14.0%)	
74,600	America Online, Inc.*	11,936,000
600	Broadcast.com, Inc.* (a)	45,900
1,200	Ebay, Inc.* (a)	289,500
12,250	Fiserv, Inc.*	630,109
150	Paychex, Inc.	7,716
6,100	Policy Management Systems Corp.*	308,050
3,500	Unigraphics Solutions, Inc.*	50,750
		13,268,025

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	TRUCKING (0.1%)	
400	CNF Transportation, Inc.	$ 15,025
	UTILITIES--ELECTRIC (1.3%)	
8,500	Interstate Energy Corp.	274,125
31,600	LG & E Energy Corp.	894,675
		1,168,800
	UTILITIES--GAS/PIPELINES (0.3%)	
5,200	K N Energy, Inc.	189,150
300	MCN Energy Group, Inc.	5,719
8,000	Seagull Energy Corp.*	50,500
		245,369
	UTILITIES--TELEPHONE (2.1%)	
100	AirTouch Communications, Inc.*	7,213
922	Alltel Corp.	55,147
200	Ameritech Corp.	12,675
200	Bell Atlantic Co.	10,600
21,700	Cincinnati Bell, Inc.	820,531

191	Qwest Communications International, Inc.*	9,550
19,151	SBC Communications, Inc.	1,026,972
100	U S West, Inc.	6,463

		1,949,151

	TOTAL COMMON STOCK	90,392,423

	(cost $66,829,488)	
	MUTUAL FUNDS (2.5%)	
2,296,023	The One Group Prime Money Market Fund	2,296,023

	(cost $2,296,023)	

PRINCIPAL		

	SHORT-TERM SECURITIES HELD AS COLLATERAL (9.4%)	
$8,671,517	Lehman Brothers A2/P2 Tri-Party Repurchase Agreement 5.50%, dated 12/31/98, due 01/04/99, collateralized by RACERS 1998-MM-12-2, 06/07/99, market value $9,105,568	8,671,517

	(cost $8,671,517)	
	TOTAL INVESTMENTS	$101,359,963
		============
	(cost $77,797,028)	

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

GROWTH OPPORTUNITIES FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

Cost for federal income tax purposes: $78,093,864

* Denotes a non-income producing security.

The abbreviations in the above statement stand for the following:

<TABLE>

<S>	<C>
ADR	American Depository Receipt

</TABLE>

Portfolio holding percentages represent market value as a percentage of net assets.

(a) A portion of this security was loaned as of December 31, 1998.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

LARGE COMPANY GROWTH FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	COMMON STOCK (95.1%)	
	AIR TRANSPORT (0.1%)	
3,200	Southwest Airlines Co.	$ 71,800

	AIRCRAFT (0.2%)	
3,800	United Technologies Corp.	413,250

	BANKS (2.9%)	
29,900	Chase Manhattan Corp.	2,035,069
9,900	Fifth Third Bancorp.	705,994
26,175	MBNA Corp.	652,739
11,600	National City Corp.	841,000
8,200	State Street Corp.	570,413
24,966	US Bancorp Class A	886,293
2,100	Washington Mutual, Inc.	80,194
		5,771,702
	BEVERAGES (4.1%)	
12,900	Anheuser-Busch Cos., Inc.	846,562
86,300	Coca Cola Co.	5,771,312
7,000	Coca-Cola Enterprises, Inc.	250,250
36,000	PepsiCo, Inc.	1,473,750
		8,341,874
	BROADCASTING (1.0%)	
13,700	Comcast Corp. Class A	804,019
21,200	Tele-Communications, Inc. Class A*	1,172,625
		1,976,644
	BUSINESS EQUIPMENT/SERVICES (0.8%)	
3,300	Omnicom Group, Inc.	191,400
8,300	Staples, Inc.*	362,606
23,900	Waste Management, Inc.	1,114,338
		1,668,344
	CHEMICALS--PETROLEUM AND INORGANIC (1.3%)	
31,100	Du Pont (E.I.) De Nemours & Co.	1,650,244
20,400	Monsanto Co.	969,000
		2,619,244
	COMMUNICATION--EQUIPMENT (6.9%)	
5,800	Ascend Communications, Inc.*	381,350
16,600	BMC Software, Inc.*	739,737
67,825	Cisco Systems, Inc.*	6,295,008
46,650	Lucent Technologies, Inc.	5,131,500
16,800	Northern Telecom Ltd. (a)	842,100
7,000	Tellabs, Inc.*	479,938
		13,869,633

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	COMPUTER--MAIN/MINI (3.8%)	
34,300	International Business Machines Corp.	$ 6,336,925
10,900	Xerox Corp.	1,286,200
		7,623,125
	COMPUTER--MICRO (2.7%)	
72,100	Dell Computer Corp.*	5,276,819
4,100	Gateway 2000, Inc.*	209,869
		5,486,688
	COMPUTER--PERIPHERAL (9.1%)	
18,950	Computer Associates International, Inc.	807,744
100	Compuware Corp.*	7,812
25,800	EMC Corp.*	2,193,000
104,100	Microsoft Corp.*	14,437,369
18,800	Oracle Corp.*	810,750
16,700	Parametric Technology Corp.*	271,375
		18,528,050
	COSMETIC AND TOILETRY (1.3%)	

6,600	Avon Products, Inc.	292,050
48,374	Gillette Co. (The)	2,337,069
		2,629,119
	ELECTRICAL EQUIPMENT (7.1%)	
12,400	Emerson Electric Co.	750,200
116,800	General Electric Co.	11,920,900
20,900	Tyco International Ltd.	1,576,644
		14,247,744
	ELECTRONIC COMPONENTS (3.5%)	
60,100	Intel Corp.	7,125,606
	FINANCE COMPANIES (0.1%)	
2,400	Capital One Financial Corp.	276,000
	FOOD AND RELATED (3.0%)	
9,100	BestFoods	484,575
19,200	Campbell Soup Co.	1,056,000
11,000	ConAgra, Inc.	346,500
11,600	Heinz (H.J.) Co.	656,850
9,200	Kellogg Co. (a)	313,950
7,400	Ralston-Ralston Purina Group	239,575
31,600	Sara Lee Corp.	890,725
24,100	Unilever N.V.	1,998,794
90	Vlasic Foods International, Inc.*	2,143
		5,989,112
	FOREST AND PAPER PRODUCTS (0.4%)	
16,200	Kimberly Clark Corp.	882,900

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

LARGE COMPANY GROWTH FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	HEALTHCARE--DRUGS (11.0%)	
42,400	Abbott Laboratories	$ 2,077,600
5,800	Amgen, Inc.*	606,462
9,300	Cardinal Health, Inc. (a)	705,637
34,600	Eli Lilly & Co.	3,075,075
41,200	Merck & Co., Inc.*	6,084,725
47,400	Pfizer, Inc.	5,945,737
67,800	Schering-Plough Corp.	3,745,950
		22,241,186
	HEALTHCARE--GENERAL (7.8%)	
44,900	American Home Products Corp.	2,528,431
7,500	Baxter International, Inc.	482,344
14,000	Boston Scientific, Inc.* (a)	375,375
42,000	Bristol-Meyers Squibb Co.	5,620,125
43,200	Johnson & Johnson	3,623,400
42,000	Warner-Lambert Co.	3,157,875
		15,787,550
	HOSPITAL SUPPLY AND MANAGEMENT (1.6%)	
4,100	Guidant Corp.	452,025
13,700	HBO & Co.	393,019
4,100	IMS Health, Inc.	309,294
27,000	Medtronic, Inc.	2,004,750
		3,159,088
	HOTELS AND GAMING (0.1%)	
7,100	Hilton Hotels Corp. (a)	135,787
	HOUSEHOLD--GENERAL PRODUCTS (2.9%)	

11,600	Colgate-Palmolive Co.	1,077,350
5,900	Newell Co. (a)	243,375
50,500	Procter & Gamble Co.	4,611,281
		5,932,006
	INSURANCE--PROPERTY CASUALTY (1.7%)	
34,762	American International Group, Inc.	3,358,878
	LEISURE TIME INDUSTRY (0.1%)	
6,300	Mattel, Inc.	143,719
	MULTIPLE INDUSTRY (0.4%)	
9,900	Minnesota Mining & Manufacturing Co.	704,137
	PETROLEUM--SERVICES (0.5%)	
5,400	Halliburton Co.	159,975
19,100	Schlumberger Ltd.	880,988
		1,040,963
	PUBLISHING (0.3%)	
9,500	Gannett Co., Inc.	612,750

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	RETAIL--FOOD STORES (0.8%)	
10,800	Kroger Co.*	$ 653,400
17,900	Walgreen Co.	1,048,269
		1,701,669
	RETAIL--GENERAL (4.4%)	
1,600	Costco Cos., Inc.*	115,500
11,600	Dayton Hudson Corp.	629,300
2,900	Family Dollar Stores, Inc.	63,800
8,300	Kohls Corp.*	509,931
13,400	TJX Cos., Inc.	388,600
87,800	Wal-Mart Stores, Inc.	7,150,213
		8,857,344
	RETAIL--SPECIALITY (3.0%)	
13,300	CVS Corp.	731,500
15,750	GAP, Inc.	885,937
52,800	Home Depot, Inc.	3,230,700
77,000	Just For Feet, Inc.*	1,337,875
		6,186,012
	SECURITY AND COMMISSION BROKER (2.1%)	
14,600	American Express Co.	1,492,850
400	Fannie Mae	29,600
9,600	Franklin Resources, Inc. (a)	307,200
33,200	Freddie Mac	2,139,325
50	Marsh & McLennan Cos., Inc.	2,922
100	Morgan Stanley Dean Witter & Co.	7,100
1,600	Price, T Rowe Associates, Inc. (a)	54,800
5,175	Schwab, Charles Corp.	290,770
		4,324,567
	TIMESHARE AND SOFTWARE (1.5%)	
7,800	America Online, Inc.* (a)	1,248,000
10,800	Automatic Data Processing, Inc.	866,025
4,500	Computer Science Corp.	289,969
10,800	Entrust Technologies* (a)	257,850
8,300	Paychex, Inc.	426,931
		3,088,775
	TOBACCO (2.1%)	
77,100	Philip Morris Cos., Inc.	4,124,850

4,200	UST, Inc.	146,475
		4,271,325
	UTILITY--TELEPHONE (6.5%)	
17,400	AirTouch Communications, Inc.*	1,254,975
37,400	Ameritech Corp.	2,370,225
51,800	Bell Atlantic Co.	2,745,400
33,300	GTE Corp.	2,164,500

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

LARGE COMPANY GROWTH FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	UTILITY--TELEPHONE (CONTINUED)	
11,700	MCI WorldCom, Inc.	$ 839,475
69,100	SBC Communications, Inc.*	3,705,488
		13,080,063
	TOTAL COMMON STOCK	192,146,654
	(cost $136,163,248)	
	MUTUAL FUNDS (4.4%)	
8,835,574	The One Group Prime Money Market Fund (cost $8,835,574)	8,835,574

</TABLE>

<TABLE>
<CAPTION>

PRINCIPAL	SECURITY	VALUE
<C>	<S>	<C>
	REPURCHASE AGREEMENT (.5%)	
$1,000,000	Prudential Securities, Inc. dated 12/31/98, due 01/04/99 Collateralized by $931,000 U.S. Treasury Note, 7.50%, due 05/15/02, market value $1,020,148.00	$ 1,000,000
	(cost $1,000,000)	
	SHORT-TERM SECURITIES HELD AS COLLATERAL (1.6%)	
3,330,837	Lehman Brothers A2/P2 Tri-Party Repurchase Agreement 5.50%, dated 12/31/98, due 01/04/99, collateralized by RACERS 1998-MM-12-2, 06/07/99, market value $3,497,562	3,330,837
	(cost $3,330,837)	
	TOTAL INVESTMENTS	$205,313,065
	(cost $149,329,659)	

</TABLE>

Cost for federal income tax purposes: $149,403,223

* Denotes a non-income producing security.

Portfolio holding percentages represent market value as a percentage of net assets.

(a) A portion of this security was loaned as of December 31, 1998.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

EQUITY INDEX FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	COMMON STOCK (94.4%)	
	AIR TRANSPORT (0.4%)	
300	AMR Corp.*	$ 17,812
200	Delta Air Lines, Inc. (a)	10,400
200	FDX Corp.*	17,800
450	Southwest Airlines Co.	10,097
100	U.S. Airways Group, Inc.*	5,200
		61,309
	AIRCRAFT (0.8%)	
1,400	Boeing Co., The	45,675
300	Lockheed Martin Corp.	25,425
100	Northrop Grumman Corp.	7,312
300	United Technologies Corp.	32,625
		111,037
	ALUMINUM (0.3%)	
300	Alcan Aluminium Ltd.	8,119
300	Aluminum Co. of America	22,369
100	Reynolds Metals Co.	5,269
		35,757
	APPAREL (0.2%)	
100	Fruit of the Loom, Inc.*	1,381
100	Liz Claiborne, Inc.	3,156
400	Nike, Inc. Class B	16,225
100	Reebok International Ltd.*	1,487
100	Russell Corp.	2,031
200	V.F. Corp.	9,375
		33,655
	BANKS (8.1%)	
1,000	Bank of New York Co., Inc.	40,250
1,586	Bank One Corp.	80,985
2,392	BankAmerica Corp.	143,819
400	BankBoston Corp.	15,575
100	Bankers Trust Corp.	8,544
400	BB&T Corp.	16,125
1,200	Chase Manhattan Corp.	81,675
3,150	Citigroup, Inc.	155,925
200	Comerica, Inc.	13,637
400	Fifth Third Bancorp	28,525
100	Firstar Corp.	9,325
1,400	First Union Corp.	85,137
800	Fleet Financial Group, Inc.	35,750
310	Huntington Bancshares, Inc.	9,319
600	KeyCorp	19,200
1,050	MBNA Corp.	26,184
400	Mellon Bank Corp.	27,500
200	Mercantile Bancorp, Inc.	9,225
200	Morgan, J P & Co., Inc.	21,012
500	National City Corp.	36,250
200	Northern Trust Corp.	17,462
400	PNC Bank Corp.	21,650
300	Regions Financial Corp.	12,094

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>

	BANKS (CONTINUED)	
100	Republic New York Corp.	$ 4,556
200	State Street Corp.	13,912
200	Summit Bancorp.	8,737
300	Suntrust Banks, Inc.	22,950
350	Synovus Financial Corp.	8,531
200	Union Planters Corp.	9,062
1,000	US Bancorp Class A	35,500
300	Wachovia Corp.	26,231
818	Washington Mutual, Inc.	31,237
2,200	Wells Fargo Co.	87,862
		1,163,746
	BEVERAGES (2.8%)	
100	Adolph Coors Co.	5,644
700	Anheuser-Busch Cos., Inc.	45,937
100	Brown-Forman Corp. Class B	7,569
3,400	Coca Cola Co.	227,375
500	Coca-Cola Enterprises, Inc.	17,875
2,000	PepsiCo, Inc.	81,875
500	Seagram Co. Ltd.	19,000
		405,275
	BROADCASTING (2.1%)	
1,000	CBS Corp.	32,750
400	Clear Channel Communications, Inc.*	21,800
500	Comcast Corp. Class A	29,344
100	King World Productions, Inc.*	2,944
800	MediaOne Group, Inc.* (a)	37,600
700	Tele-Communications, Inc. Class A*	38,719
1,700	Time Warner, Inc.	105,506
500	Viacom, Inc. Class B*	37,000
		305,663
	BUSINESS EQUIPMENT & SERVICES (1.5%)	
200	Browning Ferris Industries	5,687
100	Ceridian Corp.*	6,981
100	Deluxe Corp.*	3,656
200	Dun & Bradstreet Corp.	6,312
200	Ecolab, Inc.	7,237
700	Electronic Data Systems Corp.	35,175
600	First Data Corp.	19,012
100	H&R Block, Inc.	4,500
100	IKON Office Solutions, Inc.	856
200	Interpublic Group of Cos., Inc.	15,950
500	Laidlaw, Inc.	5,031
200	Omnicom Group	11,600
400	Pitney Bowes, Inc.	26,425
200	R. R. Donnelley & Sons Co.	8,762
100	Ryder System, Inc.	2,600
400	Service Corp. International	15,225
800	Waste Management, Inc.	37,300
		212,309

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

EQUITY INDEX FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	CAPITAL EQUIPMENT (0.7%)	
100	Aeroquip-Vickers, Inc.	$ 2,994
500	Caterpillar, Inc.	23,000
100	Cummins Engine Co., Inc.	3,550
100	Fluor Corp.	4,256

100	Foster Wheeler Corp.	1,319
100	Harnischfeger Industries, Inc.	1,019
300	Illinois Tool Works, Inc.	17,400
200	Ingersoll-Rand Co.	9,387
100	McDermott International, Inc.	2,469
100	Milacron, Inc.	1,925
100	NACCO Industries, Inc.	9,200
100	PACCAR, Inc.	4,112
200	Parker-Hannifin Corp.	6,550
100	Snap-on, Inc.	3,481
200	Thermo Electron Corp.*	3,387
100	Timken Co. (The)	1,888

		95,937

	CHEMICALS--SPECIALTY (0.4%)	
300	Air Products & Chemicals, Inc.	12,000
200	Avery Dennison Corp.	9,012
100	Eastman Chemical Co.	4,475
200	Engelhard Corp.	3,900
100	Great Lakes Chemical Corp.	4,000
200	Morton International, Inc.	4,900
100	Nalco Chemical Co.	3,100
200	Pall Corp.	5,062
200	Praxair, Inc.	7,050
100	Sigma-Aldrich Corp.	2,937

		56,436

	CHEMICALS--PETROLEUM & INORGANIC (1.2%)	
300	Dow Chemical Co.	27,281
1,600	Du Pont (E.I.) De Nemours & Co.	84,900
100	Goodrich (B.F.) Co.	3,587
100	Hercules, Inc.	2,737
900	Monsanto Co.	42,750
300	Rohm & Haas Co.	9,037
200	Union Carbide Corp.	8,500
100	W.R. Grace & Co.*	1,569

		180,361

	COMMUNICATION EQUIPMENT (3.8%)	
500	3Com Corp.*	22,406
100	Andrew Corp.*	1,650
300	Ascend Communications, Inc.*	19,725
300	BMC Software, Inc.*	13,369
200	Cabletron System, Inc.*	1,675
2,200	Cisco Systems, Inc.*	204,187
200	General Instrument Corp.*	6,787
100	Harris Corp.	3,662
1,800	Lucent Technologies, Inc.	198,000
860	Northern Telecom Ltd.	43,107

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	COMMUNICATION EQUIPMENT (CONTINUED)	
500	Novell, Inc.*	$ 9,062
100	Scientific-Atlanta, Inc.	2,281
300	Tellabs, Inc.*	20,569

		546,480

	COMPUTERS--MAIN/MINI (2.9%)	
200	Data General Corp.*	3,287
1,400	Hewlett-Packard Co.	95,637
1,300	International Business Machines Corp.	240,175
200	Silicon Graphics, Inc.	2,575
400	Unisys Corp.*	13,775
500	Xerox Corp.	59,000

		414,449

	COMPUTERS--MICRO (2.0%)	

200	Apple Computer, Inc.* (a)	8,187
2,394	Compaq Computer Corp.	100,398
1,800	Dell Computer Corp.*	131,737
200	Gateway 2000, Inc.*	10,237
500	Sun Microsystems, Inc.*	42,812
		293,371
	COMPUTERS--PERIPHERAL (4.5%)	
100	Adobe Systems, Inc.	4,675
100	Autodesk, Inc.	4,269
700	Computer Associates International, Inc.	29,837
100	Compuware Corp.*	7,813
700	EMC Corp.*	59,500
3,400	Microsoft Corp.*	471,537
1,300	Oracle Corp.*	56,062
400	Parametric Technology Corp.*	6,500
300	PeopleSoft, Inc.*	5,681
300	Seagate Technology, Inc.*	9,075
		654,949
	CONSTRUCTION MATERIALS (0.2%)	
100	Black & Decker Corp.	5,606
150	Crane Co.	4,528
100	Owens Corning	3,544
200	PPG Industries, Inc.	11,650
200	Sherwin-Williams Co.	5,875
100	Stanley Works (The)	2,775
		33,978
	CONTAINERS (0.1%)	
100	Ball Corp.	4,575
100	Bemis, Inc.	3,794
200	Crown Cork & Seal Co., Inc.	6,162
		14,531

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

EQUITY INDEX FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	COSMETIC/TOILETRY (0.7%)	
400	Avon Products, Inc.	$ 17,700
1,500	Gillette Company (The)	72,469
100	International Flavor and Fragrances, Inc.	4,419
		94,588
	DEFENSE (0.4%)	
100	EG&G, Inc.	2,781
200	General Dynamics Corp.	11,725
500	Raytheon Co.	26,625
300	Rockwell International Corp.	14,569
		55,700
	ELECTRICAL EQUIPMENT (4.2%)	
300	Dover Corp.	10,987
600	Emerson Electric Co.	36,300
4,500	General Electric Co.	459,281
200	Grainger (W.W.), Inc.	8,325
876	Tyco International Ltd.	66,083
100	Cooper Industries, Inc.	4,769

200	Honeywell, Inc.	15,062
100	Johnson Controls, Inc.	5,900

		606,707

	ELECTRONIC COMPONENTS (2.9%)	
300	AMP, Inc.	15,619
200	Advanced Micro Devices, Inc.*	5,787
2,300	Intel Corp.	272,694
200	LSI Logic Corp.*	3,225
300	Micron Technology, Inc.*	15,169
800	Motorola, Inc.	48,850
200	National Semiconductor Corp.*	2,700
100	Raychem Corp.	3,231
500	Texas Instruments, Inc.	42,781
100	Thomas & Betts Corp.	4,331

		414,387

	ELECTRONIC INSTRUMENTS (0.3%)	
500	Applied Materials, Inc.*	21,344
100	KLA-Tencor Corp.*	4,337
100	Perkin-Elmer Corp. (The)	9,756
100	Tektronix, Inc.	3,006

		38,443

	FARM MACHINERY (0.1%)	
100	Case Corp.	2,181
300	Deere & Co.	9,937
100	Navistar International Corp.*	2,850

		14,968

	FINANCE COMPANIES (0.6%)	
1,000	Associates First Capital Corp.	42,375
100	Capital One Financial Corp.	11,500

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	FINANCE COMPANIES (CONTINUED)	
200	Countrywide Credit Industries, Inc.	$ 10,037
706	Household International, Inc.	27,975

		91,887

	FOOD & RELATED (2.4%)	
815	Archer-Daniels Midland Co.	14,008
400	BestFoods	21,300
600	Campbell Soup Co.	33,000
700	ConAgra, Inc.	22,050
200	General Mills, Inc.	15,550
500	Heinz (H.J.) Co.	28,312
200	Hershey Foods Corp.	12,437
600	Kellogg Co.	20,475
300	Pioneer Hi-Bred International, Inc.	8,100
200	Quaker Oats Co.	11,900
400	Ralston Purina Group	12,950
1,300	Sara Lee Corp.	36,644
200	Supervalu, Inc.	5,600
500	Sysco Corp.	13,719
900	Unilever NV N.Y. Shares	74,644
200	Wrigley (Wm.) Jr. Co.	17,912

		348,601

	FOREST/PAPER PRODUCTS (0.8%)	
100	Boise Cascade Corp.	3,100
100	Champion International Corp.	4,050
100	Georgia Pacific Corp.	5,856
400	International Paper Co.	17,925
700	Kimberly Clark Corp.	38,150
100	Louisiana-Pacific Corp.	1,831
100	Mead Corp.	2,931

200	Owens-Illinois, Inc.*	6,125
100	Sealed Air Corp.*	5,106
100	Temple-Inland, Inc.	5,931
100	Union Camp Corp.	6,750
100	Westvaco Corp.	2,681
300	Weyerhauser Co.	15,244
200	Willamette Industries, Inc.	6,700
		122,380
	FURNITURE (0.1%)	
100	Armstrong World Industries, Inc.	6,031
500	Masco Corp.	14,375
		20,406
	GOLD/PRECIOUS METALS (0.1%)	
500	Barrick Gold Corp.	9,750
400	Battle Mountain Gold Co.	1,650
300	Homestake Mining Co.	2,756
300	Placer Dome, Inc.	3,450
		17,606

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

EQUITY INDEX FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	HEALTH CARE--DRUGS (6.4%)	
2,100	Abbott Laboratories	$ 102,900
100	Allergan, Inc.	6,475
100	Alza Corp.* (a)	5,225
400	Amgen, Inc.*	41,825
250	Cardinal Health, Inc. (a)	18,969
1,500	Eli Lilly & Co.	133,312
1,600	Merck & Co., Inc.*	236,300
100	Millipore Corp.	2,844
1,800	Pfizer, Inc.	225,787
700	Pharmacia Upjohn, Inc.	39,637
2,000	Schering-Plough Corp.	110,500
		923,774
	HEALTH CARE--GENERAL (4.2%)	
1,800	American Home Products Corp.	101,362
100	Bausch & Lomb, Inc.	6,000
400	Baxter International, Inc.	25,725
300	Becton, Dickinson and Co.	12,806
200	Biomet, Inc.	8,050
500	Boston Scientific, Inc.* (a)	13,406
1,400	Bristol-Meyers Squibb Co.	187,337
1,900	Johnson & Johnson	159,362
100	Mallinckrodt, Inc.	3,081
100	St. Jude Medical, Inc.*	2,769
1,100	Warner-Lambert Co.	82,706
		602,604
	HOME BUILDING, MOBILE HOMES (0.2%)	
100	Centex Corp.	4,506
100	Fleetwood Enterprises, Inc.	3,475
100	Kaufman & Broad Home Corp.	2,875
200	Loews Corp.	19,650
100	Pulte Corp.	2,781
		33,287

	HOSPITAL SUPPLY & MANAGEMENT (1.3%)	
200	Aetna, Inc.	15,725
100	Bard (C.R.), Inc.	4,950
900	Columbia/HCA Healthcare Corp.	22,275
200	Guidant Corp.	22,050
600	HBO & Co.	17,212
200	HCR Manor Care, Inc.*	5,875
600	HealthSouth Corp.*	9,262
200	Humana, Inc.*	3,562
200	IMS Health, Inc.	15,087
700	Medtronic, Inc.	51,975
400	Tenet Healthcare Corp.*	10,500
300	United HeathCare Corp.	12,919

		191,392

	HOTELS & GAMING (0.1%)	
100	Harrah's Entertainment*	1,569
400	Hilton Hotels Corp.	7,650

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	HOTELS & GAMING (CONTINUED)	
300	Marriott International, Inc. Class A	$ 8,700
200	Mirage Resorts, Inc.*	2,987

		20,906

	HOUSEHOLD--GENERAL PRODUCTS (1.8%)	
100	American Greetings Corp. Class A	4,106
100	Clorox Co.	11,681
400	Colgate-Palmolive Co.	37,150
300	Fort James Corp.	12,000
200	Fortune Brands, Inc.	6,325
100	Jostens, Inc.	2,619
200	Newell Co.	8,250
1,800	Procter & Gamble Co.	164,362
200	Rubbermaid, Inc.	6,288
100	Tupperware Corp.	1,644

		254,425

	HOUSEHOLD--MAJOR APPLIANCES (0.1%)	
100	Briggs & Stratton Corp.	4,988
100	Maytag Corp.	6,225
100	Whirlpool Corp.	5,538

		16,751

	INSURANCE--LIFE (0.9%)	
300	American General Corp.	23,400
200	AON Corp.	11,075
391	Conseco, Inc.	11,950
100	Jefferson-Pilot Corp.	7,500
200	Provident Cos., Inc.	8,300
150	Providian Corp.	11,250
300	SunAmerica, Inc.	24,338
200	Torchmark Corp.	7,063
100	Transamerica Corp.	11,550
200	UNUM Corp.	11,675

		128,101

	INSURANCE--PROPERTY/CASUALTY (2.0%)	
1,100	Allstate Corp.	42,488
1,400	American International Group, Inc.	135,275
200	Chubb Corp.	12,975
300	CIGNA Corp.	23,194
200	Cincinnati Financial Corp.	7,325
300	Hartford Financial Services Group, Inc.	16,463
100	Lincoln National Corp.	8,181

100	MBIA, Inc.	6,556
200	MGIC Investment Corp.	7,963
100	Progressive Corp. OH	16,938
200	SAFECO Corp.	8,588
300	St. Paul Cos., Inc. (a)	10,425
		296,371

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

EQUITY INDEX FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	LEISURE TIME INDUSTRY (1.1%)	
800	Carnival Corp. Class A	$ 38,400
1,200	Cendant Corp.*	22,875
200	Hasbro, Inc.	7,225
100	Brunswick Corp.	2,475
2,800	Walt Disney Co.	84,000
400	Mattel, Inc.	9,125
		164,100
	MINING (0.1%)	
100	Asarco, Inc.	1,506
100	Cyprus Amax Minerals Co.	1,000
100	Freeport-McMoRan Copper & Gold, Inc.	1,044
100	Inco Ltd.	1,056
200	Newmont Mining Corp.	3,613
100	Phelps Dodge Corp.	5,088
		13,307
	MOTOR VEHICLE PARTS (0.2%)	
200	Autozone, Inc.*	6,588
192	Dana Corp.	7,848
100	Eaton Corp.	7,069
200	Genuine Parts Co.	6,688
100	ITT Industries, Inc.	3,975
		32,168
	MOTOR VEHICLES (1.1%)	
1,700	Ford Motor Co.	99,769
900	General Motors Corp.	64,406
		164,175
	MULTIPLE INDUSTRY (1.2%)	
800	Allied-Signal, Inc.	35,450
.35	Berkshire Hathaway, Inc. Class A*	24,500
300	Corning, Inc.	13,500
200	Danaher Corp.	10,863
100	FMC Corp.*	5,600
100	Harcourt General, Inc.	5,319
600	Minnesota Mining & Manufacturing Co.	42,675
100	National Service Industries, Inc.	3,800
200	Textron, Inc.	15,188
200	TRW, Inc.	11,238
		168,133
	PETROLEUM--DOMESTIC (0.8%)	
200	Anadarko Petroleum Corp.	6,175
100	Apache Corp.	2,531
100	Ashland, Inc.	4,838

400	Atlantic Richfield Co.	26,100
200	Burlington Resources, Inc.	7,163
100	Kerr Mcgee Corp. (a)	3,825
500	Occidental Petroleum Corp.	8,438
100	ORYX Energy Co.*	1,344

</TABLE>

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE
<C>	<S>	<C>
	PETROLEUM--DOMESTIC (CONTINUED)	
400	Phillips Petroleum Co.	$ 17,050
100	Sunoco, Inc.	3,606
200	Tenneco, Inc.	6,813
300	Union Pacific Resources Group, Inc.	2,719
300	Unocal Corp.	8,756
400	USX - Marathon Group	12,050
		111,408
	PETROLEUM--INTERNATIONAL (4.2%)	
3,000	Royal Dutch Petroleum Co.	143,625
900	Chevron Corp.	74,644
3,400	Exxon Corp.	248,625
1,100	Mobil Corp.	95,838
700	Texaco, Inc.	37,013
100	Amerada Hess Corp.	4,975
		604,720
	PETROLEUM SERVICES (0.4%)	
370	Baker Hughes, Inc.	6,544
600	Halliburton Co.	17,775
800	Schlumberger Ltd.	36,900
		61,219
	PHOTO EQUIPMENT (0.2%)	
400	Eastman Kodak Co.	28,800
100	Polaroid Corp.	1,869
		30,669
	PUBLISHING (0.5%)	
100	Dow Jones & Co., Inc.	4,813
400	Gannett Co., Inc.	25,800
100	Knight-Ridder, Inc.	5,113
100	McGraw-Hill Cos., Inc.	10,188
100	Meredith Corp.	3,788
300	New York Times Co. Class A	10,406
100	Times Mirror Co. (The) (a)	5,600
200	Tribune Co.	13,200
		78,908
	RAILROAD (0.4%)	
600	Burlington Northern Santa Fe Corp.	20,250
300	CSX Corp.	12,450
500	Norfolk Southern Corp.	15,844
300	Union Pacific Corp.	13,519
		62,063
	RESTAURANTS (0.6%)	
200	Darden Restaurants, Inc. (a)	3,600
900	McDonald's Corp.	68,963
200	Tricon Global Restaurants, Inc.*	10,025
200	Wendy's International, Inc.	4,363
		86,951

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

EQUITY INDEX FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

SHARES	SECURITY	VALUE
	RETAIL--FOOD STORES (1.2%)	
300	Albertson's, Inc. (a)	$ 19,106
400	American Stores Co.	14,775
400	Kroger Co.*	24,200
100	Longs Drug Stores Corp.	3,750
400	Rite Aid Corp.	19,825
700	Safeway, Inc.*	42,656
100	The Great Atlantic & Pacific Tea Co., Inc.	2,963
700	Walgreen Co.	40,994
200	Winn-Dixie Stores, Inc.	8,975
		177,244
	RETAIL--GENERAL MERCHANDISE (3.0%)	
300	Costco Cos., Inc.*	21,656
600	Dayton Hudson Corp.	32,550
100	Dillard's, Inc.	2,838
225	Dollar General Corp.	5,316
300	Federated Department Stores, Inc.*	13,069
400	J. C. Penney Company, Inc.	18,750
700	Kmart Corp.*	10,719
200	Kohls Corp.*	12,288
300	May Department Stores Co.	18,113
200	Nordstrom, Inc.	6,938
500	Sears, Roebuck & Co.*	21,250
400	TJX Cos., Inc.	11,600
3,100	Wal-Mart Stores, Inc.	252,456
		427,543
	RETAIL--SPECIALTY (2.0%)	
100	Circuit City Stores - Circuit City Group	4,994
100	Consolidated Stores Corp.*	2,019
500	CVS Corp.	27,500
200	Fred Meyer, Inc.*	12,050
800	Gap, Inc.	45,000
2,200	Home Depot, Inc.	134,613
500	Lowe's Cos.	25,594
400	Staples, Inc.*	17,475
100	Tandy Corp.	4,119
300	The Limited, Inc.	8,738
200	The Pep Boys - Manny, Moe & Jack	3,138
300	Toys 'R' Us, Inc.*	5,063
		290,303
	SAVINGS & LOANS (0.1%)	
100	Golden West Financial Corp.	9,169
	SECURITY & COMMERCIAL BROKERS (2.8%)	
600	American Express Co.	61,350
200	Bear Stearns Cos., Inc. (a)	7,475
1,400	Fannie Mae	103,600
300	Franklin Resources, Inc. (a)	9,600
900	Freddie Mac	57,994
200	Lehman Brothers Holdings, Inc.	8,813

SHARES	SECURITY	VALUE

<C>	<S>	<C>
	SECURITY & COMMERCIAL BROKERS (CONTINUED)	
350	Marsh & McLennan Cos., Inc.	$ 20,453
500	Merrill Lynch & Co., Inc.	33,375
800	Morgan Stanley Dean Witter & Co.*	56,800
550	Schwab, Charles Corp.	30,903
200	Student Loan Market Association	9,600
		399,963
	STEEL (0.1%)	
200	Allegheny Teledyne, Inc.	4,088
100	Bethlehem Steel Corp.	838
100	Nucor Corp.	4,325
100	USX-U.S. Steel Group, Inc.	2,300
100	Worthington Industries, Inc.	1,250
		12,801
	TEXTILE (0.1%)	
100	Springs Industries, Inc. Class A	4,144
	TIMESHARE & SOFTWARE (0.4%)	
400	Automatic Data Processing, Inc.	32,075
200	Computer Science Corp.	12,888
200	Equifax, Inc.	6,838
200	Paychex, Inc.	10,288
		62,089
	TIRES/RUBBER PRODUCTS (0.1%)	
100	Cooper Tire and Rubber Co.	2,044
200	Goodyear Tire & Rubber Co.	10,088
		12,132
	TOBACCO (1.4%)	
400	RJR Nabisco Holding Corp.	11,875
3,400	Philip Morris Cos., Inc.	181,900
300	UST, Inc.	10,463
		204,238
	UTILITIES--ELECTRIC (2.2%)	
200	AES Corp.*	9,475
200	Ameren Corp.	8,538
300	American Electric Power Company, Inc.	14,119
200	Carolina Power & Light Co.	9,413
200	DTE Energy Corp.	8,575
300	Dominion Resources, Inc.	14,025
300	PECO Energy Co.	12,488
500	PG&E Corp.	15,750
400	PacificCorp	8,425
200	Baltimore Gas and Electric Co.	6,175
300	Central & Southwest Corp.	8,231
200	Cinergy Corp.	6,875
300	Consolidated Edison, Inc.	15,863
500	Duke Power Co.	32,031
500	Edison International	13,938
300	Entergy Corp.	9,338

</TABLE>

THE ONE GROUP(R) INVESTMENT TRUST

EQUITY INDEX FUND

STATEMENT OF INVESTMENTS -- DECEMBER 31, 1998 (CONTINUED)

<TABLE>
<CAPTION>

SHARES	SECURITY	VALUE

<C> <S> <C>

SHARES	SECURITY	VALUE
	UTILITIES--ELECTRIC (CONTINUED)	
200	FPL Group, Inc.	$ 12,325
200	GPU, Inc.	8,838
400	Houston Industries, Inc.	12,850
200	New Century Energies, Inc.	9,750
200	Niagara Mohawk Power Corp.*	3,225
200	Northern States Power Co.	5,550
200	PP&L Resources, Inc.	5,575
300	Public Service Enterprise Group, Inc.	12,000
1,000	Southern Co.	29,063
400	Texas Utilities Co.	18,675
300	Unicom Corp.	11,569
		322,679
	UTILITIES--GAS/PIPELINE (0.7%)	
300	Coastal Corp. (The)	10,481
150	Columbia Energy Group	8,663
100	Consolidated National Gas Co.	5,400
100	Eastern Enterprises	4,375
500	Enron Corp.	28,531
300	FirstEnergy Corp.	9,769
100	NICOR, Inc.	4,225
100	ONEOK, Inc.	3,613
100	People's Energy Corp.	3,988
300	Sempra Energy	7,613
100	Sonat, Inc.	2,706
600	Williams Cos., (The)	18,713
		108,077
	UTILITIES--TELEPHONE (7.9%)	
800	AirTouch Communications, Inc.*	57,700
400	Alltel Corp.	23,925
1,500	Ameritech Corp.	95,063
2,500	AT&T Corp.	188,125
2,100	Bell Atlantic Co.	111,300
2,600	Bellsouth Corp.	129,675
200	Frontier Corp.	6,800
1,300	GTE Corp.	84,500
2,570	MCI WorldCom, Inc.*	184,403
400	Nextel Communication*	9,450

</TABLE>

<TABLE>
<CAPTION>

<C> <S> <C>

SHARES	SECURITY	VALUE
	UTILITIES--TELEPHONE (CONTINUED)	
2,700	SBC Communications, Inc.	$ 144,788
600	Sprint Corp.	50,475
550	Sprint PCS Group, Inc.*	12,719
705	U S West Communications Group	45,561
		1,144,484
	TOTAL COMMON STOCK	13,665,214
	(cost $12,307,823)	
	PREFERRED STOCK (0.1%)	
100	Alberto Culver Class B	2,669
	(cost $2,959)	

</TABLE>

<TABLE>
<CAPTION>

<C> <S> <C>

PRINCIPAL		
	U.S. GOVERNMENT OBLIGATIONS (.9%)	
$ 15,000	U.S. Treasury Bills, 4.41%, 02/04/99	14,944
70,000	U.S. Treasury Bills, 4.30%, 02/18/99	69,620

35,000	U.S. Treasury Bills, 4.29%, 02/25/99	34,783
15,000	U.S. Treasury Bills, 4.35%, 03/18/99	14,868
	TOTAL U.S. GOVERNMENT OBLIGATIONS	134,215
	(cost $134,165)	
SHARES		
	MUTUAL FUNDS (4.2%)	
621,987	The One Group Prime Money Market Fund	621,987
	(cost $621,987)	
PRINCIPAL		
	SHORT-TERM SECURITIES HELD AS COLLATERAL (1.0%)	
$ 138,974	Lehman Brothers A2/P2 Tri-Party Repurchase Agreement 5.50%, dated 12/31/98, due 01/04/99, collateralized by RACERS 1998-MM-12-2, 06/07/99, market value $145,930	138,974
	(cost $138,974)	
	TOTAL INVESTMENTS	$14,563,059
	(cost $13,205,908)	

</TABLE>

Cost for federal income tax purposes: $13,209,899

* Denotes a non-income producing security.

Portfolio holding percentages represent market value as a percentage of net assets.

(a) A portion of this security was loaned as of December 31, 1998.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST
STATEMENTS OF ASSETS AND LIABILITIES

DECEMBER 31, 1998

<TABLE>
<CAPTION>

	GOVERNMENT BOND	ASSET ALLOCATION	GROWTH OPPORTUNITIES	LARGE COMPANY GROWTH	EQUITY INDEX
<S>	<C>	<C>	<C>	<C>	<C>
ASSETS					
Investments in securities, at value (cost $42,111,483, $90,999,623, $69,125,511, $144,998,822 and $13,066,934 respectively)	$42,934,859	$102,338,597	$92,688,446	$ 200,982,228	$14,424,085
Repurchase agreements, at cost	--	1,353,206	8,671,517	4,330,837	138,974
Total investments	42,934,859	103,691,803	101,359,963	205,313,065	14,563,059
Receivable for investment securities sold	--	--	--	--	80,395
Interest and dividends receivable	289,970	578,889	44,079	186,227	14,745
Withholding tax reclaim receivable	--	227	--	1,043	30
Prepaid assets	1,400	3,174	3,328	6,946	251
Deferred organization expenses	961	1,991	2,869	1,897	--
Total assets	43,227,190	104,276,084	101,410,239	205,509,178	14,658,480

LIABILITIES					
Payable for investments purchased	1,019,368	--	--	--	17,143
Payable for return of collateral received for securities on loan	--	1,353,206	8,671,517	3,330,837	138,974
Investment advisory fee payable	9,644	55,660	45,038	106,050	4,937
Administration fee payable	7,499	18,000	14,918	35,127	1,560
Other accrued expenses	3,509	4,284	5,058	2,456	15,147
Total liabilities	1,040,020	1,431,150	8,736,531	3,474,470	177,761
NET ASSETS	$42,187,170	$102,844,934	$92,673,708	$ 202,034,708	$14,480,719
REPRESENTED BY:					
Capital	$41,361,634	$ 91,110,984	$69,407,609	$ 146,107,612	$13,176,531
Net unrealized appreciation on investments	823,376	11,338,974	23,562,935	55,983,406	1,357,151
Accumulated undistributed (distributions in excess of) realized gain (loss) on investments and financial futures	2,160	367,455	(296,836)	(57,277)	(52,963)
Accumulated undistributed (distributions in excess of) net investment income (loss)	--	27,521	--	967	--
NET ASSETS	$42,187,170	$102,844,934	$92,673,708	$ 202,034,708	$14,480,719
Shares of beneficial interest outstanding, no par value (unlimited number of shares authorized)	3,963,923	6,792,039	5,002,655	8,928,745	1,319,667
NET ASSET VALUE, redemption and offering price per share	$ 10.64	$ 15.14	$ 18.52	$ 22.63	$ 10.97

</TABLE>

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

STATEMENTS OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 1998

<TABLE>
<CAPTION>

	GOVERNMENT BOND	ASSET ALLOCATION	GROWTH OPPORTUNITIES	LARGE COMPANY GROWTH	EQUITY INDEX(A)
<S>	<C>	<C>	<C>	<C>	<C>
INVESTMENT INCOME:					
INCOME:					
Dividend income	$ --	$ 457,214	$ 331,712	$ 1,402,593	$ 67,907
Interest income	1,936,353	2,111,253	130,565	423,758	34,963
Income from securities lending	2,145	9,381	12,301	3,071	90
Total income	1,938,498	2,577,848	474,578	1,829,422	102,960
EXPENSES:					
Investment advisory fees	138,300	493,132	431,700	948,112	15,432
Administration fees	69,649	158,161	151,830	330,612	7,202
Professional fees	12,800	17,700	19,000	29,400	12,800
Custodian fees	7,375	18,900	17,100	14,800	12,000
Insurance expense	2,000	3,200	4,875	8,401	156
Trustee fees	1,600	3,400	3,700	7,600	200
Other	8,169	12,843	13,839	24,104	10,472
Total expenses before waivers and reimbursements	239,893	707,336	642,044	1,363,029	58,262
Less waivers	(9,393)	(2,862)	--	--	(15,432)
Less reimbursements	--	--	--	--	(14,538)
Net expenses	230,500	704,474	642,044	1,363,029	28,292
NET INVESTMENT INCOME (LOSS)	$1,707,998	$ 1,873,374	$ (167,466)	$ 466,393	$ 74,668

NET REALIZED AND UNREALIZED GAIN

(LOSS):					
Net realized gain (loss) on investments and financial futures	$ 140,967	$ 1,660,601	$ 4,626,878	$13,358,107	$ (52,963)
Net change in unrealized appreciation on investments	255,875	8,916,609	19,581,381	37,839,553	1,357,151
NET REALIZED AND UNREALIZED GAIN	396,842	10,577,210	24,208,259	51,197,660	1,304,188
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$2,104,840	$12,450,584	$24,040,793	$51,664,053	$1,378,856

</TABLE>

(a) For the period May 1, 1998, date of commencement of operations, through December 31, 1998.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

STATEMENTS OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

	GOVERNMENT BOND		ASSET ALLOCATION	
	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1997	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1997
<S>	<C>	<C>	<C>	<C>
INCREASE (DECREASE) IN NET ASSETS:				
FROM OPERATIONS:				
Net investment income	$ 1,707,998	$ 1,061,995	$ 1,873,374	$ 873,061
Net realized gain on investments	140,967	45,096	1,660,601	3,089,370
Net change in unrealized appreciation of investments	255,875	596,960	8,916,609	1,416,110
Net increase in net assets resulting from operations	2,104,840	1,704,051	12,450,584	5,378,541
DISTRIBUTIONS TO SHAREHOLDERS:				
From net investment income	(1,707,998)	(1,061,995)	(1,873,374)	(871,191)
In excess of net investment income	(33,739)	(5,056)	(26,808)	--
From net realized gain from investment transactions	(105,068)	(41,992)	(1,265,780)	(3,031,880)
Decrease in net assets from distributions to shareholders	(1,846,805)	(1,109,043)	(3,165,962)	(3,903,071)
CAPITAL SHARE TRANSACTIONS:				
Net proceeds from sale of shares	19,963,136	6,514,599	49,983,354	21,414,090
Net asset value of shares issued to shareholders from reinvestment of distributions	1,846,805	1,109,043	3,165,962	3,903,071
Cost of shares redeemed	(2,245,378)	(475,970)	(1,034,680)	(230,267)
Increase in net assets from capital share transactions	19,564,563	7,147,672	52,114,636	25,086,894
NET INCREASE IN NET ASSETS	19,822,598	7,742,680	61,399,258	26,562,364
NET ASSETS-BEGINNING OF PERIOD	22,364,572	14,621,892	41,445,676	14,883,312
NET ASSETS-END OF PERIOD	$42,187,170	$22,364,572	$102,844,934	$41,445,676
Undistributed net realized gain on investments	$ 2,160	$ --	$ 367,455	$ 25,093
Undistributed (distributions in excess of) net investment income	$ --	$ --	$ 27,521	$ 1,870
SHARE ACTIVITY:				
Shares sold	1,866,627	631,011	3,510,954	1,615,750
Reinvestment of distributions	173,661	108,358	215,204	296,400
Shares redeemed	(210,017)	(46,749)	(75,663)	(18,108)

Net increase in number of shares	1,830,271	692,620	3,650,495	1,894,042

</TABLE>

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

STATEMENTS OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

	GROWTH OPPORTUNITIES		LARGE COMPANY GROWTH		EQUITY INDEX
	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1997	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1997	PERIOD ENDED DECEMBER 31, 1998(a)
<S>	<C>	<C>	<C>	<C>	<C>
INCREASE (DECREASE) IN NET ASSETS:					
FROM OPERATIONS:					
Net investment income (loss)	$ (167,466)	$ (87,568)	$ 466,393	$ 485,771	$ 74,668
Net realized gain (loss) on investments	4,626,878	4,951,110	13,358,107	3,943,220	(52,963)
Net change in unrealized appreciation of investments	19,581,381	3,493,572	37,839,553	13,307,669	1,357,151
Net increase in net assets from operations	24,040,793	8,357,114	51,664,053	17,736,660	1,378,856
DISTRIBUTIONS TO SHAREHOLDERS:					
From net investment income	--	--	(465,426)	(485,771)	(74,668)
In excess of net investment income	--	--	--	(11,566)	--
From net realized gain from investment transactions	(4,300,170)	(4,757,643)	(13,342,889)	(3,931,556)	--
In excess of realized gain on investment transactions	(132,232)	(17,827)	(57,277)	(1,846)	--
Tax return of capital distribution	(1,002,643)	(61,358)	--	(6,585)	(601)
Decrease in net assets from distributions to shareholders	(5,435,045)	(4,836,828)	(13,865,592)	(4,437,324)	(75,269)
CAPITAL SHARE TRANSACTIONS:					
Net proceeds from sale of shares	19,618,361	20,249,383	51,828,422	39,242,534	13,636,522
Net asset value of shares issued to shareholders from reinvestment of distributions	5,435,045	4,836,828	13,865,593	4,437,323	75,269
Cost of shares redeemed	(1,692,146)	(238,598)	(1,085,409)	(244,898)	(534,659)
Increase in net assets from capital share transactions	23,361,260	24,847,613	64,608,606	43,434,959	13,177,132
NET INCREASE IN NET ASSETS	41,967,008	28,367,899	102,407,067	56,734,295	14,480,719
NET ASSETS-BEGINNING OF PERIOD	50,706,700	22,338,801	99,627,641	42,893,346	--
NET ASSETS-END OF PERIOD	$92,673,708	$50,706,700	$202,034,708	$ 99,627,641	$14,480,719
Distributions in excess of net realized gain on investments	$ (296,836)	$ (326,708)	$ (57,277)	$ (15,218)	$ (52,963)
Undistributed net investment income	$ --	$ --	$ 967	$ --	$ --
SHARE ACTIVITY:					
Shares sold	1,240,487	1,400,572	2,584,144	2,412,572	1,370,180
Reinvestment of distributions	305,683	342,551	613,470	258,782	7,334
Shares redeemed	(113,075)	(17,586)	(58,686)	(18,404)	(57,847)
Net increase in number of shares	1,433,095	1,725,537	3,138,928	2,652,950	1,319,667

</TABLE>

(a) For the period May 1, 1998, date of commencement of operations, through December 31, 1998.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

FINANCIAL HIGHLIGHTS

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD

<TABLE>
<CAPTION>

	GOVERNMENT BOND				
	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1997	YEAR ENDED DECEMBER 31, 1996	YEAR ENDED DECEMBER 31, 1995	AUGUST 1, - DECEMBER 31, 1994(a)
<S>	<C>	<C>	<C>	<C>	<C>
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 10.48	$ 10.15	$ 10.48	$ 9.69	$10.00
Net investment income	0.56	0.60	0.59	0.64	0.22
Net realized and unrealized appreciation (depreciation)	0.20	0.35	(0.33)	0.94	(0.31)
Total from investment operations	0.76	0.95	0.26	1.58	(0.09)
Distributions:					
From net investment income	(0.56)	(0.60)	(0.59)	(0.64)	(0.22)
In excess of net investment income	(0.01)	--	--	--	--
From net realized gains from investments	(0.03)	(0.02)	--	(0.15)	--
Total distributions	(0.60)	(0.62)	(0.59)	(0.79)	(0.22)
Net increase (decrease) in net asset value	0.16	0.33	(0.33)	0.79	(0.31)
NET ASSET VALUE -- END OF PERIOD	$ 10.64	$ 10.48	$ 10.15	$10.48	$ 9.69
Total return	7.32%	9.67%	2.69%	16.69%	(.90%)(b)
RATIOS AND SUPPLEMENTAL DATA:					
Net assets, end of period (000)	$42,187	$22,365	$14,622	$9,016	$5,112
Ratio of expenses to average net assets	0.75%	0.75%	0.75%	0.75%	0.75%(c)
Ratio of expenses to average net assets excluding waivers/reimbursements	0.78%	0.88%	1.01%	1.47%	1.94%(c)
Ratio of net investment income to average net assets	5.56%	6.06%	6.11%	6.54%	6.09%(c)
Ratio of net investment income to average net assets excluding waivers/reimbursements	5.53%	5.93%	5.85%	5.80%	4.90%(c)
Portfolio turnover	40.4%	21.3%	21.3%	34.1%	3.5%(b)

</TABLE>

(a) Initial public offering was August 1, 1994.

(b) Not Annualized.

(c) Annualized.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

FINANCIAL HIGHLIGHTS

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD

<TABLE>
<CAPTION>

	ASSET ALLOCATION				
	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1997	YEAR ENDED DECEMBER 31, 1996	YEAR ENDED DECEMBER 31, 1995	AUGUST 1, - DECEMBER 31, 1994(a)

<S>	<C>	<C>	<C>	<C>	<C>
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 13.19	$ 11.93	$ 11.24	$ 9.81	$10.00
Net investment income	0.39	0.39	0.34	0.36	0.06
Net realized and unrealized appreciation (depreciation)	2.14	2.31	0.98	1.64	(0.19)
Total from investment operations	2.53	2.70	1.32	2.00	(0.13)
Distributions:					
From net investment income	(0.39)	(0.39)	(0.34)	(0.36)	(0.06)
From net realized gains from investments	(0.19)	(1.05)	(0.23)	(0.21)	--
In excess of realized gains from investment transactions	--	--	(0.04)	--	--
Tax return of capital	--	--	(0.02)	--	--
Total distributions	(0.58)	(1.44)	(0.63)	(0.57)	(0.06)
Net increase (decrease) in net asset value	1.95	1.26	0.69	1.43	(0.19)
NET ASSET VALUE -- END OF PERIOD	$ 15.14	$ 13.19	$ 11.93	$11.24	$ 9.81
Total return	19.09%	22.90%	11.92%	20.69%	(1.32%)(b)
RATIOS AND SUPPLEMENTAL DATA:					
Net assets, end of period (000)	$102,845	$41,446	$14,883	$5,455	$2,063
Ratio of expenses to average net assets	1.00%	1.00%	1.00%	1.00%	1.00%(c)
Ratio of expenses to average net assets excluding waivers/ reimbursements	1.00%	1.15%	1.44%	1.96%	2.36%(c)
Ratio of net investment income to average net assets	2.66%	3.24%	3.27%	3.66%	1.88%(c)
Ratio of net investment income to average net assets excluding waivers/reimbursements	2.66%	3.07%	2.83%	2.70%	0.52%(c)
Portfolio turnover	32.1%	60.9%	64.8%	66.3%	--

</TABLE>

(a) Initial public offering was August 1, 1994.

(b) Not Annualized.

(c) Annualized.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

FINANCIAL HIGHLIGHTS

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD

<TABLE>
<CAPTION>

	GROWTH OPPORTUNITIES				
	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1997	YEAR ENDED DECEMBER 31, 1996	YEAR ENDED DECEMBER 31, 1995	AUGUST 1, - DECEMBER 31, 1994(a)
<S>	<C>	<C>	<C>	<C>	<C>
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 14.21	$ 12.11	$ 11.52	$ 9.70	$10.00
Net investment income (loss)	(0.03)	(0.03)	0.18	0.04	--
Net realized and unrealized appreciation (depreciation)	5.95	3.63	1.62	2.29	(0.30)
Total from investment operations	5.92	3.60	1.80	2.33	(0.30)
Distributions:					

From net investment income	--	--	(0.19)	(0.04)	--
From net realized gains from investments	(1.38)	(1.48)	(0.78)	(0.47)	--
In excess of realized gains from investment transactions	(0.03)	--	(0.24)	--	--
Tax return of capital	(0.20)	(0.02)	--	--	--
Total distributions	(1.61)	(1.50)	(1.21)	(0.51)	--
Net increase (decrease) in net asset value	4.31	2.10	0.59	1.82	(0.30)
NET ASSET VALUE -- END OF PERIOD	$ 18.52	$ 14.21	$ 12.11	$11.52	$ 9.70
Total return	38.82%	29.81%	15.67%	24.06%	(3.00%)(b)
RATIOS AND SUPPLEMENTAL DATA:					
Net assets, end of period (000)	$92,674	$50,707	$22,339	$6,685	$ 940
Ratio of expenses to average net assets	0.97%	1.10%	1.06%	0.90%	0.90%(c)
Ratio of expenses to average net assets excluding waivers/reimbursements	0.97%	1.11%	1.40%	2.78%	2.96%(c)
Ratio of net investment income to average net assets	(0.25%)	(0.25%)	1.85%	0.46%	(0.17%)(c)
Ratio of net investment income to average net assets excluding waivers/reimbursements	(0.25%)	(0.26%)	1.51%	(1.42%)	(2.22%)(c)
Portfolio turnover	87.7%	175.6%	326.9%	193.3%	3.5%(b)

</TABLE>

(a) Initial public offering was August 1, 1994.

(b) Not Annualized.

(c) Annualized.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

FINANCIAL HIGHLIGHTS

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD

<TABLE>
<CAPTION>

	LARGE COMPANY GROWTH				
	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1997	YEAR ENDED DECEMBER 31, 1996	YEAR ENDED DECEMBER 31, 1995	AUGUST 1, - DECEMBER 31, 1994(a)
<S>	<C>	<C>	<C>	<C>	<C>
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 17.21	$ 13.67	$ 12.12	$ 9.99	$10.00
Net investment income	0.06	0.10	0.16	0.20	0.05
Net realized and unrealized appreciation	7.03	4.25	1.86	2.20	0.01
Total from investment operations	7.09	4.35	2.02	2.40	0.06
Distributions:					
From net investment income	(0.06)	(0.10)	(0.16)	(0.20)	(0.05)
From net realized gains from investments	(1.61)	(0.71)	(0.30)	(0.07)	(0.02)
In excess of realized gains from investment transactions	--	--	(0.01)	--	--
Total distributions	(1.67)	(0.81)	(0.47)	(0.27)	(0.07)
Net increase (decrease) in net asset value	5.42	3.54	1.55	2.13	(0.01)
NET ASSET VALUE -- END OF PERIOD	$ 22.63	$ 17.21	$ 13.67	$ 12.12	$ 9.99

Total return	41.27%	31.93%	16.67%	24.13%	0.52%(b)
RATIOS AND SUPPLEMENTAL DATA:					
Net assets, end of period (000)	$202,035	$99,628	$42,893	$16,119	$4,175
Ratio of expenses to average net assets	0.93%	1.00%	0.98%	0.90%	0.90%(c)
Ratio of expenses to average net assets excluding waivers/reimbursements	0.93%	1.00%	1.16%	1.64%	2.08%(c)
Ratio of net investment income to average net assets	0.32%	0.69%	1.29%	2.02%	1.39%(c)
Ratio of net investment income to average net assets excluding waivers/reimbursements	0.32%	0.69%	1.11%	1.28%	0.22%(c)
Portfolio turnover	61.0%	34.4%	38.7%	37.4%	4.4%(b)

</TABLE>

(a) Initial public offering was August 1, 1994.

(b) Not Annualized.

(c) Annualized.

See accompanying notes to financial statements.

THE ONE GROUP(R) INVESTMENT TRUST

FINANCIAL HIGHLIGHTS

FOR A SHARE OUTSTANDING THROUGHOUT THE PERIOD

<TABLE>
<CAPTION>

<S>	EQUITY INDEX PERIOD ENDED DECEMBER 31, 1998(a) <C>
NET ASSET VALUE -- BEGINNING OF PERIOD	$ 10.00
Net investment income	0.08
Net realized and unrealized appreciation	0.97
Total from investment operations	1.05
Distributions:	
From net investment income	(0.08)
Net increase (decrease) in net asset value	0.97
NET ASSET VALUE -- END OF PERIOD	$ 10.97
Total return	10.52%(b)
RATIOS AND SUPPLEMENTAL DATA:	
Net assets, end of period (000)	$14,481
Ratio of expenses to average net assets	0.55%(c)
Ratio of expenses to average net assets excluding waivers/ reimbursements	1.13%(c)
Ratio of net investment income to average net assets	1.45%(c)
Ratio of net investment income to average net assets excluding waivers/ reimbursements	0.87%(c)
Portfolio turnover	2.3%(b)

</TABLE>

(a) Initial public offering was May 1, 1998.

(b) Not Annualized.

(c) Annualized.

See accompanying notes to financial statements.

NOTE 1 -- ORGANIZATION

The One Group(R) Investment Trust (the Trust) was organized as a Massachusetts Business Trust on June 7, 1993. The Trust is registered under the Investment Company Act of 1940 as an open-end management investment company. The Trust comprises five operating series: the Government Bond Fund, the Asset Allocation Fund, the Growth Opportunities Fund, the Large Company Growth Fund and the Equity Index Fund (the Funds). The shares of the Funds are sold at net asset value to separate accounts of insurance companies to fund variable annuity and variable life contracts.

Investment operations commenced on August 23, 1994 for the Government Bond and the Large Company Growth Funds, September 29, 1994 for the Asset Allocation Fund, November 3, 1994 for the Growth Opportunities Fund and May 1, 1998 for the Equity Index Fund.

On October 2, 1998, First Chicago NBD Corporation and BANC ONE CORPORATION merged with and into BANK ONE CORPORATION. The Pegasus Variable Funds are advised by First Chicago NBD Investment Management Company (FCNIMCO) which have been sold exclusively to separate accounts of Hartford Life and Annuity Insurance Company (Hartford) to fund variable annuity and variable life contracts. Hartford has filed an exemptive application with the Securities and Exchange Commission (SEC) requesting relief from certain rules in order to substitute five of the One Group Investment Trust Funds for the Pegasus Variable Funds. Assuming approval by the SEC, it is anticipated this substitution will occur in March, 1999.

In 1998, The One Group Investment Trust's Declaration of Trust was amended to create four new series. In February, 1999, the Declaration of Trust was amended to name the four new series as follows:

One Group Investment Trust Bond Portfolio
One Group Investment Trust Diversified Equity Portfolio
One Group Investment Trust Diversified Mid Cap Portfolio
One Group Investment Trust Mid Cap Value Portfolio

In addition to the four new series, in February, 1999, the Trust's Declaration of Trust was amended to change the name of the Trust from "The One Group Investment Trust" to "One Group Investment Trust" and the names of the existing series will also be changed as follows:

<TABLE>
<CAPTION>

EXISTING NAME	NEW NAME
<S>	<C>
Government Bond Fund	One Group Investment Trust Government Bond Portfolio
Asset Allocation Fund	One Group Investment Trust Balanced Portfolio
Growth Opportunities Fund	One Group Investment Trust Mid Cap Growth Portfolio
Large Company Growth Fund	One Group Investment Trust Large Cap Growth Portfolio
Equity Index Fund	One Group Investment Trust Equity Index Portfolio

</TABLE>

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization costs incurred in connection with the organization and initial registration of the Trust were paid by the Administrator and have been reimbursed by the Funds. Such organization costs have been deferred and are being amortized ratably over a period of sixty months from the commencement of operations. If any of the initial shares are redeemed before the end of the amortization period, the proceeds of the redemption will be reduced by the pro-rata share of the unamortized organization costs.

SECURITY VALUATION

Securities traded on a securities exchange are valued at the last quoted sale price on the principal exchange, or if no sale, at their fair value as determined in good faith under consistently applied procedures authorized by the Board of Trustees. Securities traded only in the over-the-counter (OTC) market are valued at the last quoted sale price, or if there is no sale, at the quoted bid price provided by and independent pricing agent. Corporate debt securities and debt securities of U.S. issuers, including municipal securities, are valued by a combination of daily quotes and matrix evaluations provided by an independent pricing service approved by the Board of Trustees. Inactive securities that have little or no trading activity are valued by the independent pricing services by obtaining dealer quotes. Futures contracts and options thereon traded on a commodities exchange or board of trade are valued at the last sales price at the close of trading, or if there was no sale, the quoted bid price at the close of trading. Securities for which either reliable market quotations are not readily available or for which the pricing agent does not provide a valuation that, in the judgement of the Fund's investment adviser represent fair value, shall each be valued in accordance with procedures authorized by the Board of Trustees.

The Funds may invest in repurchase agreements with institutions that the investment advisor has determined are creditworthy. Each repurchase agreement is recorded at cost. The Funds require that the securities purchased in a repurchase agreement transaction be transferred to the custodian in a manner sufficient to enable the Funds to obtain those securities in the event of a counterparty default. The seller, under the repurchase agreement, is required to maintain the value of the securities held at not less than the repurchase price, including accrued interest.

FEDERAL INCOME TAX

The Trust treats each Fund as a separate entity for federal income tax purposes. Each Fund intends to continue to qualify as a regulated investment company by complying with the provisions available to certain investment companies as defined in applicable sections of the Internal Revenue Code, and to make distributions from net investment income and from net realized capital gains sufficient to relieve it from all, or substantially all, federal income taxes.

As of December 31, 1998, the Equity Index Fund had a capital loss carryforward in the amount of $48,972 which, if unused, will expire in eight years.

SECURITY TRANSACTIONS AND INVESTMENT INCOME

Security transactions are recorded on the trade date. Net realized gains or losses from sales of securities are determined on the specific identification method. Dividend income is recorded on the ex-dividend date; interest income is recorded on an accrual basis and includes, where applicable, the pro-rata amortization of premium or accretion of discount.

DIVIDENDS TO SHAREHOLDERS

Dividends are recorded on the ex-dividend date. The Funds declare and pay income dividends quarterly. Distributable net realized capital gains are declared and distributed at least annually. Dividends and distributions to shareholders are determined in accordance with federal income tax regulations which may differ from generally accepted accounting principles. These "book/tax" differences are considered either permanent or temporary in nature. To the extent that these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their nature for federal income tax purposes; temporary differences do not require reclassification. Dividends and distributions that exceed net investment income and net realized gains for financial reporting purposes but not for tax purposes are reported as dividends in excess of net investment income and net realized gains. To the

extent distributions exceed current and accumulated earnings and profits for federal income tax purposes, they are reported as distributions of paid-in-capital.

Accordingly, as of December 31, 1998, the capital accounts have been adjusted by the following amounts:

	UNDISTRIBUTED NET INVESTMENT INCOME	DISTRIBUTIONS IN EXCESS OF NET REALIZED GAIN	CAPITAL
Government Bond..............	$ (33,739)	$ 33,739	$ --
Asset Allocation.............	(52,459)	52,459	--

Growth Opportunities..........	167,466	838,039	1,005,505
Equity Index.................	(601)	--	601

</TABLE>

EXPENSES

Direct expenses of a Fund are allocated to that Fund. The general expenses of the Trust are allocated to the Funds based on the relative net assets of the Funds at the time the expense is incurred.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

SECURITIES LENDING

To generate additional income, the Funds may lend up to 1/3 of securities in which each fund is invested, pursuant to agreements requiring that the loan be continuously secured by collateral equal at all times to at least 100% of the market value plus accrued interest on the securities lent. Collateral may include cash, U.S. Government or U.S. Government Agency securities, shares of an investment trust or mutual fund, letters of credit or any combination of such collateral. The Funds receive payments from borrowers equivalent to the dividends and interest on securities lent while simultaneously seeking to earn interest on the investment of cash collateral. Collateral is marked to market daily to provide a level of collateral at least equal to the market value plus accrued interest of securities lent. There may be risks of delay in recovery of the securities or even loss of rights in the collateral should the borrower of the securities fail financially. However, loans will be made only to borrowers deemed by the Advisor to be of good standing and creditworthy under guidelines established by the Board of Trustees and when, in the judgment of the Advisor, the consideration which can be earned currently from such securities loans justifies the attendant risk. Loans are subject to termination by the Funds or the borrower at any time, and are, therefore, not considered to be illiquid investments. As of December 31, 1998, the following Funds had securities with the following market values on loan (amounts in thousands):

<TABLE>
<CAPTION>

<S>	MARKET VALUE OF CASH COLLATERAL <C>	MARKET VALUE OF NON-CASH COLLATERAL <C>	MARKET VALUE OF LOANED SECURITIES <C>
Government Bond.........................	$ --	$4,684	$4,527
Asset Allocation........................	1,353	6,202	7,299
Growth Opportunities....................	8,672	--	8,665
Large Company Growth....................	3,331	--	3,209
Equity Index............................	139	--	135

</TABLE>

NOTE 3 -- RELATED PARTY TRANSACTIONS

As Investment Advisor, Banc One Investment Advisors Corporation manages the investments of each Fund of the Trust and earns a fee from the Funds at the following annual rates: .45% of the average daily net assets of the Government Bond Fund, .70% of the average daily net assets of the Asset Allocation Fund, .65% of the average daily net assets of the Growth Opportunities Fund and the Large Company Growth Fund and .30% of the average daily net assets of the Equity Index Fund. Such fees are calculated daily and paid monthly.

Nationwide Advisory Services, Inc. (NAS) provides administrative and accounting services to the Funds. For its services, NAS earns a fee from the Trust at an annual rate of .24% of the Trust's aggregate average daily net assets (excluding the Equity Index Fund) up to $250 million, and .14% of such net assets in excess of $250 million. NAS earns an annual rate of .14% of the aggregate average daily net assets of the Equity Index Fund.

Nationwide Investors Services, Inc. (NIS), an affiliate of NAS, serves as the Transfer Agent to the Trust. For its services, NIS receives an annual fee of

$2,500 for each Fund.

The Investment Advisor has voluntarily agreed to waive all or part of its fees in order to limit the Funds' operating expenses to no more than .75% of the average daily net assets of the Government Bond Fund, 1.00% of the average daily net assets of the Asset Allocation Fund, 1.10% of the average daily net assets of each of the Growth Opportunities Fund, 1.00% of the average daily net assets of the Large Company Growth Fund and .55% of the average daily net assets of the Equity Index Fund. During the period ended December 31, 1998, the Investment Advisor voluntarily waived fees in the amount of $9,393 in the Government Bond Fund, $2,862 in the Asset Allocation Fund, and $15,432 in the Equity Index Fund. During the period ended December 31, 1998 the Investment Advisor reimbursed the Equity Index Fund $14,538.

NOTE 4 -- INVESTMENT TRANSACTIONS

Purchases and sales of securities (excluding U.S. Government obligations, short-term securities and financial futures), and purchases and sales of U.S. Government Obligations for the period ended December 31, 1998 are summarized as follows:

<TABLE>
<CAPTION>

	SECURITIES PURCHASES	SECURITIES SALES
<S>	<C>	<C>
Government Bond.................................	$ 24,013,319	$ 7,542,028
Asset Allocation................................	64,728,319	16,790,185
Growth Opportunities............................	75,152,734	56,566,943
Large Company Growth............................	140,902,324	84,279,396
Equity Index....................................	12,476,568	172,258

</TABLE>

<TABLE>
<CAPTION>

	U.S. GOVERNMENT OBLIGATIONS PURCHASES	U.S. GOVERNMENT OBLIGATIONS SALES
<S>	<C>	<C>
Government Bond.................................	$ 6,087,099	$ 4,612,083
Asset Allocation................................	8,915,789	3,872,907
Equity Index....................................	351,961	220,000

</TABLE>

The Asset Allocation Fund and Equity Index Fund engaged in trading financial futures contracts. The Fund is exposed to market risks in excess of the amounts recognized in the statement of assets and liabilities as a result of changes in the value of the underlying financial instruments. Investments in financial futures require the Fund to "mark to market" such futures on a daily basis, to reflect the change in the market value of the contract at the close

of each day's trading. Typically, variation margin payments are made or received to reflect daily unrealized gains or losses. When the contracts are closed, the Fund recognizes a realized gain or loss. Realized gains and losses have been computed on the specific identification method.

A stock index futures contract is a bilateral agreement pursuant to which two parties agree to take or make delivery of an amount of cash equal to a specified dollar amount times the difference between the stock index value at the close of trading of the contracts and the price at which the futures contract was originally struck. The purpose of entering into futures contracts is to remain fully invested and reduce transaction costs.

Net unrealized appreciation (depreciation) on investments at December 31, 1998, based on cost for federal income tax purposes, was as follows:

<TABLE>
<CAPTION>

	GROSS UNREALIZED APPRECIATION	GROSS UNREALIZED DEPRECIATION	NET UNREALIZED APPRECIATION (DEPRECIATION)
<S>	<C>	<C>	<C>

Government Bond..............................	$ 1,028,473	$ (205,097)	$ 823,376
Asset Allocation.............................	12,970,138	(1,657,570)	11,312,568
Growth Opportunities.........................	27,930,804	(4,664,705)	23,266,099
Large Company Growth.........................	57,854,922	(1,945,080)	55,909,842
Equity Index.................................	1,697,501	(344,341)	1,353,160

</TABLE>

NOTE 5 -- SHARES HELD BY AFFILIATES

As of December 31, 1998, Nationwide Life and Annuity Insurance Company beneficially owned shares of the Funds with the following net asset values:

<TABLE>

<S>	<C>
Government Bond	$6,988,511
Asset Allocation	1,902,139
Growth Opportunities	62,704
Large Company Growth	8,139,758
Equity Index	2,762,948

</TABLE>

As of December 31, 1998, Banc One Capital Corporation owned shares of the Equity Index Fund with a net asset value of $828,884.

NOTE 6 -- FEDERAL INCOME TAX INFORMATION (UNAUDITED)

The following represents distributions from long-term capital gains for the Funds for the period ended December 31, 1998:

<TABLE>

<S>	<C>
Government Bond	$ 44,830
Asset Allocation	1,016,495
Growth Opportunities	3,170,933
Large Company Growth	9,948,349

</TABLE>

[THIS PAGE INTENTIONALLY LEFT BLANK]

DESCRIPTION OF RATINGS

The following is a summary of published ratings by major credit rating agencies. Credit ratings evaluate only the safety of principal and interest payments, not the market value risk of lower quality securities. Credit rating agencies may fail to change credit ratings to reflect subsequent events on a timely basis. Although Banc One Investment Advisors considers security ratings when making investment decisions, it also performs its own investment analysis and does not rely solely on the ratings assigned by credit agencies.

Unrated securities will be treated as non-investment grade securities unless Banc One Investment Advisors determines that such securities are the equivalent of investment grade securities. Securities that have received different ratings from more than one agency are considered investment grade if at least one agency has rated the security investment grade.

DESCRIPTION OF COMMERCIAL PAPER RATINGS

DUFF & PHELPS CREDIT RATING CO. ("DUFF")

D-1+ Highest certainty of timely payment. Short-term liquidity, including internal operating factors and/or access to alternative sources of funding, is outstanding and safety is just below risk-free U.S. Treasury obligations.

D-1 Very high certainty of timely payment. Liquidity factors are excellent and supported by good fundamental protection factors. Risk factors are minor.

D-1- High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

D-2 Good certainty of timely payment. Liquidity facts and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.

D-3 Satisfactory liquidity and other protection factors qualify issues as to investment grade. Risk factors are larger and subject to more variation. Nevertheless, timely payment is expected.

D-4 Speculative investment characteristics. Liquidity is not sufficient to insure against disruption in debt service. Operating factors and market access may be subject to a high degree of variation.

D-5 Issuer failed to meet scheduled principal and/interest payments.

STANDARD & POOR'S CORPORATION ("S&P")

A-1 Highest category of commercial paper. Capacity to meet financial commitment is strong. Obligations designated with a plus sign (+) indicate that capacity to meet financial commitment is extremely strong.

A-2 Issues somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the capacity to meet financial commitments is satisfactory.

A-3 Exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

B Regarded as having significant speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

DESCRIPTION OF RATINGS

The following is a summary of published ratings by major credit rating agencies. Credit ratings evaluate only the safety of principal and interest payments, not the market value risk of lower quality securities. Credit rating agencies may fail to change credit ratings to reflect subsequent events on a timely basis. Although Banc One Investment Advisors considers security ratings when making investment decisions, it also performs its own investment analysis and does not rely solely on the ratings assigned by credit agencies.

Unrated securities will be treated as non-investment grade securities unless Banc One Investment Advisors determines that such securities are the equivalent of investment grade securities. Securities that have received different ratings from more than one agency are considered investment grade if at least one agency has rated the security investment grade.

DESCRIPTION OF COMMERCIAL PAPER RATINGS

DUFF & PHELPS CREDIT RATING CO. ("DUFF")

D-1+ Highest certainty of timely payment. Short-term liquidity, including internal operating factors and/or access to alternative sources of funding, is outstanding and safety is just below risk-free U.S. Treasury obligations.

D-1 Very high certainty of timely payment. Liquidity factors are excellent and supported by good fundamental protection factors. Risk factors are minor.

D-1- High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

D-2 Good certainty of timely payment. Liquidity facts and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.

D-3 Satisfactory liquidity and other protection factors qualify issues as to investment grade. Risk factors are larger and subject to more variation. Nevertheless, timely payment is expected.

D-4 Speculative investment characteristics. Liquidity is not sufficient to insure against disruption in debt service. Operating factors and market access may be subject to a high degree of variation.

D-5	Issuer failed to meet scheduled principal and/interest payments.

STANDARD & POOR'S CORPORATION ("S&P")

A-1	Highest category of commercial paper. Capacity to meet financial commitment is strong. Obligations designated with a plus sign (+) indicate that capacity to meet financial commitment is extremely strong.
A-2	Issues somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the capacity to meet financial commitments is satisfactory.
A-3	Exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.
B	Regarded as having significant speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.
C	Currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation.

D	In payment default. The D rating category is used when payments on an obligation are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period. The D rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action if payments on an obligation are jeopardized.

FITCH'S IBCA LIMITED ("FITCH")

A1	Highest capacity for timely repayment. Those issues rated A1+ possess a particularly strong credit feature.
A2	Satisfactory capacity for timely repayment although such capacity may be susceptible to adverse changes in business, economic or financial conditions.
A3	Adequate capacity for timely repayment, but more susceptible to adverse changes business, economic or financial conditions than for obligations in higher categories.
B	Capacity for timely repayment is susceptible to adverse changes in business, economic or financial conditions.
C	High risk of default or which are currently in default.

MOODY'S INVESTORS SERVICE ("MOODY'S")

Prime-1	Superior ability for repayment.
Prime-2	Strong ability for repayment.
Prime-3	Acceptable ability for repayment. The effect of industry characteristics and market compositions may be more pronounced. Variability in earnings and profitability may result in changes in the level of debt protection measurements and may require relatively high financial leverage. Adequate alternate liquidity is maintained.
Not Prime	Does not fall within any of the Prime rating categories.

DESCRIPTION OF BANK RATINGS

MOODY'S

These ratings represent Moody's opinion of a bank's intrinsic safety and soundness.

A	These banks possess exceptional intrinsic financial strength. Typically they will be major financial institutions with highly valuable and defensible business franchises, strong financial fundamentals, and a very attractive and stable operating environment.
B	These banks possess strong intrinsic financial strength. Typically, they will be important institutions with valuable and defensible business franchises, good financial fundamentals, and an attractive and stable operating environment.
C	These banks possess good intrinsic financial strength. Typically, they will be institutions with valuable and defensible business franchises. These banks will demonstrate either acceptable financial fundamentals within a stable operating environment, or better than average financial fundamentals within an unstable operating environment.
D	These banks possess adequate financial strength, but may be limited by one or more of the following factors: a vulnerable or developing business franchise; weak financial fundamentals; or an unstable operating environment.
E	These banks possess very weak intrinsic financial strength, require periodic outside support or suggest an eventual need for outside assistance. Such institutions may be limited by one or more of the following factors: a business franchise of questionable value; financial fundamentals that are seriously deficient in one or more respects; or a highly unstable operating environment.

DESCRIPTION OF TAXABLE BOND RATINGS

S&P

S&P's credit rating is a current opinion of an obligor's overall financial capacity (its creditworthiness) to pay its financial obligation.

AAA	The highest rating assigned by S&P. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	The obligor's capacity to meet its financial commitments on the obligation is very strong.
A	The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.
BBB	Exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Obligations rated BB, B, CCC, CC, and C are regarded as having significant speculative characteristics. BB indicates the least degree of speculation and C the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

BB	Less vulnerable to nonpayment than other speculative issues. However, such issues face major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.
B	More vulnerable to nonpayment than obligations rated BB, but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.
CCC	Currently vulnerable to nonpayment, and dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the

obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.

CC	Currently highly vulnerable to nonpayment.
C	Used to cover a situation where a bankruptcy petition has been filed or similar action has been taken, but payments on this obligation are being continued.
D	In payment default. Used when payments on an obligation are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period. Also used upon the filing of a bankruptcy petition or the taking of a similar action if payments on an obligation are jeopardized.

MOODY'S
INVESTMENT GRADE

Aaa	Best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt edged." Interest payments are protected by a large, or an exceptionally stable, margin and principal is secure.
Aa	High quality by all standards. Margins of protection may not be as large as in Aaa securities, fluctuation of protective elements may be greater, or there may be other elements present that make the long-term risks appear somewhat larger than in Aaa securities.

A	These bonds possess many favorable investment attributes and are to be considered as upper-medium grade obligations. Factors giving security to principal and interest are considered adequate, but elements may be present which suggest a susceptibility to impairment sometime in the future.
Baa	These bonds are considered medium-grade obligations (i.e., they are neither highly protected nor poorly secured). Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well. [/TABLE]

NON-INVESTMENT GRADE

Ba	These bonds have speculative elements; their future cannot be considered as well assured. The protection of interest and principal payments may be very moderate and thereby not well safeguarded during good and bad times over the future.
B	These bonds lack the characteristics of a desirable investment (i.e., potentially low assurance of timely interest and principal payments or maintenance of other contract terms over any long period of time may be small).
Caa	Bonds in this category have poor standing and may be in default. These bonds carry an element of danger with respect to principal and interest payments.
Ca	Speculative to a high degree and could be in default or have other marked shortcomings. C is the lowest rating.

FITCH
INVESTMENT GRADE

AAA	Highest rating category. The obligor's capacity for timely repayment of principal and interest is extremely strong.
AA	The obligor's capacity for timely repayment is very strong.
A	Bonds and preferred stock considered to be investment

grade and of high credit quality. The obligor's ability for timely repayment is strong. However, adverse changes in business, economic, or financial conditions are more likely to affect the capacity for timely repayment than obligations in higher rated categories.

BBB	The obligor's capacity for timely repayment of principal and interest is adequate. However, adverse changes in business, economic or financial conditions and circumstances, are more likely to affect the capacity for timely repayment than for obligations in higher rated categories.
B	The Obligor's capacity for timely repayment of principal and interest is uncertain. Timely repayment of principal and interest is not sufficiently protected against adverse changes in business, economic or financial conditions and these obligations are far more speculative than those in higher rated categories.
CCC	Obligations for which there is a current perceived possibility of default. Timely repayment of principal and interest is dependent on favorable business, economic, or financial conditions and these obligations are far more speculative than those in higher rated categories.
CC	Obligations which are highly speculative or which have a high risk of default.
C	Obligations which are currently in default.

DESCRIPTION OF INSURANCE RATINGS

MOODY'S

These ratings represent Moody's opinions of the ability of insurance companies to pay punctually senior policyholder claims and obligations.

Aaa	Insurance companies rated in this category offer exceptional financial security. While the financial strength of these companies is likely to change, such changes as can be visualized are most unlikely to impair their fundamentally strong position.
Aa	These insurance companies offer excellent financial security. Together with the Aaa group, they constitute what are generally known as high grade companies. They are rated lower than Aaa companies because long-term risks appear somewhat larger.
A	Insurance companies rated in this category offer good financial security. However, elements may be present which suggest a susceptibility to impairment sometime in the future.
Baa	Insurance companies rated in this category offer adequate financial security. However, certain protective elements may be lacking or may be characteristically unreliable over any great length of time.
Ba	Insurance companies rated in this category offer questionable financial security. Often the ability of these companies to meet policyholder obligations may be very moderate and thereby not well safeguarded in the future.
B	Insurance companies rated in this company offer poor financial security. Assurance of punctual payment of policyholder obligations over any long period of time is small.
Caa	Insurance companies rated in this category offer very poor financial security. They may be in default on their policyholder obligations or there may be present elements of danger with respect to punctual payment of policyholder obligations and claims.
Ca	Insurance companies rated in this category offer extremely poor financial security. Such companies are often in default on their policyholder obligations or

have other marked shortcomings.

C	Insurance companies rated in this category are the lowest rated class of insurance company and can be regarded as having extremely poor prospects of ever offering financial security.

S & P

An insurer rated "BBB" or higher is regarded as having financial security characteristics that outweigh any vulnerabilities, and is highly likely to have the ability to meet financial commitments.

AAA	EXTREMELY STRONG financial security characteristics. "AAA" is the highest Insurer Financial Strength Rating assigned by Standard & Poor's.
AA	VERY STRONG financial security characteristics, differing only slightly from those rated higher.
A	STRONG financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings.

BBB	GOOD financial security characteristics, but is more likely to be affected by adverse business conditions than are higher rated insurers.

An insurer rated "BB" or lower is regarded as having vulnerable characteristics that may outweigh its strength. "BB" indicates the least degree of vulnerability within the range; "CC" the highest.

BB	MARGINAL financial security characteristics. Positive attributes exist, but adverse business conditions could lead to insufficient ability to meet financial commitments.
B	WEAK financial security characteristics. Adverse business conditions will likely impair its ability to meet financial commitments.
CCC	VERY WEAK financial security characteristics, and is dependent on favorable business conditions to meet financial commitments.
CC	EXTREMELY WEAK financial security characteristics and is likely not to meet some of its financial commitments.
R	An insurer rated "R" has experienced a REGULATORY ACTION regarding solvency. The rating does not apply to insurers subject only to nonfinancial actions such as market conduct violations.
NR	NOT RATED, which implies no opinion about the insurer's financial security.

Plus (+) or minus (-)
Following ratings from "AA" to "CCC" show relative standing within the major rating categories.

DESCRIPTION OF MUNICIPAL NOTE RATINGS

MOODY'S

MIG1 & VMIG1	Short-term municipal securities rated MIG1 or VMIG1 are of the best quality. They have strong protection from established cash flows, superior liquidity support or demonstrated broad-based access to the market for refinancing.
MIG2 & VMIG2	These short-term municipal securities rated are of high quality. Margins of protection are ample although not so large as in the preceding group.
MIG3 & VMIG	Favorable quality. All security elements are accounted for, but the undeniable strength of the preceding grades is lacking. Liquidity and cash flow protection may be narrow and marketing access for refinancing is likely to be less well established.
MIG4 & VMIG4	This denotes adequate quality protection commonly

regarded as required of an investment security is present and although not distinctly or predominantly speculative, there is a specific risk.

SG This denotes speculative quality.

S&P

An S&P note rating reflects the liquidity concerns and market access risks unique to notes. Notes due in three years or less will likely receive a note rating. Notes maturing beyond three years will most likely receive a long-term debt rating.

SP-1 Strong capacity to pay principal and interest. Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation.

SP-2 Satisfactory capacity to pay principal and interest.

SP-3 Speculative capacity to pay principal and interest.

DESCRIPTION OF PREFERRED STOCK RATINGS

MOODY'S

aaa Top-quality preferred stock. This rating indicates good asset protection and the least risk of dividend impairment within the universe of preferred stocks.

aa High-grade preferred stock. This rating indicates that there is a reasonable assurance the earnings and asset protection will remain relatively well maintained in the foreseeable future.

a Upper-medium grade preferred stock. While risks are judged to be somewhat greater than in the "aaa" and "aa" classification, earnings and asset protection are, nevertheless, expected to be maintained at adequate levels.

baa Medium-grade preferred stock, neither highly protected nor poorly secured. Earnings and asset protection appear adequate at present but may be questionable over any great length of time.

ba Considered to have speculative elements and its future cannot be considered well assured. Earnings and asset protection may be very moderate and not well safeguarded during adverse periods. Uncertainty of position characterizes preferred stocks in this class.

b Lacks the characteristics of a desirable investment. Assurance of dividend payments and maintenance of other terms of the issue over any long period of time may be small.

caa Likely to be in arrears on dividend payments. This rating designation does not purport to indicate the future status of payments.

ca Speculative in a high degree and is likely to be in arrears on dividends with little likelihood of eventual payments.

c Lowest rated class of preferred or preference stock. Issues so rated can thus be regarded as having extremely poor prospects of ever attaining any real investment standing.

Note: Moody's applies numerical modifiers 1, 2, and 3 in each rating classification; the modifier 1 indicates that the security ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category.

S&P

S&P's preferred stock rating is an assessment of the capacity and willingness of an issuer to pay preferred stock dividends and any applicable sinking Portfolio obligations.

AAA Highest rating. This rating indicates an extremely strong capacity to pay the preferred stock obligations.

AA High-quality, fixed-income security. The capacity to pay preferred stock obligations is very strong, although not as overwhelming as for issues rated "AAA."

A Backed by a sound capacity to pay the preferred stock obligations, although it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions.

BBB Backed by an adequate capacity to pay the preferred stock obligations. Whereas the issuer normally exhibits adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to make payments for a preferred stock in this category than for issues in the "A" category.

BB, B, Regarded, on balance, as predominantly speculative with

CCC respect to the issuer's capacity to pay preferred stock obligations. BB indicates the lowest degree of speculation and CCC the highest. While such issues will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions.

CC In arrears on dividends or sinking Portfolio payments, but that is currently paying.

C Nonpaying issue.

D Nonpaying issue with the issuer in default on debt instruments.

N.R. No rating has been requested, insufficient information on which to base a rating, or Standard & Poor's does not rate a particular type of obligation as a matter of policy.

Plus (+) or minus (-)
To provide more detailed indications of preferred stock quality, ratings from AA to CCC may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

DESCRIPTION OF MUNICIPAL BOND RATINGS
(INCLUDING FOREIGN, MORTGAGE AND ASSET-BACKED SECURITIES)

S&P
INVESTMENT GRADE

AAA The highest rating. The rating indicates an extremely strong capacity to meet its financial commitment.

AA Differs from AAA issues only in a small degree. The obligor's capacity to meet its financial commitment is very strong.

A These bonds are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than debt in higher rated categories. However, capacity to meet its financial commitment on the obligation is still strong.

BBB Exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to meet its financial commitment on the obligations.

SPECULATIVE GRADE

BB Less vulnerable to non-payment than other speculative issues. However, these bonds face major ongoing uncertainties or exposure to adverse business, financial or economic conditions which could lead to inadequate capacity to meet financial commitment on the obligations.

B More vulnerable to non-payment than obligations rated BB, but currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial or economic conditions will likely impair capacity or willingness to meet its financial commitment on the obligation.

CCC Currently vulnerable to non-payment, and is dependent upon favorable business, financial, and economic conditions to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, they are not likely to have the capacity to meet its financial commitment on the obligation.

CC Currently highly vulnerable to non-payment.

C This rating may be used to cover a situation where a bankruptcy petition has been filed, or similar action has been taken, but payments on this obligation are being continued.

D Bonds in payment default.

Ratings from AA to CCC may be modified by a plus (+) or minus (-) to show relative standing within the major rating categories.

MOODY'S

INVESTMENT GRADE

Aaa Best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt edged." Interest payments are protected by a large, or an exceptionally stable, margin and principal is secure.

Aa High quality by all standards. Margins of protection may not be as large as in Aaa securities, fluctuation of protective elements may be greater, or there may be other elements present that make the long-term risks appear somewhat larger than in Aaa securities.

A These bonds possess many favorable investment attributes and are to be considered as upper-medium grade obligations. Factors giving security to principal and interest are considered adequate, but elements may be present which suggest a susceptibility to impairment sometime in the future.

Baa These bonds are considered medium-grade obligations (i.e., they are neither highly protected nor poorly secured). Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

NON-INVESTMENT GRADE

Ba These bonds have speculative elements; their future cannot be considered as well assured. The protection of interest and principal payments may be very moderate and thereby not well safeguarded during good and bad times over the future.

B These bonds lack the characteristics of a desirable investment (i.e., potentially low assurance of timely interest and principal payments or maintenance of other contract terms over any long period of time may be small).

Caa Bonds in this category have poor standing and may be in default. These bonds carry an element of danger with respect to principal and interest payments.

Ca Speculative to a high degree and could be in default or have other marked shortcomings. Ca is the lowest rating.

DESCRIPTION OF SHORT-TERM DEBT RATINGS

Thompson Bank Watch, Inc. ("TBW") assigns ratings to specific debt instruments with original maturities of one year or less. The TBW Short-Term ratings specifically assess the likelihood of an untimely payment of principal and interest.

TBW-1 Very high degree of likelihood that principal and interest will be paid on a timely basis.

TBW-2 While degree of safety regarding timely repayment of principal and interest is strong, the relative degree is not as high as for issues rated TBW-1.

TBW-3 Lowest investment grade category. While more susceptible to adverse developments than obligations with higher ratings, capacity to service principal and interest in a timely fashion is considered adequate.

TBW-4 Non-investment grade and, therefore, speculative.

PART C

OTHER INFORMATION

ITEM 23. EXHIBITS

(a) Amended Declaration of Trust dated February 17, 1999 is filed herewith.

(b) Registrant's Bylaws Dated July 8, 1993, are incorporated by reference to Registrant's registration statement on Form N-1A, filed on July 14, 1993.

(c) None

(d)(1) Amended and Restated Investment Advisory Agreement dated February 17, 1999 by and between One Group Investment Trust and Banc One Investment Advisors Corporation is filed herewith.

(e) None

(f) Deferred Compensation Plan for Trustees of The One Group Investment Trust is incorporated by reference to Post-Effective Amendment No. 10 to the Registrant's registration statement on Form N-1A, filed on January 27, 1999.

(g)(1) Custodian Agreement with State Street Bank and Trust Company, is incorporated by reference to Pre-Effective Amendment No. 1 to the Registrant's registration statement on Form N-1A, filed on May 26, 1994.

(g)(2) Subcustodian Agreement for The One Group Investment Trust between State Street Bank and Trust Company, Bank One Trust Company, N.A. and the Registrant dated as of June 11, 1998 is incorporated by reference to Post-Effective Amendment No. 8 to the Registrant's registration statement on Form N-1A, filed October 7, 1998.

(h)(1) Amended and Restated Transfer and Dividend Disbursing Agent Agreement dated February 17, 1999 between One Group Investment Trust and Nationwide Investors Services, Inc. is filed herewith.

(h)(2) Amended and Restated Fund Participation Agreement dated as of February 17, 1999 by and among Nationwide Life and Annuity Insurance Company, One Group Investment Trust, and Nationwide Advisory Services, Inc. is filed herewith.

(h)(3) Amended and Restated Administrative Services Agreement between Registrant and Nationwide Advisory

Services, Inc. dated February 17, 1999 is filed herewith.

(h)(4) Form of Sub-Administration Agreement dated April 1, 1999 between the Registrant and Banc One Investment Advisors Corporation is filed herewith.

(h)(5) Securities Lending Agreement for The One Group Investment Trust between the Registrant, Banc One Investment Advisors Corporation, and Bank One Trust Company, N.A. dated as of June 15, 1998 is incorporated by reference to Post-Effective Amendment No. 8 to the Registrant's registration statement on Form N-1A, filed October 7, 1998.

(h)(6) Form of Amendment to Exhibit A to Securities Lending Agreement for the One Group Investment Trust between the Registrant, Banc One Investment Advisors Corporation, and Bank One Trust Company, N.A. is filed herewith.

(i) Opinion of Ropes & Gray is filed herewith.

(j)(1) Consent of Ropes & Gray is filed herewith.
(j)(2) Consent of PricewaterhouseCoopers LLP, Independent Accountants is filed herewith.

(j)(3) Consent of Arthur Andersen LLP, Independent Accountants is filed herewith.

(k) None
(l) None
(m) None
(n) Financial Data Schedules filed herewith.
(o) None

Copies of powers of attorney of Registrant's trustees and officers whose names are signed to this Registration. Statement pursuant to said powers of attorneys are filed herewith.

ITEM 24. PERSONS CONTROLLED BY OR UNDER COMMON CONTROL WITH REGISTRANT As of the effective date of this Registration Statement, there are no persons controlled or under common control with the Registrant.

ITEM 25. INDEMNIFICATION

Limitation of Liability and Indemnification provisions for Trustees, Shareholders, officers, employees and agents of Registrant are set forth in Article V, Sections 5.1 through 5.3 of the Declaration of Trust. No Trustee, officer, employee or agent of the Trust shall be subject to any personal liability whatsoever to any Person other than the Trust or its Shareholders, in connection with Trust Property or the affairs of the Trust, save only that arising from bad faith, willful misfeasance, gross negligence or reckless disregard for his duty to such Person; and all such Persons shall look solely to the Trust Property for satisfaction of claims of any nature arising in connection with the affairs of the Trust. If any Shareholder, Trustee, officer, employee or agent, as such, of the Trust is made a party to any suit or proceeding to enforce any such liability, he shall not, on account thereof, be held to any personal liability. The Trust shall indemnify and hold each Shareholder harmless from and against all claims and liabilities, to which such Shareholder may become subject by reason of his being or having been a Shareholder, and shall reimburse such Shareholder for all legal and other expenses reasonably incurred by him in connection with any such claim or liability. The rights accruing to a Shareholder under Section 5.1 of the Declaration of Trust shall not exclude any other right to which such Shareholder may be lawfully entitled, nor shall anything herein contained restrict the right of the Trust to indemnify or reimburse a Shareholder in any appropriate situation even though not specifically provided herein.

No Trustee, officer, employee or agent of the Trust shall be liable to the Trust, its Shareholders, or to any Shareholder, Trustee, officer, employee or agent thereof for any action or failure to act

(including without limitation the failure to compel in any way any former or acting Trustee to redress any breach of trust) except for his own bad faith, willful misfeasance, gross negligence or reckless disregard of his duties.

(a) Subject to the exceptions and limitations contained in paragraph (b) below:

(i) every person who is or has been a Trustee or officer of the Trust shall be indemnified by the Trust against all liability and against all expenses reasonably incurred or paid by him in connection with any claim, action, suit or proceeding in which he becomes involved as a party or otherwise by virtue of his being or having been a Trustee or officer and against amounts paid or incurred by him in the settlement thereof:

(ii) the words "claim," "action," "suit" or "proceeding" shall apply to all claims, actions, suits or proceedings (civil, criminal, or other, including appeals), actual or threatened; and the words "liability" and "expenses" shall include, without limitation, attorneys' fees, costs, judgments, amounts paid in settlement, fines, penalties and other liabilities.

(b) No indemnification shall be provided hereunder to a Trustee or officer:

(i) against any liability to the Trust or the Shareholders by reason of a final adjudication by the court or other body before which the proceeding was brought that he engaged in willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office;

(ii) with respect to any matter as to which he shall have been finally adjudicated not to have acted in good faith in the reasonable belief that his action was in the best interest of the Trust:

(iii) in the event of a settlement of other disposition not involving a final adjudication as provided in paragraphs (b) (i) or (b) (ii) resulting in a payment by a Trustee or officer, unless there has been either a determination that such Trustee or officer did not engage in willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office by the court or other body approving the settlement or other disposition or a reasonable determination, based upon a review of readily available facts (as opposed to a full trial-type inquiry) that he did not engage in such conduct:

(A) by vote of a majority of the Disinterested Trustees acting on the matter (provided that a majority of the Disinterested Trustees then in office act on the matter); or

(B) by written opinion of independent legal counsel.

(c) The rights of indemnification herein provided may be insured against by policies maintained by the Trust, shall be severable, shall not affect any other rights to which any Trustee or officer may now or hereafter be entitled, shall continue as to a Person who has ceased to be such Trustee or officer and shall inure to the benefit of the heirs, executors and administrators of such Person. Nothing contained herein shall affect any rights to indemnification to which personnel other than Trustees and officers may be entitled by contract or otherwise under law.

(d) Expenses of preparation and presentation of a defense to any claim, action, suit or proceeding of the character described in paragraph (a) of Section 5.3 of the Declaration of Trust shall be advanced by the Trust prior to final disposition thereof upon

receipt of an undertaking by or on behalf of the recipient to repay such amount if it is ultimately determined that he is not entitled to indemnification under Section 5.3 of the Declaration of Trust, provided that either:

(i) such undertaking is secured by a surety bond or some other appropriate security or the Trust shall be insured against losses arising out of any such advances; or

(ii) a majority of the Disinterested Trustees acting on the matter (provided that a majority of the Disinterested Trustees then in office act on the matter) or an independent legal counsel in a written opinion, shall determine, based upon a review of readily available facts (as opposed to a full trial-type inquiry), that there is reason to believe that the recipient ultimately will be found entitled to indemnification.

As used in Section 5.3 of the Declaration of Trust, a "Disinterested Trustee" is one (i) who is not an "Interested Person" by any rule, regulation or order of the Commission), and (ii) against whom none of such actions, suits or other proceedings or another action, suit or other proceeding on the same or similar grounds is then or had been pending. See Item 24(b)(1) (Exhibit 1) above, whose terms and conditions as summarized herein are hereby incorporated by reference.

Limitation of liability provisions for the Investment Advisor are set forth in paragraph 4 of the Investment Advisory Agreement. The Investment Advisor shall not be liable for any instructions, action or failure to act, or for any loss sustained by reason of the adoption of any investment policy or the purchase, sale or retention of any security on the recommendation of the Investment Advisor, whether or not such recommendation shall have been based upon its own investigation and research made by any other individual, firm or corporation, if such recommendation shall have been made and such other individual, firm or corporation shall have been selected with due care and in good faith; but nothing herein contained shall be construed to protect the Manager against any liability to the Trust or its security holders by reason of willful misfeasance, bad faith or gross negligence in the performance of its duties or by reason of its reckless disregard of its obligations and duties under this agreement. See item 24(b)(5) above (Exhibit 3), whose terms and conditions as summarized herein are hereby incorporated by reference.

Registrant undertakes that it will comply with the indemnification provisions of its Declaration of Trust, Investment Advisory Agreement, and any other agreement to which the Registrant is a party containing indemnification provisions in accordance with the provisions of Investment Company Act of 1940 Release No. 11330, as modified from time to time.

Insofar as indemnification for liability arising under the Securities Act of 1933 may be permitted to Trustees, officers and controlling persons of the Registrant pursuant to the Registrant's Bylaws, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a Trustee, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in

the Act and will be governed by the final adjudication of such issue.

ITEM 26. BUSINESS AND OTHER CONNECTIONS OF INVESTMENT ADVISOR

Banc One Investment Advisors Corporation (the "Advisor") performs investment advisory services for all of the Funds of the Group. As of December 31, 1998, the Advisor, an indirect wholly-owned subsidiary of BANK ONE CORPORATION, a bank holding company located in the state of, Illinois, managed over $54 billion in assets. BANK ONE CORPORATION has affiliate banking organizations in Arizona, Colorado, Illinois, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Texas, Utah, West Virginia and Wisconsin. In addition, BANK ONE CORPORATION has several affiliates that engage in data processing, venture capital, investment and merchant banking, and other diversified services including trust management, investment management, brokerage, equipment leasing, mortgage banking, consumer finance, and insurance.

To the knowledge of Registrant, none of the directors or officers of the Advisor, except as set forth herein, is or has been, at any time during the past two calendar years, engaged in any other business, profession, vocation or employment of a substantial nature. Set forth below are the names and principal businesses of the directors of the Advisor who are engaged in any other business, profession, vocation or employment of a substantial nature.

BANC ONE INVESTMENT ADVISORS CORPORATION

<TABLE>
<CAPTION>

POSITION WITH BANC ONE INVESTMENT ADVISORS CORPORATION	OTHER SUBSTANTIAL OCCUPATION	TYPE OF BUSINESS
<S>	<C>	<C>
David J. Kundert Chairman & CEO	Chairman, Bank One Trust Company, NA, 100 East Broad Street, Columbus, Ohio 43215	Investment Advisor
Frederick L. Cullen Director	Chairman/CEO, Bank One NA; Chairman and , Chief Operating Officer, Banc One Ohio Corporation 100 East Broad Street, Columbus, Ohio 43215	Banking
Kenneth T. Stevens, Director	CEO, Bank One Retail Group 1111 Polaris Parkway Columbus, Ohio 43240	Banking
Peter W. Atwater, Director and Chief Operating Officer	Former Treasurer, BANK ONE CORPORATION, 100 East Broad Street, Columbus, Ohio 43215	Banking
David R. Meuse, Director	Chairman/CEO Banc One Capital Holding Corporation, 150 East Gay Street,	Investment

	Columbus, Ohio 43215	
William G. Jurgenson, Director	Executive Vice President First National Bank of Chicago, 1 First National Plaza, Chicago, Illinois 606670	Banking
William P. Boardman, Director	Senior Executive Vice President and Head of Acquisitions, BANK ONE CORPORATION One First National Plaza, Chicago, Illinois 60670	Banking
Richard W. Vague, Director	Chairman & CEO, First USA 201 North Market Street Wilmington, Delaware 19801	Credit Card

</TABLE>

ITEM 27. PRINCIPAL UNDERWRITER

Not applicable.

ITEM 28. LOCATION OF ACCOUNTS AND RECORDS

Trust Agreements, Bylaws and Minute Books:
Alan G. Priest
Ropes & Gray
One Franklin Square
1301 K Street, N.W.
Suite 800 East
Washington, D.C. 20005-3333

Records relating to investment advisory services:
Banc One Investment Advisors Corporation
1111 Polaris Parkway, Suite 100
Columbus, OH 43271-0211

All other Accounts and Records:
Christopher A. Cray
Nationwide Advisory
Services, Inc.
Three Nationwide Plaza
Columbus, OH 43215

ITEM 29. MANAGEMENT SERVICES

All management-related service contracts entered into by Registrant are discussed in Parts A and B of this Registration Statement.

ITEM 30. UNDERTAKINGS

None

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933 AND THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED, THE REGISTRANT CERTIFIES THAT IT MEETS ALL OF THE REQUIREMENTS FOR EFFECTIVENESS OF THIS POST-EFFECTIVE AMENDMENT NO. 11 TO THE REGISTRANT'S REGISTRATION STATEMENT ON FORM N-1A PURSUANT TO RULE 485(b) UNDER THE SECURITIES ACT OF 1933 AND HAS DULY CAUSED THIS AMENDMENT TO THE REGISTRATION STATEMENT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THERETO DULY AUTHORIZED, IN THE CITY OF WASHINGTON, DISTRICT OF COLUMBIA ON THE 26th DAY OF MARCH, 1999.

ONE GROUP(R) INVESTMENT TRUST (Registrant)

/s/James F. Laird, Jr. *
By: James F. Laird, Jr.

PURSUANT TO THE REQUIREMENT OF THE SECURITIES ACT OF 1933, THIS AMENDMENT TO THE REGISTRATION STATEMENT OF THE ONE GROUP(R) INVESTMENT TRUST HAS BEEN SIGNED BELOW BY THE FOLLOWING PERSONS IN THE CAPACITIES INDICATED ON THE 26th DAY OF MARCH, 1999.

SIGNATURE	TITLE	DATE
/S/PETER C. MARSHALL* Peter C. Marshall	Trustee	March 26, 1999
/S/CHARLES I. POST* Charles I. Post	Trustee	March 26, 1999
/S/FREDERICK W. RUEBECK* Frederick W. Ruebeck	Trustee	March 26, 1999
/S/ROBERT A. ODEN JR.* Robert A. Oden Jr.	Trustee	March 26, 1999
/S/JOHN F. FINN* John F. Finn	Trustee	March 26, 1999
PRINCIPAL EXECUTIVE OFFICER/PRINCIPAL ACCOUNTING AND FINANCIAL OFFICER		
JAMES F. LAIRD, JR.* James F. Laird, Jr.	President and Treasurer	March 26, 1999

*By /S/ALAN PRIEST

Alan Priest
Attorney-in-fact, pursuant to powers of attorney filed herewith.

POWER OF ATTORNEY

Frederick W. Ruebeck, whose signature appears below, does hereby constitute and appoint Martin E. Lybecker, Alan G. Priest, and Alyssa Albertelli, each individually, his true and lawful attorneys and agents, with power of substitution or resubstitution, to do any and all acts and things and to execute any and all instruments which said attorneys and agents, each individually, may deem necessary or advisable or which may be required to enable The One Group(R) Investment Trust (the "Trust"), to comply with the Investment Company Act of 1940, as amended, and the Securities Act of 1933, as amended ("Acts"), and any rules, regulations or requirements of the Securities and Exchange Commission in respect thereof, in connection with the filing and effectiveness of any and all instruments and/or documents pertaining to the federal registration of the shares of the Trust, including specifically, but without limiting the generality of the foregoing, the power and authority to sign in the name and on behalf of the undersigned as a director and/or officer of the Trust any and all amendments to the Trust's Registration Statement as filed with the Securities and Exchange Commission under said Acts, and the undersigned does hereby ratify and confirm all that said attorneys and agents, or either of them, shall do or cause to be done by virtue thereof.

Dated: May 21, 1998

/s/ Frederick W. Ruebeck

Frederick W. Ruebeck

POWER OF ATTORNEY

John F. Finn, whose signature appears below, does hereby constitute and appoint Martin E. Lybecker, Alan G. Priest, and Alyssa Albertelli, each individually, his true and lawful attorneys and agents, with power of substitution or resubstitution, to do any and all acts and things and to execute any and all instruments which said attorneys and agents, each individually, may deem necessary or advisable or which may be required to enable The One Group(R) Investment Trust (the "Trust"), to comply with the Investment Company Act of 1940, as amended, and the Securities Act of 1933, as amended ("Acts"), and any rules, regulations or requirements of the Securities and Exchange Commission in respect thereof, in connection with the filing and effectiveness of any and all instruments and/or documents pertaining to the federal registration of the shares of the Trust, including specifically, but without limiting the generality of the foregoing, the power and authority to sign in the name and on behalf of the undersigned as a director and/or officer of the Trust any and all amendments to the Trust's Registration Statement as filed with the Securities and Exchange Commission under said Acts, and the undersigned does hereby ratify and confirm all that said attorneys and agents, or either of them, shall do or cause to be done by virtue thereof.

Dated: May 27, 1998

/s/ John F. Finn

John F. Finn

POWER OF ATTORNEY

Charles I. Post, whose signature appears below, does hereby constitute and appoint Martin E. Lybecker, Alan G. Priest, and Alyssa Albertelli, each individually, his true and lawful attorneys and agents, with power of substitution or resubstitution, to do any and all acts and things and to execute any and all instruments which said attorneys and agents, each individually, may deem necessary or advisable or which may be required to enable The One Group(R) Investment Trust (the "Trust"), to comply with the Investment Company Act of 1940, as amended, and the Securities Act of 1933, as amended ("Acts"), and any rules, regulations or requirements of the Securities and Exchange Commission in respect thereof, in connection with the filing and effectiveness of any and all instruments and/or documents pertaining to the federal registration of the shares of the Trust, including specifically, but without limiting the generality of the foregoing, the power and authority to sign in the name and on behalf of the undersigned as a director and/or officer of the Trust any and all amendments to the Trust's Registration Statement as filed with the Securities and Exchange Commission under said Acts, and the undersigned does hereby ratify and confirm all that said attorneys and agents, or either of them, shall do or cause to be done by virtue thereof.

Dated: May 21, 1998

/s/ Charles I. Post

Charles I. Post

POWER OF ATTORNEY

Peter C. Marshall, whose signature appears below, does hereby constitute and appoint Martin E. Lybecker, Alan G. Priest, and Alyssa Albertelli, each individually, his true and lawful attorneys and agents, with power of substitution or resubstitution, to do any and all acts and things and to execute any and all instruments which said attorneys and agents, each individually, may deem necessary or advisable or which may be required to enable The One Group(R) Investment Trust (the "Trust"), to comply with the Investment Company Act of 1940, as amended, and the Securities Act of 1933, as amended ("Acts"), and any rules, regulations or requirements of the Securities and Exchange Commission in respect thereof, in connection with the filing and effectiveness of any and all instruments and/or documents pertaining to the federal registration of the shares of the Trust, including specifically, but without limiting the generality of the foregoing, the power and authority to sign in the name and on behalf of the undersigned as a director and/or officer of the Trust any and all amendments to the Trust's Registration Statement as filed with the Securities and Exchange Commission under said Acts, and the undersigned does hereby ratify and confirm all that said attorneys and agents, or either of them, shall do or cause to be done by virtue thereof.

Dated: May 21, 1998

/s/ Peter C. Marshall

Peter C. Marshall

POWER OF ATTORNEY

Robert A. Oden, Jr., whose signature appears below, does hereby constitute and appoint Martin E. Lybecker, Alan G. Priest, and Alyssa Albertelli, each individually, his true and lawful attorneys and agents, with power of substitution or resubstitution, to do any and all acts and things and to execute any and all instruments which said attorneys and agents, each individually, may deem necessary or advisable or which may be required to enable The One Group(R) Investment Trust (the "Trust"), to comply with the Investment Company Act of 1940, as amended, and the Securities Act of 1933, as amended ("Acts"), and any rules, regulations or requirements of the Securities and Exchange Commission in respect thereof, in connection with the filing and effectiveness of any and all instruments and/or documents pertaining to the federal registration of the shares of the Trust, including specifically, but without limiting the generality of the foregoing, the power and authority to sign in the name and on behalf of the undersigned as a director and/or officer of the Trust any and all amendments to the Trust's Registration Statement as filed with the Securities and Exchange Commission under said Acts, and the undersigned does hereby ratify and confirm all that said attorneys and agents, or either of them, shall do or cause to be done by virtue thereof.

Dated: May 21, 1998

/s/ Robert A. Oden, Jr.

Robert A. Oden, Jr.

POWER OF ATTORNEY

James F. Laird, Jr., whose signature appears below, does hereby constitute and appoint Martin E. Lybecker and Alan G. Priest, each individually, his true and lawful attorneys and agents, with power of substitution or resubstitution, to do any and all acts and things and to execute any and all instruments which said attorneys and agents, each individually, may deem necessary or advisable or which may be required to enable The One Group(R) Investment Trust (the "Trust") to comply with the Investment Company Act of 1940, as amended and the Securities Act of 1933, as amended ("Acts"), and any rules, regulations or requirements of the Securities and Exchange Commission in respect thereof, in connection with the filing and effectiveness of any and all instruments and/or documents pertaining to the federal registration of the shares of the Trust, including specifically, but without limiting the generality of the foregoing, the power and authority to sign in the name and on behalf of the undersigned as trustee and or officer of the Trust any and all amendments to the Trust's Registration Statement as filed with the Securities and Exchange Commission under said Acts, and the undersigned does hereby ratify and confirm all that said attorneys and agents, or either of them, shall do or cause to be done by virtue thereof.

Dated February 29, 1996

/s/ James F. Laird, Jr.

James F. Laird, Jr.

<TABLE>
<CAPTION>

EXHIBIT INDEX	DESCRIPTION
<S>	<C>
23(a)	Amended Declaration of Trust dated February 17, 1999
23(d)(1)	Amended and Restated Investment Advisory Agreement dated February 17, 1999 by and between One Group Investment Trust and Banc One Investment Advisors Corporation
23(h)(1)	Amended and Restated Transfer and Dividend Disbursing Agent Agreement dated February, 17, 1999 between One Group Investment Trust and Nationwide Investors Services, Inc.
23(h)(2)	Amended and Restated Fund Participation Agreement dated as of February 17, 1999 by and among Nationwide Life and Annuity Insurance

	Company, One Group Investment Trust, and Nationwide Advisory Services, Inc.
23(h)(3)	Amended and Restated Administrative Services Agreement between Registrant and Nationwide Advisory Services, Inc. dated February 17, 1999.
23(h)(4)	Form of Sub-Administration Agreement dated April 1, 1999 between Registrant and Banc One Investment Advisors Corporation
23(h)(6)	Form of Amendment to Exhibit A to Securities Lending Agreement for the One Group Investment Trust between the Registrant, Banc One Investment Advisors Corporation, and Bank One Trust Company, N.A.
23(i)	Opinion of Ropes & Gray
23(j)(1)	Consent of Ropes & Gray
23(j)(2)	Consent of PricewaterhouseCoopers LLP
23(j)(3)	Consent of Arthur Andersen LLP
23(n)	Financial Data Schedules

</TABLE>

1

Exhibit 23(a)
Amended Declaration of Trust dated February 17, 1999

2

AMENDED

DECLARATION OF TRUST

ONE GROUP(R) INVESTMENT TRUST

WHEREAS, the Trustees desire to establish a trust for the investment and reinvestment of funds contributed thereto; and

WHEREAS, the Trustees desire that the beneficial interest in the trust assets be divided into transferable shares of beneficial interest, as hereinafter provided:

NOW THEREFORE, the Trustees hereby declare that all money and property contributed to the trust established hereunder shall be held and managed in trust for the benefit of holders, from time to time, of the shares of beneficial interest issued hereunder and subject to the provisions hereof.

ARTICLE I

NAME AND DEFINITIONS

SECTION 1.1. NAME. The name of the trust created hereby is "One Group(R) Investment Trust".

SECTION 1.2. DEFINITIONS. Wherever they are used herein, the following terms have the following respective meanings:

(a) "ADMINISTRATOR" means the party other than the Trust, to the contract described in Section 4.3 hereof.

(b) "BYLAWS" means the Bylaws referred to in Section 3.9 hereof, as from time to time amended.

(c) The terms "COMMISSION", "INTERESTED PERSON", and "MAJORITY SHAREHOLDER VOTE" (the 67% or 50% requirement of the third sentence of Section 2 (a) (42) of the 1940 Act, whichever may be applicable) have the meanings given them in the 1940 Act, except to the extent that the Trustees have otherwise defined "Majority Shareholder Vote" in conjunction with the establishment of any series of shares.

(d) "DECLARATION" means this Declaration of Trust as amended from time to time. Reference in this Declaration of Trust to "DECLARATION", "HEREOF", "HEREIN" and "HEREUNDER" shall be deemed to refer to this Declaration rather than the article or section in which such words appear.

(e) "DISTRIBUTOR" means the party, other than the Trust, to the contract described in Section 4.2 hereof.

(f) "INVESTMENT ADVISER" means the party, other than the Trust, to the contract described in section 4.1 hereof.

(g) The "1940 ACT" means the Investment Company Act of 1940 and the rules and regulations thereunder, as amended from time to time.

(h) "PERSON" means and includes individuals, corporations, partnerships, trusts, associations, joint ventures and other entities, whether or not legal entities, and governments and agencies and political subdivisions thereof.

(i) "SHAREHOLDER" means a record owner of outstanding Shares.

(j) "SHARES" means the units of interest into which the beneficial interest in the Trust shall be divided from time to time, including the shares of any and all series which may be established by the Trustees, and includes fractions of Shares as well as whole Shares.

(k) "TRANSFER AGENT" means the party, other than the Trust, to the contract described in Section 4.4 ---------------- hereof.

(l) The "TRUST" means One Group(R) Investment Trust.

(m) The "TRUST PROPERTY" means any and all property, real or personal, tangible or intangible, which is owned or held by or for the account of the Trust or the Trustees.

(n) The "TRUSTEES" means the persons who have signed this Declaration, so long as they shall continue in office in accordance with the terms hereof, and all other persons who may from time to time be duly elected, qualified and serving as Trustees in accordance with the provisions hereof, and reference herein to a Trustee or the Trustees shall refer to such person or persons in their capacity as trustees hereunder.

ARTICLE II

TRUSTEES

SECTION 2.1. NUMBER OF TRUSTEES. The number of Trustees shall be such number as shall be fixed from time to time by a written instrument signed by a majority of the Trustees, provided, however, that the number of Trustees shall in no event be less than three (3) nor more than fifteen (15), except that the number of Trustees may be one (1) prior to the commencement of public sale of Trust Shares.

SECTION 2.2. ELECTION AND TERM. Except for the Trustees named herein or appointed to fill vacancies pursuant to Section 2.4 hereof, the Trustees shall be elected by the Shareholders at an annual meeting or at a special meeting of Shareholders. There is no requirement that the Trustees have an annual meeting of the Shareholders. In the event the Trustees determine to have an annual or special meeting of the Shareholders, it shall be held at such time and place and in such manner as the Bylaws shall provide notwithstanding anything in this section to the contrary. Except in the event of resignations or removals pursuant to Section 2.3 hereof, each Trustee shall hold office until the next meeting of shareholders and until his successor is elected and qualified to serve as Trustee.

SECTION 2.3. RESIGNATION AND REMOVAL. Any Trustee may resign his trust (without need for prior or subsequent accounting) by an instrument in writing signed by him and delivered to the other Trustees and such resignation shall be effective upon such delivery, or at a later date according to the terms of the instrument. Any of the Trustees may be removed (provided the aggregate number

of Trustees after such removal shall not be less than the number required by Section 2.1. hereof) with cause, by the action of two-thirds of the remaining Trustees. Upon the resignation or removal of a Trustee, or his otherwise ceasing to be a Trustee, he shall execute and deliver such documents as the remaining Trustees shall require for the purpose of conveying to the Trust or the remaining Trustees any Trust Property held in the name of the resigning or removed Trustee. Upon the incapacity or death of any Trustee, his legal representative shall execute and deliver on his behalf such documents as the remaining Trustees shall require as provided in the preceding sentence.

SECTION 2.4. VACANCIES. The term of office of a Trustee shall terminate and a vacancy shall occur in the event of the death, resignation, removal, bankruptcy, adjudicated incompetence or other incapacity to perform the duties of the office of a Trustee. No such vacancy shall operate to annul this Declaration or to revoke any existing agency created pursuant to the terms of the Declaration. In the case of an existing vacancy, including a vacancy existing by reason of an increase in the number of Trustees, subject to the provisions of Section 16(a) of the 1940 Act, the remaining Trustees shall fill such vacancy by the appointment of such other person as they in their discretion shall see fit, made by a written instrument signed by a majority of the Trustees. Any such appointment shall not become effective, however, until the person named in the written instrument of appointment shall have accepted in writing such appointment and agreed in writing to be bound by the terms of the Declaration. An appointment of a Trustee may be made in anticipation of a vacancy to occur at a later date by reason of retirement, resignation or increase in the number of Trustees, provided that such appointment shall not become effective prior to such retirement, resignation or increase in the number of Trustees. Whenever a vacancy in the number of Trustees shall occur, until such vacancy is filled as provided in this Section 2.4., the Trustees in office, regardless of their number, shall have all the powers granted to the Trustees and shall discharge all the duties imposed upon the Trustees by the Declaration. A written instrument certifying the existence of such vacancy signed by a majority of the Trustees shall be conclusive evidence of the existence of such vacancy.

SECTION 2.5. DELEGATION OF POWER TO OTHER TRUSTEES. Any Trustee may, by power of attorney, delegate his power for a period not exceeding six (6) months at any one time to any other Trustee or Trustees; provided that in no case shall less than two (2) Trustees, personally exercise the powers granted to the Trustees under the Declaration except as herein otherwise expressly provided.

ARTICLE III

POWERS OF TRUSTEES

SECTION 3.1. GENERAL. The Trustees shall have exclusive and absolute control over the Trust Property and over the business of the Trust to the same extent as if the Trustees were the sole owners of the Trust Property and business in their own right, but with such powers of delegation as may be permitted by the Declaration. The Trustees shall have power to conduct the business of the Trust and carry on its operations and maintain offices both within and without the Commonwealth of Massachusetts, in any and all states of the United States of America, in the District of Columbia, and in any and all commonwealths, territories, dependencies, colonies, possessions, agencies or instrumentalities of the United States of America and of foreign governments, and to do all such other things and execute all such instruments as they deem necessary, proper or desirable in order to promote the interests of the Trust although such things are not herein specifically mentioned. Any determination as to what is in the interest of the Trust made by the Trustees in good faith shall be conclusive. In construing the provisions of the Declaration, the presumption shall be in favor of a grant of power to the Trustees.

The enumeration of any specific power herein shall not be construed as limiting the aforesaid power. Such powers of the Trustees may be exercised without order of or resort to any court.

SECTION 3.2. INVESTMENTS. The Trustees shall have the power to:

(a) conduct, operate and carry on the business of an investment company;

(b) subscribe for, invest in, reinvest in, purchase or otherwise acquire, hold, pledge, sell, assign, transfer, exchange, distribute, lend or otherwise deal in or dispose of negotiable or non-negotiable instruments, obligations, evidences of indebtedness, certificates of deposit or indebtedness, commercial paper, repurchase agreements, and other securities of any kind, including, without limitation, those issued, guaranteed or sponsored by any and all Persons including, without limitation, states, territories and possessions of the United States, the District of Columbia and any of the political subdivisions, agencies or instrumentalities thereof, and by the United States Government or its agencies or instrumentalities, or international instrumentalities, or by any bank or savings institution, or by any corporation or organization organized under the laws of the United States or of any state, territory or possession thereof, and of corporations or organizations organized under foreign laws, or in "when issued" contracts for any such securities, or retain Trust assets in cash and from time to time change the investments of the assets of the Trust; and to exercise any and all rights, powers and privileges of ownership or interest in respect of any and all such investments of every kind and description, including, without limitation, the right to consent and otherwise act with respect thereto, with power to designate one or more persons, firms, associations or corporations to exercise any of said rights, powers and privileges in respect of any said instruments.

The Trustees shall not be limited to investing in obligations maturing before the possible termination of the Trust, nor shall the Trustees be limited by any law limiting the investments which may be made by fiduciaries.

SECTION 3.3. LEGAL TITLE. Legal title to all the Trust Property shall be vested in the Trustees as joint tenants except that the Trustees shall have power to cause legal title to any Trust Property to be held by or in the name of one or more of the Trustees, or in the name of the Trust, or in the name of any other Person as nominee, on such terms as the Trustees may determine, provided that the interest of the Trust therein is appropriately protected. The right, title and interest of the Trustees in the Trust Property shall vest automatically in each Person who may hereafter become a Trustee. Upon the resignation, removal or death of a Trustee, he shall automatically cease to have any right, title or interest in any of the Trust Property, and the right, title and interest of such Trustee in the Trust Property shall vest automatically in the remaining Trustees. Such vesting and cessation of title shall be effective whether or not conveyancing documents have been executed and delivered.

SECTION 3.4. ISSUANCE AND REPURCHASE OF SECURITIES. The Trustees shall have the power to issue, sell, repurchase, redeem, retire, cancel, acquire, hold, resell, reissue, dispose of, transfer, and otherwise deal in Shares and, subject to the provisions set forth in Articles VII, VIII, and IX and Section 6.9 hereof, to apply to any such repurchase, redemption, retirement, cancellation or acquisition of Shares any funds or property of the Trust whether capital or surplus or otherwise, to the full extent now or hereafter permitted by the laws of the Commonwealth of Massachusetts governing business corporations.

SECTION 3.5. BORROWING MONEY; LENDING TRUST ASSETS. The Trustees shall have power to borrow money or otherwise obtain credit to secure the same by mortgaging, pledging or otherwise

subjecting as security the assets of the Trust, to endorse, guarantee, or undertake the performance of any obligation, contract or engagement of any other Person and to lend Trust assets.

SECTION 3.6. DELEGATION; COMMITTEES. The Trustees shall have power to delegate from time to time to such of their number or to officers, employees or agents of the Trust the doing of such things and the execution of such instruments either in the name of the Trust or the names of the Trustees or otherwise as the Trustees may deem expedient.

SECTION 3.7. COLLECTION AND PAYMENT. The Trustees shall have power to collect all property due to the Trust; to pay all claims, including taxes, against the Trust Property; to prosecute, defend, compromise or abandon any claims relating to the Trust Property; to foreclose any security interest securing any obligations, by virtue of which any property is owed to the Trust; and to enter into releases, agreements and other instruments.

SECTION 3.8. EXPENSES. The Trustees shall have the power to incur and pay any expenses which in the opinion of the Trustees are necessary or incidental to carry out any of the purposes of the Declaration, and to pay reasonable compensation from the funds of the Trust to themselves as Trustees. The Trustees shall fix the compensation of all officers, employees and Trustees.

SECTION 3.9. MANNER OF ACTION; BYLAWS. Except as otherwise provided herein or in the Bylaws, any action to be taken by the Trustees may be taken by a majority of the Trustees present at a meeting of Trustees (a quorum being present), including any meeting held by means of a conference telephone circuit or similar communications equipment by means of which all persons participating in the meeting can hear each other, or by written consents of a majority of the Trustees (unless a higher proportion is required by law). The Trustees may adopt Bylaws not inconsistent with this Declaration to provide for the conduct of the business of the Trust and may amend or repeal such Bylaws to the extent such power is not reserved to the Shareholders.

SECTION 3.10. MISCELLANEOUS POWERS. The Trustees shall have the power to: (a) employ or contract with such Persons as the Trustees may deem desirable for the transaction of the business of the Trust; (b) enter into joint ventures, partnerships and any other combinations or associations; (c) remove Trustees or fill vacancies in or add to their number, elect and remove such officers and appoint and terminate such agents or employees as they consider appropriate, and appoint from their own number, and terminate, any one or more committee which may exercise some or all of the power and authority of the Trustees as the

Trustees may determine; (d) purchase, and pay for out of Trust Property, insurance policies insuring the Shareholders, Trustees, officers, employees, agents, investment advisers, distributors, selected dealers or independent contractors of the Trust against all claims arising by reason of holding any such position or by reason of any action taken or omitted by any such Person in such capacity, whether or not constituting negligence, or whether or not the Trust would have the power to indemnify such Person against such liability; (e) establish pension, profit-sharing, Share purchase, and other retirement, incentive and benefit plans for any Trustees, officers, employees and agents of the Trust; (f) to the extent permitted by law, indemnify any person with whom the Trust has dealings, including the Investment Adviser, Distributor, Administrator, Transfer Agent and selected dealers, to such extent as the Trustees shall determine; (g) guarantee indebtedness or contractual obligations of others; (h) determine and change the fiscal year of the Trust and the method by which its accounts shall be kept; and (i) adopt a seal for the Trust, but the absence of such seal shall not impair the validity of any instrument executed on behalf of the Trust.

SECTION 3.11. PRINCIPAL TRANSACTIONS. Except in transactions permitted by the 1940 Act or any rule or regulation thereunder, or any order of exemption issued by the Commission, the

Trustees shall not, on behalf of the Trust, buy any securities (other than Shares) from or sell any securities (other than Shares) to, or lend any assets of the Trust to, any Trustee or officer of the Trust or any firm of which any such Trustee or officer is a member acting as principal, or have any such dealings with the Investment Adviser, Distributor, Administrator or Transfer Agent or with any Interested Person of such Person; but the Trust may employ any such Person, or firm or company in which such Person is an Interested Person, as broker, legal counsel, registrar, transfer agent, dividend disbursing agent or custodian upon customary terms.

SECTION 3.12. TRUSTEES AND OFFICERS AS SHAREHOLDERS. Except as hereinafter provided, no officer, Trustee or member of the Advisory Board of the Trust, and no member, officer, director or trustee of the Investment Adviser or of the Distributor and no Investment Adviser or Distributor of the Trust, shall take long or short positions in the securities issued by the Trust.

(1) The foregoing provision shall not prevent the Distributor from purchasing from the Trust Shares if such purchases are limited (except for reasonable allowances for clerical errors, delays and errors of transmission and cancellation of orders) to purchases for the purpose of filling orders for Shares received by the Distributor and provided that orders to purchase from the Trust are entered with the Trust or the Custodian promptly upon receipt by the Distributor of purchase orders for Shares, unless the Distributor is otherwise instructed by its customer.

(2) The foregoing provision shall not prevent the Distributor from purchasing Shares as agent for the account of the Trust.

(3) The foregoing provision shall not prevent the purchase from the Trust or from the Distributor of Shares by any officer, Trustee or member of the Advisory Board of the Trust or by any member, officer, director or trustee of the Investment Adviser or of the Distributor at a price not lower than the net asset value of the Shares at the moment of such purchase, provided that any such sales are only to be made pursuant to a uniform offer described in the Trust's current prospectus.

(4) The foregoing provision shall not prevent the Investment Adviser, the Distributor, or any of their officers, directors or trustees from purchasing Shares prior to the effective date of the Registration Statement relating to the Shares under the Securities Act of 1933, as amended.

SECTION 3.13. LITIGATION. The Trustees shall have the power to engage in and to prosecute, defend, compromise, abandon, or adjust, by arbitration, or otherwise, any actions, suits, proceedings, disputes, claims, and demands relating to the Trust, and out of the assets of the Trust to pay or to satisfy any debts, claims or expenses incurred in connection therewith, including those of litigation, and such power shall include without limitation the power of the Trustees or any appropriate committee thereof, in the exercise of their or its good faith business judgment, to dismiss any action, suit, proceeding, dispute, claim, or demand, derivative or otherwise, brought by any person, including a Shareholder in its own name or the name of the Trust, whether or not the Trust or any of the Trustees may be named individually therein or the subject matter arises by reason of business for or on behalf of the Trust.

ARTICLE IV

INVESTMENT ADVISER, DISTRIBUTOR. ADMINISTRATOR AND TRANSFER AGENT

SECTION 4.1. INVESTMENT ADVISER. Subject to a Majority Shareholder Vote, the Trustees may, in their discretion, from time to time enter into an investment advisory or management contract whereby the other party to such contract shall undertake to furnish the Trust such management, investment advisory, statistical and research facilities and services, promotional activities, and such other facilities and services, if any, as the Trustees shall from time to time consider desirable and all upon such terms and conditions as the Trustees may, in their discretion, determine. Notwithstanding any provisions of the Declaration, the Trustees may authorize the Investment Adviser (subject to such general or specific instructions as the Trustees may from time to time adopt) to effect purchases, sales, loans or exchanges of portfolio securities of the Trust on behalf of the Trustees or may authorize any officer, employee or Trustee to effect such purchases, sales, loans or exchanges pursuant to recommendations of the Investment Adviser (and all without further action by the Trustees). Any such purchases, sales, loans and exchanges shall be deemed to have been authorized by all of the Trustees.

SECTION 4.2. DISTRIBUTOR. The Trustees may, in their discretion, from time to time enter into a contract, providing for the sale of Shares of the Trust at the net asset value per Share (as described in Article VIII hereof) , whereby the Trust may either agree to sell the Shares to the other party to the contract or appoint such other party its sales agent for such Shares. In either case, the contract shall be on such terms and conditions as the Trustees may in their discretion determine not inconsistent with the provisions of this Article IV or the Bylaws; and such contract may also provide for the repurchase or sale of Shares of the Trust by such other party as principal or as agent of the Trust and may provide that such other party may enter into selected dealer agreements with registered securities dealers to further the purpose of the distribution or repurchase of the Shares.

SECTION 4.3. ADMINISTRATOR. The trustees may, in their discretion, from time to time enter into an administrative services agreement whereby the other party to such contract shall provide facilities, equipment, and personnel to carry out certain administrative services for the operation of the business and affairs of the Trust and each of its separate series. The contract shall have such terms and conditions as the Trustees may, in their discretion, determine not inconsistent with the Declaration or the Bylaws. Such services may be provided by one or more Persons.

SECTION 4.4. TRANSFER AGENT. The Trustees may, in their discretion, from time to time enter into a transfer agency and shareholder service contract whereby the other party to such contract shall undertake to furnish transfer agency and shareholder services to the Trust. The contract shall have such terms and conditions as the Trustees may, in their discretion, determine not inconsistent with the Declaration or the Bylaws. Such services may be provided by one or more Persons.

SECTION 4.5. PARTIES TO CONTRACT. Any contract of the character described in Sections 4.1, 4.2, 4.3, and 4.4 of this Article IV or any Custodian contract, as described in the Bylaws, may be entered into with any Person, although one or more of the Trustees or officers of the Trust may be an officer, director, trustee, shareholder, or member of such other party to the contract, and no such contract shall be invalidated or rendered voidable by reason of the existence of any such relationship; nor shall any Person holding such relationship be liable merely by reason of such relationship for any loss or expense to the Trust under or by reason of said contract or accountable for any profit realized directly or indirectly therefrom, provided that the contract, when entered into, was not

inconsistent with the provisions of this Article IV or the Bylaws. The same Person may be the other party to contracts entered into pursuant to Sections 4.1, 4.2, 4.3 and 4.4 above or Custodian contracts, and any individual may be financially interested or otherwise affiliated with Persons who are parties to any or all of the contracts mentioned in this Section 4.5.

ARTICLE V

LIMITATIONS OF LIABILITY OF SHAREHOLDERS TRUSTEES AND OTHERS

SECTION 5.1. NO PERSONAL LIABILITY OF SHAREHOLDERS, TRUSTEES, ETC. No Shareholder as such shall be subject to any personal liability whatsoever to any Person in connection with Trust Property or the acts, obligations or affairs of the Trust. No Trustee, officer, employee or agent of the Trust shall be subject to any personal liability whatsoever to any Person, other than the Trust or its Shareholders, in connection with Trust Property or the affairs of the Trust, save only that arising from bad faith, willful misfeasance, gross negligence or reckless disregard for his duty to, such Person; and all such Persons shall look solely to the Trust Property for satisfaction of claims of any nature arising in connection with the affairs of the Trust. If any shareholder, Trustee, officer, employee or agent, as such, of the Trust is made a party to any suit or proceeding to enforce any such liability, he shall not, on account thereof, be held to any personal liability. The Trust shall indemnify and hold each Shareholder harmless from and against all claims and liabilities to which such Shareholder may become subject by reason of his being or having been a Shareholder, and shall reimburse such Shareholder for all legal and other expenses reasonable incurred by him in connection with any such claim or liability. The rights accruing to a Shareholder under this Section 5.1 shall not exclude any other right to which such Shareholder may be lawfully entitled, nor shall anything herein contained restrict the right of the Trust to indemnify or reimburse a Shareholder in any appropriate situation even though not specifically provided herein.

SECTION 5.2. NON-LIABILITY OF TRUSTEES, ETC. No Trustee, officer, employee or agent of the Trust shall be liable to the Trust, its Shareholders, or to any Shareholder, Trustee, officer, employee or agent thereof for any action or failure to act (including without limitation the failure to compel in any way any former or acting Trustee to redress any breach of trust) except for his own bad faith, willful misfeasance, gross negligence or reckless disregard of his duties.

SECTION 5.3. MANDATORY INDEMNIFICATION.
(a) Subject to the exceptions and limitations contained in paragraph (b) below:

(i) Every person who is, or has been a Trustee or officer of the Trust shall be indemnified by the Trust against all liability and against all expenses reasonably incurred or paid by him in connection with any claim, action, suit or proceeding in which he becomes involved as a party or otherwise by virtue of his being or having been a Trustee or officer and against amounts paid or incurred by him in the settlement thereof.

(ii) The words "claim", "action", "suit" or "proceeding" shall apply to all claims, actions, suits or proceedings (civil, criminal or other, including appeals), actual or threatened; and the words "liability" and "expenses" shall include, without limitation, attorneys' fees, costs, judgments, amounts paid in settlement, fines, penalties and other liabilities.

(b) No indemnification shall be provided hereunder to a Trustee or officer:

(i) against any liability to the Trust or the Shareholders by reason of a final adjudication by the court or other body before which the proceeding was brought that he engaged in willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office;

(ii) with respect to any matter as to which he shall have been finally adjudicated not to have acted in good faith in the reasonable belief that his action was in the best interest of the Trust;

(iii) in the event of a settlement or other disposition not involving a final adjudication as provided in paragraphs (b) (i) or (b)(ii) resulting in a payment by a Trustee or officer, unless there has been either a determination that such Trustee or officer did not engage in willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office by the court or other body approving the settlement or other disposition or a reasonable determination, based upon a review of readily available facts (as opposed to a full trial-type inquiry) that he did not engage in such conduct:

(A) by vote of a majority of the Disinterested Trustees acting on the matter (provided that a majority of the Disinterested Trustees then in office act on the matter); or

(B) by written opinion of independent legal counsel.

(c) The rights of indemnification herein provided may be insured against by policies maintained by the Trust, shall be severable, shall not affect any other rights to which any Trustee or officer may now or hereafter be entitled, shall continue as to a Person who has ceased to be such Trustee or officer and shall inure to the benefit of the heirs, executors and administrators of such Person. Nothing contained herein shall affect any rights to indemnification to which personnel other than Trustees and officers may be entitled by contract or otherwise under law.

(d) Expenses of preparation and presentation of a defense to any claim, action, suit or proceeding of the character described in paragraph (a) of this Section 5.3 shall be advanced by the Trust prior to final disposition thereof upon receipt of an undertaking by or an behalf of the recipient to repay such amount if it is ultimately determined that he is not entitled to indemnification under this Section 5.3, provided that either:

(i) such undertaking is secured by a surety bond or some other appropriate security or the Trust shall be insured against losses arising out of any such advances; or

(ii) a majority of the Disinterested Trustees acting on the matter (provided that a majority of the Disinterested Trustees then in office act on the matter) or an independent legal counsel in a written opinion, shall determine, based upon a review of readily available facts (as opposed to a full trial-type inquiry) , that there is reason to believe that the recipient ultimately will be found entitled to indemnification.

As used in this Section 5.3, a "Disinterested Trustee" is one (i) who is not an "Interested Person" of the Trust (including anyone who has been exempted from being an "Interested Person" by any rule, regulation or order of the Commission) , and (ii) against whom none of such actions, suits or other proceedings or another action, suit or other proceeding on the same similar grounds is then or had been pending.

Agents and employees of the Trust who are not Trustees or officers of the Trust may be indemnified under the same standards and procedures set forth in this Section 5.3., in the discretion of the Board.

SECTION 5.4. NO BOND REQUIRED OF TRUSTEES. No Trustee shall be obligated to give any bond or other security for the performance of any of his duties hereunder.

SECTION 5.5. NO DUTY OF INVESTIGATION; NOTICE IN TRUST INSTRUMENTS. ETC. No purchaser, lender, Transfer Agent or other Person dealing with the Trustees or any officer, employee or agent of the Trust shall be bound to make any inquiry concerning the validity of any transaction purporting to be made by the Trustees or by said officer, employee or agent or be liable for the application of money or property paid, loaned, or delivered to or on the order of the Trustees or of said officer, employee or agent. Every obligation, contract, instrument, certificate, Share, other security of the Trust or undertaking, and every other act or thing whatsoever executed in connection with the Trust shall be conclusively presumed to have been executed or done by the executors thereof only in their capacity as Trustees under the Declaration or in their capacity as officers, employees or agents of the Trust. Every written obligation, contract, instrument, certificate, Share, other security of the Trust or undertaking made or issued by the Trustees shall recite that the same is executed or made by them not individually, but as Trustees under the Declaration, and that the obligations of any such instrument are not binding upon any of the Trustees or Shareholders, individually, but bind only the Trust estate, and may contain any further recital which they or he may deem appropriate, but the omission of such recital shall not operate to bind the Trustees individually. The Trustees shall at all times maintain insurance for the protection of the Trust Property, its Shareholders, Trustees, officers, employees and agents in such amount as the Trustees shall deem adequate to cover possible tort liability, and such other insurance as the Trustees in their sole judgment shall deem advisable.

SECTION 5.6. RELIANCE ON EXPERTS, ETC. Each Trustee and officer or employee of the Trust shall, in the performance of his duties, be fully and completely justified and protected with regard to any act or any failure to act resulting from reliance in good faith upon the books of account or other records of the Trust, upon an opinion of counsel, or upon reports made to the Trust by any of its officers or employees or by the Investment Adviser, the Distributor, the Administrator, Transfer Agent, selected dealers, accountants, appraisers or other experts or consultants selected with reasonable care by the Trustees, officers or employees of the Trust, regardless of whether such counsel or expert may also be a Trustee.

ARTICLE VI

SHARES OF BENEFICIAL INTEREST

SECTION 6.1. BENEFICIAL INTEREST. The interest of the beneficiaries hereunder shall be divided into transferable shares of beneficial interest, without par value, of the following classes or series, or such others as may be authorized by the Trustees pursuant to Section 6.9:

One Group(R) Investment Trust

- One Group Investment Trust Government Bond Portfolio
- One Group Investment Trust Balanced Portfolio
- One Group Investment Trust Mid Cap Growth Portfolio
- One Group Investment Trust Large Cap Growth Portfolio

- One Group Investment Trust Equity Index Portfolio
- One Group Investment Trust Bond Portfolio
- One Group Investment Trust Diversified Equity Portfolio
- One Group Investment Trust Diversified Mid Cap Portfolio
- One Group Investment Trust Mid Cap Value Portfolio

The number of shares of beneficial interest authorized hereunder is unlimited. All Shares issued hereunder including, without limitation, Shares issued in connection with a dividend in Shares or a split of Shares, shall be fully paid and non-assessable.

SECTION 6.2. RIGHTS OF SHAREHOLDERS. The ownership of the Trust Property of every description and the right to conduct any business hereinbefore described are vested exclusively in the Trustees, and the Shareholders shall have no interest therein other than the beneficial interest conferred by their Shares, and they shall have no right to call for any partition or division of any property, profits, rights or interests of the Trust nor can they be called upon to assume any losses of the Trust or suffer an assessment of any kind by virtue of their ownership of Shares. The Shares shall be personal property giving only the rights in the Declaration specifically set forth. The Shares shall not entitle the holder to preference, preemptive, appraisal, conversion or exchange rights, except as the Trustees may determine with respect to any series of Shares.

SECTION 6.3. TRUST ONLY. It is the intention of the Trustees to create only the relationship of Trustee and beneficiary between the Trustees and each Shareholder from time to time. It is not the intention of the Trustees to create a general partnership, limited partnership, joint stock association, corporation, bailment or any form of legal relationship other than a Trust. Nothing in the Declaration shall be construed to make the Shareholders, either by themselves or with the Trustees, partners or members of a joint stock association.

SECTION 6.4. ISSUANCE OR SHARES. The Trustees, in their discretion, may, from time to time without vote of the shareholders, issue Shares, in addition to the then issued and outstanding Shares and Shares held in the treasury, to such party or parties and for such amount and type of consideration, including cash or property, at such time or times (including, without limitation, each business day in accordance with the determination of net asset value per Share as set forth in Section 8.3 hereof), and on such terms as the Trustees may deem best, and may in such manner acquire other assets (including the acquisition of assets subject to, and in connection with the assumption of liabilities) and businesses. In connection with any issuance of Shares, the Trustees may issue fractional Shares. The Trustees may from time to time divide or combine the Shares into a greater or lesser number without thereby changing the proportionate beneficial interests in the Trust. Contributions to the Trust may be accepted for, and Shares shall be redeemed as, whole shares and/or 1/1,000ths of a Share or integral multiples thereof.

SECTION 6.5. REGISTER OF SHARES; SHARE CERTIFICATES. A register will be kept at the principal office of the Trust or at an office of the Transfer Agent which shall contain the names and addresses of the Shareholders and the number of Shares held by them respectively and a record of all transfers thereof. Such register shall be conclusive as to who are the holders of the Shares and who shall be entitled to receive dividends or distributions or otherwise to exercise or enjoy the rights of Shareholders. No Shareholder shall be entitled to receive payment of any dividend or distribution, nor to have notice given to him as herein or in the Bylaws provided, until he has given his address to the Transfer Agent or such other officer or agent of the Trustees as shall keep the said register for entry thereon. It is not contemplated that certificates will be issued for the Shares; however, the

Trustees, in their discretion, may authorize the issuance of Share certificates and promulgate appropriate rules and regulations as to their use.

SECTION 6.6. TRANSFER OF SHARES. Shares shall be transferable on the records of the Trust only by the record holder thereof or by his agent thereunto duly authorized in writing, upon delivery to the Trustees or the Transfer Agent of a duly executed instrument of transfer, together with such evidence of the genuineness of each such execution and authorization and of other matters as may reasonably be required. Upon such delivery, the transfer shall be recorded on the register of the Trust. Until such record is made, the Shareholder of record shall be deemed to be the holder of such Shares for all purposes hereunder and neither the Trustees nor any Transfer Agent or registrar nor any officer, employee or agent of the Trust shall be affected by any notice of the proposed transfer.

Any person becoming entitled to any Shares in consequence of the death, bankruptcy, or incompetence of any Shareholder, or otherwise by operation of law, shall be recorded on the register of Shares as the holder of such Shares upon production of the proper evidence thereof to the Trustees or the Transfer Agent, but until such record is made, the Shareholder of record shall be deemed to be the holder of such Shares for all purposes hereunder and neither the Trustees nor any Transfer Agent or registrar nor any officer or agent of the Trust shall be affected by any notice of such death, bankruptcy or incompetence, or other operation of law.

SECTION 6.7. NOTICES. Any and all notices to which any Shareholder may be entitled and any and all communications shall be deemed duly served or given if mailed, postage prepaid, addressed to any Shareholder of record at his last known address as recorded on the register of the Trust.

SECTION 6.8. VOTING POWERS. The Shareholders shall have power to vote only (i) for the election of Trustees as provided in Section 2.2 hereof or as required by Section 16 (a) of the 1940 Act; (ii) with respect to any investment advisory or management contract as provided in section 4.1; (iii) with respect to termination of the Trust as provided in Section 9.2; (iv) with respect to any amendment of the Declaration to the extent and as provided in Section 9.3; (v) with respect to any merger, consolidation or sale of assets as provided in Section 9.4; (vi) with respect to incorporation of the Trust to the extent and as provided in Section 9.5; (vii) to the same extent as the stockholders of a Massachusetts business corporation as to whether or not a court action, proceeding or claim should or should not be brought or maintained derivatively or as a class action on behalf of the Trust or the Shareholders; and (viii) with respect to such additional matters relating to the Trust as may be required by the Declaration, the Bylaws, the 1940 Act or any registration of the Trust with the Commission (or any successor agency) or any state, or as the Trustees may consider necessary or desirable. Each whole Share shall be entitled to one vote as to any matter on which it is entitled to vote and each fractional Share shall be entitled to proportionate fractional vote, except that Shares held in the treasury of the Trust shall not be voted and that the Trustees may, in conjunction with the establishment of any series of Shares, establish conditions under which the several series shall have separate voting rights or no voting rights. There shall be no cumulative voting in the election of Trustees. Until Shares are issued, the Trustees may exercise all rights of Shareholders and may take any action required by law, the Declaration or the Bylaws to be taken by Shareholders. The Bylaws may include further provisions for Shareholders' votes and meetings and related matters.

SECTION 6.9. SERIES DESIGNATION. The Trustees, in their discretion, may authorize the division of Shares into additional series, and the different series shall be established and designated, and the variations in the relative rights and preferences as between the different series shall be fixed and determined by the Trustees, provided, that all Shares shall be identical except that there may be variations so fixed and determined between different series as to investment objective, purchase

price, right of redemption and the price, terms and manner of redemption, special and relative rights as to dividends and on liquidation, conversion rights, and conditions under which the several series shall have separate voting rights. All references to Shares in the Declaration shall be deemed to be shares of any or all series as the context may require.

If the Trustees shall divide the shares of the Trust into two or more series, the following provisions shall be applicable:

(a) the number of authorized shares and the number of shares of each series that may be issued shall be unlimited. The Trustees may classify or reclassify any unissued shares or any shares previously issued and reacquired of any series into one or more series that may be established and designated from time to time. The Trustees may hold as treasury shares (of the same or some other series), reissue for such consideration and on such terms as they may determine, or cancel any shares of any series reacquired by the Trust at their discretion from time to time.

(b) The power of the Trustees to invest and reinvest the Trust Property shall be governed by Section 3.2 of this Declaration with respect to the five existing series which represents the interests in the assets of the Trust immediately prior to the establishment of any additional series and the power of the Trustees to invest and reinvest assets applicable to any such additional series shall be as set forth in the instrument of the Trustees establishing such series which is hereinafter described.

(c) All consideration received by the Trust for the issue or sale of shares of a particular series, together with all assets in which such consideration is invested or reinvested, all income, earnings, profits and proceeds thereof, including any proceeds derived from the sale, exchange or liquidation of such assets, and any funds or payments derived from any reinvestment of such proceeds in whatever form the same may be, shall irrevocably belong to that series for all purposes, subject only to the rights of creditors, and shall be so recorded upon the books of account of the Trust. In the event that there are any assets, income, earnings, profits, and proceeds thereof, funds, or payments which are not readily identifiable as belonging to any particular series, the Trustees shall allocate them among any one or more of the series established and designated from time to time in such manner and on such basis as they, in their sole discretion, deem fair and equitable. Each such allocation by the Trustees shall be conclusive and binding upon the shareholders of all series for all purposes.

(d) The assets belonging to each particular series shall be charged with the liabilities of the Trust in respect of that series and all expenses, costs, charges and reserves attributable to that series, and any general liabilities, expenses, costs, charges or reserves of the Trust which are not readily identifiable as belonging to any particular series shall be allocated and charged by the Trustees to and among any one or more of the series established and designated from time to time in such manner and on such basis as the Trustees, in their sole discretion, deem fair and equitable. Each allocation of liabilities, expenses, costs, charges and reserves by the Trustees shall be conclusive and binding upon the holders of all series for all purposes. The Trustees shall have full discretion, to the extent not inconsistent with the 1940 Act, to determine which items shall be treated as income and which items as capital; and each such determination and allocation shall be conclusive and binding upon the shareholders.

(e) The power of the Trustees to pay dividends and make distributions shall be governed by Section 8.2 of this Trust with respect to the nine existing series which represents the interests in the assets of the Trust immediately prior to the establishment of any additional series. With respect

to any other series, dividends and distributions on shares of a particular series may be paid with such frequency as the Trustees may determine, which may be daily or otherwise, pursuant to a standing resolution or resolutions adopted only once or with such frequency as the Trustees may determine, to the holders of shares of that series, from such of the income and capital gains, accrued or realized, from the assets belonging to that series, as the Trustees may determine, after providing for actual and accrued liabilities belonging to that series. All dividends and distributions on shares of a particular series shall be distributed pro rata to the holders of that series in proportion to the number of shares of that series held by all such holders at the date and time of record established for the payment of such dividends or distributions.

The establishment and designation of any series of shares shall be effective upon the execution by a majority of the then Trustees of an instrument setting forth such establishment and designation and the relative rights and preferences of such series, or as otherwise provided in such instrument. At any time that there are no shares outstanding of any particular series previously established and designated, the Trustees may, by an instrument executed by a majority of their number, abolish that series and the establishment and designation thereof. Each instrument referred to in this paragraph shall have the status of an amendment to this Declaration.

ARTICLE VII

REDEMPTIONS

SECTION 7.1. REDEMPTIONS. In case any Shareholder at any time desires to dispose of his Shares, he may deposit his certificate or certificates therefor, duly endorsed in blank or accompanied by an instrument of transfer executed in blank, or if the Shareholder has no certificates, a written request or other such form of request as the Trustees may from time to time authorize, at the office of the Transfer Agent or at the office of any bank or trust company, either in or outside of Massachusetts, which is a member of the Federal Reserve System and which the said Transfer Agent has designated in writing for that purpose, together with an irrevocable offer in writing in a form acceptable to the Trustees to sell the Shares represented thereby to the Trust at the net asset value thereof per Share, determined as provided in Section 8.1 hereof, next after such deposit. Payment for said Shares shall be made to the Shareholder within seven (7) days after the date on which the deposit is made, unless (i) the date of payment is postponed pursuant to Section 7.2 hereof, or (ii) the receipt, or verification of receipt, of the purchase price for the Shares to be redeemed is delayed, in either of which event payment may be delayed beyond seven (7) days.

SECTION 7.2. SUSPENSION OF RIGHT OF REDEMPTION. The Trust may declare a suspension of the right of redemption or postpone the date of payment or redemption for the whole or any part of any period (i) during which the New York Stock Exchange is closed other than customary weekend and holiday closings; (ii) during which trading on the New York Stock Exchange is restricted; (iii) during which an emergency exists as a result of which disposal by the Trust of securities owned by it is not reasonably practicable or it is not reasonably practicable for the Trust fairly to determine the value of its net assets; or (iv) during any other period when the Commission may for the protection of security holders of the Trust by order permit suspension of the right of redemption or postponement of the date of payment or redemption; provided that applicable rules and regulations of the Commission shall govern as to whether the conditions prescribed in (ii) , (iii) , or (iv) exist. Such suspension shall take effect at such time as the Trust shall specify, but not later than the close of business on the business day next following the declaration of suspension, and thereafter there shall be no right of redemption until the Trust shall declare the suspension at an end, except that the suspension shall terminate in any event on the first day on which said stock exchange shall have

reopened or the period specified in (ii) or (iii) shall have expired (as to which, in the absence of an official ruling by the Commission, the determination of the Trust shall be conclusive). In the case of a suspension of the right of redemption, a Shareholder may either withdraw his request for redemption or receive payment based on the net asset value existing after the termination of the suspension.

SECTION 7.3. REDEMPTION OF SHARES: DISCLOSURE OF HOLDING. If the Trustees shall, at any time and in good faith, be of the opinion that direct or indirect ownership of Shares or other securities of the Trust has or may become concentrated in any Person to an extent which would disqualify the Trust as a regulated investment company under the Internal Revenue Code, then the Trustees shall have the power by lot or other means deemed equitable by them (i) to call for redemption by any such Person of a number, or principal amount, of Shares or other securities of the Trust sufficient to maintain or bring the direct or indirect ownership of Shares or other securities of the Trust into conformity with the requirements for such qualification; and (ii) to refuse to transfer or issue Shares or other securities of the Trust to any Person whose acquisition of the Shares or other securities of the Trust in question would result in such disqualification. The redemption shall be effected at the redemption price and in the manner provided in Section 7.1.

The holders of Shares or other securities of the Trust shall upon demand disclose to the Trustees in writing such information with respect to direct and indirect ownership of Shares or other securities of the Trust as the Trustees deem necessary to comply with the provisions of the Internal Revenue Code, or to comply with the requirements of any other authority.

SECTION 7.4. REDEMPTIONS OF ACCOUNTS OF LESS THAN $500. The Trustees shall have the power at any time to redeem Shares of any Shareholder at a redemption price determined in accordance with Section 7.1, if at such time the aggregate net asset value of the Shares in such Shareholder's account is less than $500. A shareholder will be notified that the value of his account is less than $500 and allowed thirty (30) days to make an additional investment before redemption is processed.

ARTICLE VIII

DETERMINATION OF NET ASSET VALUE
NET INCOME AND DISTRIBUTIONS

SECTION 8.1. NET ASSET VALUE. For all purposes under this Declaration of Trust, the net asset value shall be determined by the Trustees as soon as possible after the close of the New York Stock Exchange on each business day upon which such Exchange is open, such net asset value to become effective one hour after such close and remain in effect until the next determination of such net asset value becomes effective; provided, however, that the Trustees may in their discretion make a more frequent determination of the net asset value which shall become effective one hour after the time as of which such net asset value is determined.

Such net asset value shall be determined in the following manner:

(a) All securities listed on any recognized Exchange shall be appraised at the quoted closing sale prices and in the event that there was no sale of any particular security on such day the quoted closing bid price thereof shall be used, or if any such security was not quoted on such day or if the determination of the net asset value is being made as of a time other than the close of the

New York Stock Exchange, then the same shall be appraised in such manner as shall be deemed by the Trustees to reflect its fair value.

All other securities and assets of the Trust, including cash, prepaid and accrued items, and dividends receivable, shall be appraised in such manner as shall be deemed by the Trustees to reflect their fair value.

(b) From the total value of the Trust Property as so determined shall be deducted the liabilities of the Trust, including reserves for taxes, and such expenses and liabilities of the Trust as may be determined by the Trustees to be accrued liabilities.

(c) The resulting amount shall represent the net asset value of the Trust Property. The net asset value of a share of any class shall be the result of the division of the net asset value of the underlying assets of that class by the number of shares of that class outstanding. The net asset value of the Trust Property and shares as so determined shall be final and conclusive.

SECTION 8.2. DISTRIBUTIONS TO SHAREHOLDERS. The Trustees shall from time to time distribute ratably among the Shareholders such proportion of the net profits, surplus (including paid-in surplus), capital, or assets held by the Trustees as they may deem proper. Such distribution may be made in cash or property (including without limitation any type of obligations of the Trust or any assets thereof) , and the Trustees may distribute ratably among the Shareholders additional Shares issuable hereunder in such manner, at such times, and on such terms as the Trustees may deem proper. Such distributions may be among the Shareholders of record at the time of declaring a distribution or among the Shareholders of record at such later date as the Trustees shall determine. The Trustees may always retain from the net profits such amount as they may deem necessary to pay the debts or expenses of the Trust or to meet obligations of the Trust, or as they may deem desirable to use in the conduct of its affairs or to retain for future requirements or extensions of the business. The Trustees may adopt and offer to Shareholders such dividend reinvestment plans, cash dividend payout plans or related plans as the Trustees shall deem appropriate.

Inasmuch as the computation of net income and gains for Federal Income Tax purposes may vary from the computation thereof on the books, the above provisions shall be interpreted to give the Trustees the power in their discretion to distribute for any fiscal year as ordinary dividends and as capital gains distributions, respectively, additional amounts sufficient to enable the Trust to avoid or reduce liability for taxes.

SECTION 8.3. DETERMINATION OF NET INCOME. The term "net income" with respect to a class of shares is hereby defined as the gross earnings of the class, excluding gains on sales of securities and stock dividends received, less the expenses of the Trust allocated to the class by the Trustees in such manner as they determine to be fair and equitable or otherwise chargeable to the class. The expenses shall include (1) taxes attributable to the income of the Trust exclusive of gains on sales, and (2) other charges properly deductible for the maintenance and administration of the Trust; but there shall not be deducted from gross or net income any losses on securities, realized or unrealized. The Trustees shall otherwise have full discretion to determine which items shall be treated as income and which items as capital and their determination shall be binding upon the Beneficiaries.

SECTION 8.4. POWER TO MODIFY FOREGOING PROCEDURES. Notwithstanding any of the foregoing provisions of this Article VIII, the Trustees may prescribe, in their absolute discretion, such other bases and times for determining the per Share net asset value of the Shares or net income, or the declaration and payment of dividends and distributions as they may deem necessary or

desirable. Without limiting the generality of the foregoing, the Trustees may establish additional series of Shares in accordance with Section 6.9.

ARTICLE IX

DURATION; TERMINATION OF TRUST
AMENDMENT; MERGERS; ETC.

SECTION 9.1. DURATION. The Trust shall continue without limitation of time but subject to the provisions of this Article IX.

SECTION 9.2. TERMINATION OF TRUST. (a) The Trust must be terminated:

(i) by the affirmative vote of the holders of not less than two-thirds of the Shares outstanding and entitled to vote at any meeting of Shareholders, or (ii) by an instrument in writing, without a meeting, signed by a majority of the Trustees and consented to by the holders of not less than two-thirds of such Shares, or by such other vote as may be established by the Trustees with respect to any series of Shares, or (iii) by the Trustees by written notice to the Shareholders.

Upon the termination of the Trust:

(i) The Trust shall carry on no business except for the purpose of winding up its affairs.

(ii) The Trustees shall proceed to wind up the affairs of the Trust and all of the powers of the Trustees under this Declaration shall continue until the affairs of the Trust shall have been wound up, including the power to fulfill or discharge the contracts of the Trust, collect its assets, sell, convey, assign, exchange, transfer or otherwise dispose of all or any part of the remaining Trust Property to one or more persons at public or private sale for consideration which may consist in whole or in part of cash, securities or other property of any kind, discharge or pay its liabilities, and to do all other acts appropriate to liquidate its business; provided that any sale, conveyance, assignment, exchange, transfer or other disposition of all or substantially all the Trust Property shall require Shareholder approval in accordance with Section 9.4 hereof.

(iii) After paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities and refunding agreements, as they deem necessary for their protection, the Trustees may distribute the remaining Trust Property, in cash or in kind or partly each, among the Shareholders according to their respective rights.

(iv) After termination of the Trust and distribution to the Shareholders as herein provided, a majority of the Trustees shall execute and lodge among the records of the Trust an instrument in writing setting forth the fact of such termination, and the Trustees shall thereupon be discharged from all further liabilities and duties hereunder, and the rights and interests of all Shareholders shall thereupon cease.

SECTION 9.3. AMENDMENT PROCEDURE. (a) This Declaration may be amended by a Majority Shareholder Vote or by any instrument in writing, without a meeting, signed by a majority of the Trustees and consented to by the holders of not less than a majority of the Shares outstanding and entitled to vote. The Trustees may also amend this Declaration without the vote or consent of Shareholders to designate series in accordance with Section 6.9 hereof, to change the name of the Trust, to supply any omission, to cure, correct or supplement any ambiguous, defective or

inconsistent provision hereof, or if they deem it necessary to conform this Declaration to the requirements of applicable federal laws or regulations or the requirements of the regulated investment company provisions of the Internal Revenue Code, but the Trustees shall not be liable for failing to do so.

(b) No amendment may be made under this Section 9.3 which would change any rights with respect to any Shares of the Trust by reducing the amount payable thereon upon liquidation of the Trust or by diminishing or eliminating any voting rights pertaining thereto, except with the vote or consent of the holders of two-thirds of the Shares outstanding and entitled to vote, or by such other vote as may be established by the Trustees with respect to any series of Shares. Nothing contained in this Declaration shall permit the amendment of this

Declaration to impair the exemption from personal liability of the Shareholders, Trustees, officers, employees and agents of the Trust or to permit assessments upon Shareholders.

(c) A certificate signed by a majority of the Trustees setting forth an amendment and reciting that it was duly adopted by the Shareholders or by the Trustees as aforesaid or a copy of the Declaration, as amended, and executed by a majority of the Trustees, shall be conclusive evidence of such amendment when lodged among the records of the Trust.

SECTION 9.4. MERGER, CONSOLIDATION AND SALE OF ASSETS. The Trust may merge or consolidate with any other corporation, association, trust or other organization or may sell, lease or exchange all or substantially all of the Trust Property, including its goodwill, upon such terms and conditions and for such consideration when and as authorized at any meeting of Shareholders called for the purpose by the affirmative vote of the holders of not less than two-thirds of the Shares outstanding and entitled to vote, or by an instrument or instruments in writing without a meeting, consented to by the holders of not less than two-thirds of such Shares, or by such other vote as may be established by the Trustees with respect to any series of Shares; provided, however, that, if such merger, consolidation, sale, lease or exchange is recommended by the Trustees, the vote or written consent of the holders of a majority of Shares outstanding and entitled to vote, or by such other vote as may be established by the Trustees with respect to any series of Shares, shall be sufficient authorization; and any such merger, consolidation, sale, lease or exchange shall be deemed for all purposes to have been accomplished under and pursuant to the statutes of the Commonwealth of Massachusetts.

SECTION 9.5. INCORPORATION. With the approval of the holders of a majority of the Shares outstanding and entitled to vote, or by such other vote as may be established by the Trustees with respect to any series of Shares, the Trustees may cause to be organized or assist in organizing a corporation or corporations under the laws of any jurisdiction or any other trust, partnership, association or other organization to take over all of the Trust Property or to carry on any business in which the Trust shall directly or indirectly have any interest, and to sell, convey and transfer the Trust Property to any such corporation, trust, association or organization in exchange for the shares or securities thereof or otherwise, and to lend money to, subscribe for the shares or securities of, and enter into any contracts with any such corporation, trust, partnership, association or organization in which the Trust holds or is about to acquire shares or any other interest. The Trustees may also cause a merger or consolidation between the Trust or any successor thereto and any such corporation, trust, partnership, association or other organization if and to the extent permitted by law, as provided under the law then in effect. Nothing contained herein shall be construed as requiring approval of Shareholders for the Trustees to organize or assist in organizing one or more corporations, trusts, partnerships, associations or other organizations and selling, conveying or transferring a portion of the Trust Property to such organization or entities.

ARTICLE X

REPORTS TO SHAREHOLDERS

The Trustees shall at least semi-annually submit to the Shareholders a written financial report of the transactions of the Trust, including financial statements which shall at least annually be certified by independent public accountants.

ARTICLE XI

MISCELLANEOUS

SECTION 11.1. FILING. This Declaration and any amendment hereto shall be filed in the office of the Secretary of the Commonwealth of Massachusetts and in such other places as may be required under the laws of Massachusetts and may also be filed or recorded in such other places as the Trustees deem appropriate. Each amendment so filed shall be accompanied by a certificate signed and acknowledged by a Trustee stating that such action was duly taken in a manner provided herein, and unless such amendment or such certificate sets forth some later time for the effectiveness of such amendment, such amendment shall be effective upon its filing. A restated Declaration, integrating into a single instrument all of the provisions of the Declaration which are then in effect and operative, may be executed from time to time by a majority of the Trustees and shall, upon filing with the Secretary of the Commonwealth of Massachusetts, be conclusive evidence of all amendments contained herein and may thereafter be referred to in lieu of the original Declaration and the various amendments thereto.

SECTION 11.2. RESIDENT AGENT. The name of the Trust's resident agent is One Group(R) Investment Trust, c/o CT Corporation System, and its post office address is 2 Oliver Street, Boston, Massachusetts 02109.

SECTION 11.3. GOVERNING LAW. This Declaration is executed by the Trustees and delivered with reference to the laws of the Commonwealth of Massachusetts, and the rights of all parties and the validity and construction of every provision hereof shall be subject to and construed according to the laws of said State.

SECTION 11.4. COUNTERPARTS. This Declaration may be simultaneously executed in several counterparts, each of which shall be deemed to be an original, and such counterparts, together, shall constitute one and the same instrument, which shall sufficiently evidenced by any such original counterpart.

SECTION 11.5. RELIANCE BY THIRD PARTIES. Any certificate executed by an individual who, according to the records of the Trust appears to be a Trustee hereunder, certifying to: (a) the number or identity of Trustees or Shareholders, (b) the due authorization of the execution of any instrument or writing, (c) the form of any vote passed at a meeting of Trustees or

Shareholders, (d) the fact that the number of Trustees or Shareholders present at any meeting or executing any written instrument satisfies the requirements of this Declaration, (e) the form of any Bylaws adopted by or the identity of any officers elected by the Trustees, or (f) the existence of any fact or facts which in any manner relate to the affairs of the Trust, shall be conclusive evidence as to the matters so certified in favor of any Person dealing with the Trustees and their successors.

SECTION 11.6. PROVISIONS IN CONFLICT WITH LAW OR REGULATIONS.

(a) The provisions of the Declaration are severable, and if the Trustees shall determine, with the advice of counsel, that any of such provisions is in conflict with the 1940 Act, the regulated investment company provisions of the Internal Revenue Code or with other applicable laws and regulations, the conflicting provisions shall be deemed never to have constituted a part of the Declaration; provided, however, that such determination shall not affect any of the remaining provisions of the Declaration or render invalid or improper any action taken or omitted prior to such determination.

(b) If any provision of the Declaration shall be held invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall attach only to such provision in such jurisdiction and shall not in any manner affect such provision in any other jurisdiction or any other provision of the Declaration in any jurisdiction.

SECTION 11.7. INDEX AND HEADING FOR REFERENCE ONLY. The Index and heading preceding the text, articles and sections hereof have been inserted for convenience and reference only and shall not be construed to affect the meaning, construction, or effect of this Declaration.

IN WITNESS WHEREOF, the undersigned Trustees have hereunto set their hands this 17th day of February, 1999.

Address: Three Nationwide Plaza 26th Floor
Columbus, Ohio 43215

/s/ Peter C. Marshall

Peter C. Marshall
Trustee

/s/ Charles I. Post

Charles I. Post
Trustee

/s/ Frederick W. Ruebeck

Frederick W. Ruebeck

Trustee

/s/ Robert A. Oden, Jr.

Robert A. Oden, Jr.
Trustee

/s/ John F. Finn

John F. Finn
Trustee

By:

Alan G. Priest
Attorney-in-Fact

1

Exhibit 23(d)(1)

Amended and Restated Investment Advisory
Agreement dated February 17, 1999 by and between
One Group Investment Trust and
Banc One Investment Advisors Corporation

2

AMENDED AND RESTATED INVESTMENT ADVISORY AGREEMENT

THIS AGREEMENT, made this 17th day of February, 1999 by and between One Group Investment Trust, a Massachusetts business trust (hereinafter the "Trust"), and Banc One Investment Advisors Corporation, an Ohio Corporation (the "Adviser").

WITNESSETH:

WHEREAS, the Trust and the Adviser entered into an Investment Advisory Agreement on June 1, 1994 and an Amended and Restated Investment Advisory Agreement on February 18, 1998, May 20, 1998, November 19, 1998; and

WHEREAS, the parties desire to further amend and restate the Amended and Restated Investment Advisory Agreement; and

WHEREAS, the Trust is a diversified, open-end, management investment company and is or will be so registered under the Investment Company Act of 1940, as amended, and has or will have registered shares of the series listed in Appendix A hereto (collectively, the "Funds") under the Securities Act of 1933, as amended;

WHEREAS, the Adviser is willing to provide investment advisory services to the Funds on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties hereto as herein set forth, the parties covenant and agree as follows:

1. The Adviser undertakes to act as investment adviser of each Fund of the Trust and shall, subject to the supervision of the Trust's Board of Trustees, direct the investments of each Fund in accordance with the investment objective, policies and limitations as provided in the Trust's Prospectus, Statement of Additional Information or other governing instruments, as amended from time to time, the Investment Company Act of 1940 and rules thereunder, as amended from time to time (the "1940 Act"), and such other limitations as the Trust may impose by notice in writing to the Adviser. The Adviser is authorized, in its discretion and without prior consultation with the Trust, to buy, sell, lend and otherwise trade in any stocks, bonds and other securities and investment instruments on behalf of each Fund. The investment policies and all other actions of each Fund are and shall at all times be subject to the control and direction of the

Trust's Board of Trustees.

The Adviser shall also furnish such reports, evaluations, information or analyses to the Trust as the Trust's Board of Trustees may request from time to time or as the Adviser may deem to be desirable. The Adviser shall make recommendations to the Trust's Board of Trustees with respect to Trust policies and shall carry out such policies as are adopted by the Trustees. In making investment recommendations for the Trust, the Adviser will not inquire or take into consideration whether an issuer

of securities proposed for purchase or sale by the Trust is a customer of the Adviser or its parent or subsidiaries or affiliates and, the Adviser and its parent, subsidiaries, and affiliates will not inquire or take into consideration whether securities of such customers are held by the Trust. The Adviser shall, subject to review by the Board of Trustees, furnish such other services as the Adviser shall from time to time determine to be necessary or useful to perform its obligations under this Agreement.

The Adviser shall place all orders for the purchase and sale of portfolio securities for each Fund's account with brokers or dealers selected by the Adviser, which may include brokers or dealers affiliated with the Adviser. The Adviser shall use its best efforts to seek to execute portfolio transactions at prices which are advantageous to each Fund and at commission rates which are reasonable in relation to the benefits received. In selecting brokers or dealers qualified to execute a particular transaction, brokers or dealers may be selected who also provide brokerage and research services (as those terms are defined in Section 28(e) of the Securities Exchange Act of 1934) to each Fund and/or the other accounts over which the Adviser or its affiliates exercise investment discretion. The Adviser is authorized to pay a broker or dealer who provides such brokerage and research services a commission for executing a portfolio transaction for each Fund which is in excess of the amount of commission another broker or dealer would have charged for effecting that transaction if the Adviser determines in good faith that such amount of commission is reasonable in relation to the value of the brokerage and research services provided by such broker or dealer. This determination may be viewed in terms of either that particular transaction or the overall responsibilities which the Adviser and its affiliates have with respect to accounts over which they exercise investment discretion. The Trustees of the Trust shall periodically review the commissions paid by each Fund to determine if the commissions paid over representative periods of time were reasonable in relation to the benefits to each Fund.

The Adviser shall, in acting hereunder, be an independent contractor. The Adviser shall not be an agent of the Trust.

2. The Adviser will be compensated on the following basis for the services and facilities to be furnished hereunder. The Adviser shall receive a management fee, payable monthly as soon as practicable after the last day of each month, computed at the annual rate of each Fund's average daily net assets, pursuant to the rates set forth in Appendix A hereto.

If the total expenses for any one of the Funds in any fiscal year exceed expense limitations imposed by applicable state securities regulations, the Adviser and the Trust's administrator shall reimburse that Fund by the amount of such excess in proportion to their respective fees (after giving effect to any waiver of fees agreed to by the Adviser and Administrator).

In case of termination of this Agreement during any month, the fee for that month shall be reduced proportionately on the basis of the number of business days during which it is in effect, and the fee computed upon the average net assets for the business days it is so in effect for that month.

3. It is understood that each Fund will pay all its expenses, which expenses payable by each Fund shall include, without limitation, (i) interest and taxes; (ii) brokerage commissions and other costs in connection with the purchase or sale of securities and other investment instruments; (iii) fees and expenses of the Trust's Trustees other than those who are "interested persons of the administrator, distributor, or the Adviser of the Trust; (iv) legal and audit expenses; (v) custodian, registrar and transfer agent fees and expenses; (vi) fees and expenses related to the registration and qualification of the Trust and each Fund's shares for distribution under state and federal securities laws; (vii) expenses of printing and mailing reports and notices and proxy material to beneficial shareholders of the Fund; (viii) all other expense incidental to holding meetings of the Fund's shareholders, including proxy solicitations therefor; (ix) insurance premiums for fidelity and other coverage; (x) association membership dues; and (xi) such non-recurring or extraordinary expenses as may arise, including those relating to actions, suits or proceedings to which the Fund is a party and the legal obligation which the Fund may have to indemnify the Trust's Trustees and officers with respect thereto.

4. The Adviser shall not be liable for any error of judgment or mistake of law or for any loss arising out of any investment or for any act or omission in the execution and management of the Trust, except a loss resulting from a breach of fiduciary duty with respect to the receipt of compensation for services hereunder or a loss resulting from willful misfeasance, bad faith or gross negligence in the performance of its duties, or by reason of reckless disregard of its obligations and duties hereunder. As used in this paragraph 4, the term "Adviser" shall include directors, officers and employees of the Adviser as well as the corporation itself.

5. The services of the Adviser to the Trust are not to be deemed to be exclusive, the Adviser being free to render services to others. It is understood that Trustees, officers, and shareholders of the Trust are or may be or become interested in the Adviser, as directors, officers, employees, or otherwise and that directors, officers and employees of the Adviser are or may become similarly interested in the Trust and that the Adviser may be or become interested in the Trust as shareholder and otherwise.

6. (a) This Agreement shall continue in force with respect to a Fund until May 31, 1996 and indefinitely thereafter, but only so long as the continuance after such date shall be specifically approved at least annually by vote of the Trustees of the Trust or by vote of a majority of the outstanding voting securities of such Fund.

(b) This Agreement may be modified only by an instrument in writing signed by the parties hereto.

(c) In addition to the requirements of sub-paragraphs (a) and (b) of this paragraph 6, the terms of any continuance or modification of this Agreement must have been approved by the vote of a majority of those Trustees of the Trust who are not parties to the Agreement or interested persons of any such party, cast in person at a meeting called for the purpose of voting on such approval.

(d) Either party hereto may, at any time on sixty (60) days prior written notice to the other, terminate this Agreement, without payment of any penalty, by action of its Trustees or Board of Directors, as the case may be, or, with respect to a Fund, by vote of a majority of the outstanding voting securities of such Fund. This contract shall terminate automatically in the event of its assignment.

7. The Adviser is hereby expressly put on notice of the limitation of shareholder liability as set forth in the Trust's Declaration of Trust and agrees that the obligations assumed by the Trust pursuant to this Agreement shall be limited in all cases to the Trust and its assets, and the Adviser shall not seek satisfaction of any such obligation from the shareholders or any shareholder of the Trust or any other funds of the Trust. In addition, the Adviser shall not seek satisfaction of any such obligations from any Trustee, officer, employee or agent of the Trust.

8. The Adviser hereby represents to the Trust that it possesses the legal authority to perform the investment advisory services contemplated hereunder and described in the Trust's Prospectus(es) and Statement of Additional Information without violation of applicable statutes and regulations.

9. The term "vote of a majority of the outstanding voting securities", "assignment" and "interested persons", when used herein, shall have the respective meanings specified in the 1940 Act, as now in effect or as hereafter amended, and subject to such orders as may be granted by the Securities and Exchange Commission.

10. This Agreement shall be governed by the laws of the Commonwealth of Massachusetts; provided, however, that nothing herein shall be construed in a manner inconsistent with the Investment Company Act of 1940 or any rule or regulation promulgated by the Securities and Exchange Commission thereunder.

IN WITNESS WHEREOF, the parties have caused this instrument to be signed in their behalf by their respective officers thereunto duly authorized, all as of the date written above.

ONE GROUP INVESTMENT TRUST

By: /s/ James F. Laird, Jr.
Title: President and Treasurer

BANC ONE INVESTMENT ADVISORS CORPORATION

By: /s/ Mark A. Beeson
Title: Senior Managing Director

APPENDIX A

<TABLE>
<CAPTION>

FUNDS OF THE TRUST	FEE PAYABLE TO ADVISER (AS A PERCENTAGE OF EACH FUND'S AVERAGE DAILY NET ASSETS)
<S>	<C>
One Group Investment Trust Government Bond Portfolio	.45%
One Group Investment Trust Balanced Portfolio	.70%
One Group Investment Trust Mid Cap Growth Portfolio	.65%
One Group Investment Trust Large Cap Growth Portfolio	.65%

One Group Investment Trust Equity Index Portfolio	.30%
One Group Investment Trust Bond Portfolio	.60%
One Group Investment Trust Diversified Equity Portfolio	.74%
One Group Investment Trust Diversified Mid Cap Portfolio	.74%
One Group Investment Trust Mid Cap Value Portfolio	.74%

</TABLE>

ONE GROUP INVESTMENT TRUST

BY: /s/ James F. Laird, Jr.
TITLE: President and Treasurer

BANC ONE INVESTMENT ADVISORS
CORPORATION

BY: /s/ Mark A. Beeson
TITLE: Senior Managing Director

DATED: February 17, 1999

1

Exhibit 23(h)(1)

Amended and Restated Transfer and Dividend Disbursing Agent Agreement dated February 17, 1999 between One Group Investment Trust and Nationwide Investors Services, Inc.

2

AMENDED AND RESTATED

TRANSFER AND DIVIDEND DISBURSING AGENT AGREEMENT

BETWEEN

ONE GROUP(R) INVESTMENT TRUST

AND

NATIONWIDE INVESTORS SERVICES, INC.

This Transfer and Dividend Disbursing Agent Agreement ("Agreement"), originally made this 17th day of February, 1999, by and between One Group(R) Investment Trust, a Massachusetts business trust, hereinafter called the ("Trust") and Nationwide Investors Services, Inc., an Ohio corporation, hereinafter called the ("Agent").

WITNESSETH:

WHEREAS, the Trust and Agent entered into a Transfer and Dividend Disbursing Agreement dated May 20, 1994 ("Original Agreement"), and an Amended and Restated Transfer and Dividend Disbursing Agent Agreement on February 18, 1998, May 20, 1998, and November 19, 1998; and

WHEREAS, the Trust is a diversified, open-end, management investment company and is or will be so registered under the Investment Company Act of 1940, as amended, and has or will have registered shares of the series listed in Appendix A hereto (the "Funds") under the Securities Act of 1933, as amended;

WHEREAS, the Trust will sell shares of the Funds to the separate accounts of life insurance companies ("Companies") fund the benefits of certain variable annuity and variable life contracts ("Contracts"); and

WHEREAS, the Trust desires to enter into a Transfer and Dividend Disbursing Agent Agreement with Agent under which Agent will provide the services as set forth in detail in this Agreement, and Agent is desirous of providing such services upon the terms and conditions hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, it is agreed as follows:

1. The Agent shall act as Stock Transfer Agent and Dividend Disbursing Agent for the Trust with regard to the Funds and in these capacities shall, where required:

a. maintain the current name and address, issuance data, and number of shares and fractional shares owned by the Companies;

b. deposit and process on a daily basis all investments made by the Companies;

c. calculate and cause the reinvestment of any dividends and capital gains, distributions;

d. confirm to the Companies all purchases and redemptions made by the Companies, in a form suitable to the Companies;

e. prepare proxies and proxy cards, and assist the Companies in coordinating the mailing of such proxy materials to the Contract owners, who are the beneficial owners of Trust shares;

f. tabulate all proxies;

g. act as inspectors at the Trust's Shareholder Meetings;

h. provide comprehensive accounting controls and reconciliations of all cash flow; and

i. respond to inquiries from the Companies.

The Trust recognizes that the Companies will be performing many of the administrative services for which the Agent would otherwise be responsible, including, without limitation, services with respect to delivery or sending of Trust proxy material, periodic fund reports, tax reports, transaction statements, confirmations, and other information relating to the Trust.

2. The Agent agrees to furnish the services provided for herein and shall at all times maintain a staff of trained personnel for the purpose of performing its obligations under the Agreement. The Agent shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Trust in connection with the matters to which this Agreement relates, except a loss resulting from willful misfeasance, bad faith or negligence on its part in the performance of its duties or from reckless disregard by it of its obligations and duties under this Agreement. Anything herein to the contrary notwithstanding, the Trust hereby agrees that while Agent has sole responsibility for performance of its obligations under this Agreement, any or all duties of Agent may

be performed from time to time by one or more third parties as Agent, in its discretion, shall select, provided that Trust shall be notified of all contracts between Agent and such third party or parties and provided copies thereof upon request.

3. The Agent agrees that in all matters relating to the services to be performed by it hereunder, it will use its best efforts to act in conformity with the terms of the Declaration of Trust, Bylaws, Registration Statement and current Prospectus and Statement of Additional Information of the Trust. Each of the parties agree that in all matters relating to the performance of this Agreement, it will use its best efforts to conform to and comply with the requirements of the Investment Company Act of 1940 and all other applicable Federal, State or other laws and regulations. Nothing herein, contained shall be deemed to relieve or deprive the Board of Trustees of the Trust of its responsibility for and control of the conduct of the affairs of the Trust.

4. The services of the Agent as provided herein are not to be deemed to be exclusive, and it shall be free to render services of any kind to any other group, firm, individual or association, and to engage in other business or activity.

5. This Agreement, including Exhibit A, may be amended at any time by mutual written consent of the parties.

6. This Agreement may be terminated by either party hereto upon sixty (60) days written notice given by one to the other, provided that no such notice of termination given by the Agent to the Trust shall be effective unless and until a substitute person or entity has been engaged by the Trust to perform the services required hereunder for the Trust, or the Trust has certified to the Agent that other arrangements have been made by it to provide such services.

7. It is understood and expressly agreed that the obligations and liabilities of the Trust hereunder shall not be binding upon any of the Trustees, shareholders, nominees, officers, agents or employees of the Trust, personally, but shall bind only the assets and property of the Trust, as provided in the Declaration of Trust of the Trust. The execution and delivery of this Agreement have been authorized by the Trustee's and signed by an authorized officer of the Trust, acting as such, and neither such authorization by such Trustee's nor such execution and delivery by such officer shall be deemed to have been made by any of them individually or to impose any liability on any of them personally, but shall bind only the assets and property of the

Trust as provided in its Declaration of Trust.

8. For its services specified above, the Trust shall pay to the Agent fees of .01% of average daily net assets with a maximum of $6,000 per Fund per calendar year. The above fees shall become effective on April 1, 1999 and are payable monthly on a pro-rata basis on or before the 10th day of each succeeding month. In the event that a Fund has not been effective for the full calendar year, the fees for that Fund for such calendar year shall be reduced proportionately on the basis of the number of days it is effective for such year to the number of days in such years.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective officers thereunto duly authorized and their respective corporate seals to be hereunto affixed, as of the day and year first above written.

ONE GROUP(R) INVESTMENT TRUST

/s/ James F. Laird, Jr.

James F. Laird, Jr.
President and Treasurer

NATIONWIDE INVESTORS SERVICES, INC.

/s/ Christopher A. Cray

Christopher A. Cray
Treasurer

APPENDIX A

FUNDS OF THE TRUST

One Group Investment Trust Government Bond Portfolio
One Group Investment Trust Balanced Portfolio
One Group Investment Trust Mid Cap Growth Portfolio
One Group Investment Trust Large Cap Growth Portfolio
One Group Investment Trust Equity Index Portfolio

One Group Investment Trust Bond Portfolio
One Group Investment Trust Diversified Equity Portfolio
One Group Investment Trust Diversified Mid Cap Portfolio
One Group Investment Trust Mid Cap Value Portfolio

THE ONE GROUP(R) INVESTMENT TRUST

By: /s/ James F. Laird, Jr.

Title: President and Treasurer

NATIONWIDE INVESTORS SERVICES, INC.

By: /s/ Christopher A. Cray

Title: Treasurer

Dated: February 17, 1999

Exhibit 23(h)(2)

Amended and Restated Fund Participation Agreement dated as of February 17, 1999 by and among Nationwide Life and Annuity Insurance Company, One Group Investment Trust, and Nationwide Advisory Services, Inc.

AMENDED AND RESTATED

FUND PARTICIPATION AGREEMENT

This Amended and Restated Fund Participation Agreement (the "Agreement"), dated as of the 29th day of July, 1994, and amended and restated as of the 21st day of May, 1996, the 18th day of February, 1998, the 20th day of May, 1998, the 19th day of November, 1998, and the 17th day of February, 1999, is made by and among Nationwide Life and Annuity Insurance Company ("Nationwide"), One Group(R) Investment Trust (the "Trust"), and the Trust's administrator, Nationwide Advisory Services, Inc. (the "Administrator"), each of which hereby agrees that shares of the series listed in Appendix A hereto (the "Funds") shall be made available to serve as underlying investment media for variable annuity and variable life contracts to be offered by Nationwide and to certain other separate accounts funding variable annuity and variable life contracts issued by other life insurance companies, and qualified pension and retirement plans, subject to the following conditions:

1. Nationwide represents that it has established the Nationwide VA Separate Account-C (the "Variable Account"), a separate account under Ohio law, and has registered it as a unit investment trust under the Investment Company Act of 1940 ("1940 Act") to serve as an investment vehicle for the Contracts. The Contracts provide for the allocation of net amounts received by Nationwide to separate series of the Variable Account for investment in the shares of the Funds. Selection of a particular series is made by the Contract owner who may change such selection from time to time in accordance with the terms of the applicable Contract.

2. Nationwide agrees to make every reasonable effort to market its Contracts. In marketing its Contracts, Nationwide will comply with all applicable state or Federal laws.

3. The Administrator or its designee will provide closing net asset value, dividend and capital gain information at the close of trading each business day to Nationwide. "Business day" shall mean any day on which the New York Stock Exchange is open for trading and on which the Trust calculates net asset value for each Fund as set forth in the Trust's prospectus and Statement of Additional Information. Nationwide will use this data to calculate unit values, which will in turn be used to

process that same business day's Variable Account unit value. The Variable Account processing will be done the same evening, and orders for purchases or redemptions will be placed the morning of the following business day. Orders will be sent directly to the Trust or its specified designee. Payment for purchases will be wired to a custodial account designated by the Trust or the Administrator and payment for redemptions will be wired to an account designated by Nationwide so as to coincide with the order for Trust shares. The Administrator or its designee will execute the orders at the net asset value as determined as of the close of trading on the prior day. Dividends and capital gains distributions shall be reinvested in additional shares at the ex-date net asset value. Notwithstanding the above, the Administrator or its designee shall not be held responsible for providing Nationwide with net asset value, dividend and capital gain information when the New York Stock

Exchange is closed, when an emergency exists making the valuation of net assets not reasonably practicable, or during any period when the Securities and Exchange Commission ("SEC") has by order permitted the suspension of pricing shares for the protection of shareholders.

4. All expenses incident to the performance by the Trust under this Agreement shall be the responsibility of the Trust or the Administrator, as agreed to among themselves, but in no event shall such expenses be the responsibility of Nationwide or the Variable Account. The Trust shall pay the cost of registration of Fund shares with the SEC. The Trust shall pay for and distribute to Nationwide, proxy material, periodic Trust reports to shareholders and other material the Trust may require to be sent to Contract owners. The Trust will pay the mailing expenses of Nationwide for distributing such proxy material, reports and other material to the Contract owners, who are the beneficial shareholders of the Trust. The Trust shall pay the cost of qualifying Fund shares in states where required. The Administrator shall pay for and distribute to Nationwide, Trust prospectuses. In the event that the Variable Account prospectus and the Trust prospectus are printed together in one document form, the Trust's share of the printing cost for such disclosure document will be equal to the total cost of printing the disclosure documents multiplied by the ratio of the total number of pages in the Trust's prospectus to the total number of pages in the disclosure document, with Nationwide paying the rest. The Administrator will provide Nationwide with a copy of the Statement of Additional Information suitable for duplication.

5. Nationwide and its agents shall make no representations concerning the Trust except those contained in the then-current prospectus and Statement of Additional Information of the Trust and in current printed

sales literature of the Trust.

6. Administrative services to Contract owners shall be the responsibility of Nationwide and shall not be the responsibility of the Trust or the Administrator. The Trust and the Administrator recognize that Nationwide will be the sole shareholder of Trust shares issued pursuant to the Contracts.

7.1 The Trust represents that it believes, in good faith, that the Funds will at all times qualify as regulated investment companies under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code") and that it will make every effort to maintain such qualification of the Funds and that it will notify Nationwide immediately upon having a reasonable basis for believing that a Fund has ceased to so qualify or that it might not so qualify in the future.

7.2 Nationwide represents that it believes, in good faith, that the Contracts will at all times be treated as annuity contracts under applicable provisions of the Code, and that it will make every effort to maintain such treatment and that it will notify the Trust immediately upon having a reasonable basis for believing that the Contracts have ceased to be so treated or that they might not be so treated in the future.

7.3 The Trust represents that it believes, in good faith, that the Funds will at all times comply

with the diversification requirements set forth in Section 817(h) of the Code and Section 1.817-5(b) of the regulations under the Code, and that it will make every effort to maintain the Fund's compliance with such diversification requirements, and that it will notify Nationwide immediately upon having a reasonable basis for believing that a Fund has ceased to so qualify or that a Fund might not so qualify in the future.

7.4 Nationwide represents that it believes, in good faith, that the Variable Account is a "segregated asset account" and that interests in the Variable Account are offered exclusively through the purchase of a "variable contract" within the meaning of such terms under Section 1.8170-5(f)(2) of the regulations under the Code, and that it will make every effort to continue to meet such definitional requirements, and that it will notify the Trust immediately upon having a reasonable basis for believing that such requirements have ceased to be met or that they might not be met in the future.

7.5 The Trust shall provide Nationwide within ten (10) business days after the end of each calendar quarter a letter from the appropriate officer of the Trust certifying to the continued accuracy of the representations contained in Section 7.1 and Section 7.3 above, and attaching a detailed listing of the individual securities and other assets, if any, held by the Trust as of the end of such calendar quarter.

8. The Administrator or its designee shall provide Nationwide within five (5) business days after the end of each month a monthly statement of account confirming all transactions made during that month in the Variable Account.

9. The Trust agrees that to the extent the Trust decides in the future to finance distribution expenses pursuant to Rule 12b-1 of the 1940 Act, the Trust will undertake to have the board of trustees, a majority of whom are not interested persons of the Trust, formulate and approve any plan under Rule 12b-1 to finance distribution expenses.

10. The Trust and Administrator agree to provide Nationwide no later than March 1 of each year with the investment advisory and other expenses of the Trust incurred during the Trust's most recently completed fiscal year as of March 1, to permit Nationwide to fulfill its prospectus disclosure obligations under the SEC's variable annuity fee table requirements.

11. This Agreement shall terminate as to the sale and issuance of new Contracts:

(a) at the option of any party hereto upon six (6) months advance written notice to the others;

(b) at the option of the Trust, if they determine that liquidation of the Trust is in the best interests of the Trust and its beneficial shareholders. Reasonable advance notice of election to liquidate shall be furnished by the Trust to permit the substitution of Fund shares with the shares of another investment company, pursuant to SEC regulation;

(c) at the option of Nationwide if Trust shares are not available for any reason to meet the requirements of Contracts as determined by Nationwide. Reasonable advance notice of election to terminate shall be furnished by Nationwide;

(d) at the option of any party hereto upon institution of formal proceedings against any other party hereto by the National Association of Securities Dealers ("NASD"), the SEC or any other regulatory body;

(e) upon a decision by Nationwide, in accordance with regulations of the SEC, to substitute such Trust shares with the shares of another investment company for Contracts for which the Trust shares have been selected to serve as the underlying investment medium. Nationwide will give sixty (60) days written notice to the Trust and the Administrator of any proposed vote to substitute Trust shares;

(f) upon assignment of this Agreement by any party unless made with the written consent of each other party;

(g) in the event Trust shares are not registered, issued or sold in conformance with Federal law or such law precludes the use of Trust shares as an underlying investment medium of Contracts issued or to be issued by Nationwide. Prompt notice shall be given by either party to the other in the event the conditions of this provision occur.

12. Termination as the result of any cause listed in the preceding paragraph, except for paragraph 11. (b) , shall not affect the Trust's obligation to furnish Trust shares for Contracts then in force for which the shares of the Trust serve or may serve as an underlying medium, unless such further sale of Trust shares is proscribed by law or the SEC or other regulatory body.

13. Each notice required by this Agreement shall be given by wire and confirmed in writing to:

Nationwide Life and Annuity Insurance Company
One Nationwide Plaza
Columbus, Ohio 43215
Attn: Beth Davin, General Counsel

One Group(R) Investment Trust
Three Nationwide Plaza
Columbus, Ohio 43215
Attn: James F. Laird, President and Treasurer

Administrator
Nationwide Advisory Services, Inc.
Three Nationwide Plaza
Columbus, Ohio 43215
Attn: Christopher A. Cray, Treasurer

14. Advertising and sales literature with respect to the Trust prepared by Nationwide or its agents for use in marketing its Contracts will be

submitted to the Trust for review before Nationwide submits such material to the SEC or NASD for review.

15. So long as and to the extent that the SEC continues to interpret the 1940 Act to require pass-through voting privileges for variable contract owners, Nationwide will distribute all proxy material furnished by the Trust and will vote Trust shares in accordance with instructions received from the Contract owners of such Trust shares. Nationwide shall vote the Trust shares for which no instructions have been received in the same proportion as Trust shares for which said instructions have been received from Contract owners. Nationwide and its agents will in no way recommend action in connection with or oppose or interfere with the solicitation of proxies for the Trust shares held for such Contract owners.

16. (a) Nationwide agrees to indemnify and hold harmless the Trust, the Administrator and the Trust's investment adviser (the "Adviser") and each of their directors, officers, employees, agents and each person, if any, who controls the Trust, the Administrator or the Adviser within the meaning of the Securities Act of 1933 (the "Act") against any losses, claims, damages or liabilities to which the Trust, Administrator or the Adviser or any such director, officer, employee, agent or controlling person may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon:

(i) any untrue statement or alleged untrue statement of any material fact contained in information furnished by Nationwide for use in the Registration Statement or prospectus of the Trust or in the Registration Statement or prospectus for the Variable Account;

(ii) the omission or the alleged omission to state in the Registration Statement or prospectus of the Variable Account a material fact required to be stated therein or necessary to make the statements therein not misleading;

(iii) conduct, statements or representations of Nationwide or its agents, with respect to the sale and distribution of Contracts for which Trust shares are an underlying investment; or

(iv) the failure of Nationwide to provide the services and furnish the materials under the terms of this Agreement;

provided however, that Nationwide shall not be liable in any such case to the extent any such statement, omission or representation or such alleged statement, alleged omission or alleged representation was made in reliance upon and in conformity with information furnished to Nationwide by or on behalf of the Trust, the Administrator, or the Adviser.

Nationwide will reimburse any legal or other expenses reasonably incurred by the Trust, the Administrator or the Adviser or any such director, officer, employee, agent or controlling person in connection with investigating or defending any such loss, claim, damage, liability or action, provided, however, that Nationwide shall have prior approval of the use of counsel and the expenditure of fees.

This indemnity agreement will be in addition to any liability which Nationwide may otherwise have.

(b) The Trust agrees to indemnify and hold harmless Nationwide and each of its directors, officers, employees, agents and each person, if any, who controls Nationwide within the meaning of the Act against any losses, claims, damages or liabilities to which Nationwide or any such director, officer, employee, agent or controlling person may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon:

(i) any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement or prospectus or sales literature of the Trust;

(ii) the omission or the alleged omission to state in the Registration Statement or prospectus of the Trust a material fact required to be stated therein or necessary to make the statements therein not misleading;

(iii) the Trust's failure to keep the Trust fully diversified and qualified as a regulated investment company as required by the applicable provisions of the Code, the 1940 Act, and the applicable regulations promulgated thereunder;

(iv) the Trust's or the Administrator's (1) incorrect calculation of the daily net asset value, dividend rate or capital gain distribution rate; (2) incorrect reporting of the daily net asset value, dividend rate or capital gain distribution rate; or (3) untimely reporting of the net asset value, dividend rate or capital gain distribution rate; or

(v) the failure of the Trust or the Administrator to provide the services and furnish the materials under the terms of this Agreement;

provided however, that the Trust and the Administrator will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or omission or alleged omission made in such Registration Statement or prospectus in conformity with written information furnished to the Trust by Nationwide specifically for use therein.

The Trust and the Administrator will reimburse any legal or other expenses reasonably incurred by Nationwide or any such director, officer, employee, agent or controlling person in connection with investigating or defending any such loss, claim, damage, liability or action. This indemnity agreement will be in addition to any liability which the Trust and the Administrator may otherwise have.

(c) Each party shall promptly notify the other in writing of any situation which presents or appears to involve a claim which may be subject of indemnification hereunder and the indemnifying party shall have the option to defend against any such claim. In the event the indemnifying party so elects, it will notify the indemnified party and shall assume the defense of such claim, and the indemnified party shall cooperate fully with the indemnifying party, at the indemnifying party's expense, in the defense of such claim. Notwithstanding the foregoing, the indemnified party shall be entitled to participate in the defense of such claim at its own expense through counsel of its own choosing. Neither party shall confess any claim nor make any compromise in any action or proceeding which may result in a finding of wrongdoing by the other party without the other party's prior written consent. Any notice given by the indemnifying party to an indemnified party or participation in or control of the litigation of any such claim by the indemnifying party shall in no event be deemed to be an admission by the indemnifying party of culpability, and the indemnifying party shall be free to contest liability with respect to the claim among parties.

(d) It is understood and expressly agreed that the obligations and liabilities of the Trust hereunder shall not be binding upon any of the Trustees, shareholders, nominees, officers, agents or employees of the Trust, personally, but shall bind only the assets and property of the Trust, as provided in the Declaration of Trust of the Trust. The execution and delivery of this Agreement have been authorized by the Trustee's and signed by an authorized officer of the Trust, acting as such, and neither such authorization by such Trustee's nor such execution and delivery by such officer shall be deemed to have been made by any of them individually or to impose any liability on any of them personally, but shall bind only the assets and property of the Trust as provided in its Declaration of Trust.

17. The forbearance or neglect of any party to insist upon strict compliance by any other party, with any of the provisions of this Agreement, whether continuing or not, or to declare a forfeiture of termination against the other parties, shall not be construed as a waiver of any of the rights or privileges of any party hereunder. No waiver of any right or privilege of any party arising from any default or failure of performance by any party shall affect the rights or privileges of the other parties in the event of a further default or

failure of performance.

18. The obligations of One Group(R) Investment Trust entered into in the name or on behalf thereof by any of the Trustees, representatives or agents are made not individually, but in such capacities, and are not binding upon any of the Trustees, Shareholders or representatives of the Trust personally, but bind only the assets of the Trust, and all persons dealing with any series of Shares of the Trust must look solely to the assets of the Trust belonging to such series for the enforcement of any claims against the Trust.

19. This Agreement shall be construed and the provisions hereof interpreted under and in accordance with the laws of Massachusetts. This Agreement shall be subject to the provisions of the federal securities statutes, rules and regulations, including such exemptions from those statutes, rules and regulations as the SEC may grant and the terms hereof shall be interpreted and construed in accordance therewith. In case of any conflict of law, the Investment Company Act of 1940 shall control.

20. This agreement supercedes any and all prior fund participation

agreements made by and between the parties.

NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

By: /s/ Joseph Rath

Title: Vice President

ONE GROUP(R) INVESTMENT TRUST

By: /s/ James F. Laird, Jr.

Title: President and Treasurer

NATIONWIDE ADVISORY SERVICES, INC.

By: /s/ Christopher A. Cray

Title: Treasurer

APPENDIX A

FUNDS OF THE TRUST

One Group Investment Trust Government Bond Portfolio
One Group Investment Trust Balanced Portfolio
One Group Investment Trust Mid Cap Growth Portfolio
One Group Investment Trust Large Cap Growth Portfolio
One Group Investment Trust Equity Index Portfolio
One Group Investment Trust Bond Portfolio
One Group Investment Trust Diversified Equity Portfolio
One Group Investment Trust Diversified Mid Cap Portfolio
One Group Investment Trust Mid Cap Value Portfolio

NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY

By: /s/ Joseph Rath

Title: Vice President

ONE GROUP(R) INVESTMENT TRUST

By: /s/ James F. Laird, Jr.

Title: President and Treasurer

NATIONWIDE ADVISORY SERVICES, INC.

By: /s/ Christopher A. Cray

Title: Treasurer

Dated: February 17, 1999

1

Exhibit 23(h)(3)

Amended and Restated
Administrative Services Agreement

2

AMENDED AND RESTATED

ADMINISTRATIVE SERVICES AGREEMENT

This Amended and Restated Administrative Services Agreement ("Agreement") is made as of this 17th day of February, 1999, between One Group(R) Investment Trust, a Massachusetts business trust (herein called the "Trust"), and Nationwide Advisory Services, Inc., an Ohio corporation, (herein called the "Administrator").

WHEREAS, the Trust and the Administrator executed an Administrative Services Agreement dated May 20, 1994 and the Trust and the Administrator executed an Amended and Restated Administrative Services Agreement on August 23, 1996, February 18, 1998, May 20, 1998, August 19, 1998, and February 17, 1999; and

WHEREAS, the parties hereto desire to amend the Amended and Restated Administrative Services Agreement; and

WHEREAS, the Trust is a Massachusetts business trust, consisting of the series of shares listed in Appendix A hereto (the "Funds"), which operates as an open-end management investment company and will so register under the Investment Company Act of 1940, as amended (the "Investment Company Act"); and

WHEREAS, the Trust desires to retain the Administrator as administrator to provide certain administrative services described below with respect to each of the Funds, and the Administrator is willing to render such services;

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, the parties hereto agree as follows:

1. APPOINTMENT OF ADMINISTRATOR. The Trust hereby appoints the Administrator as administrator of the Funds on the terms and conditions

set forth in this Agreement; and the Administrator hereby accepts such appointment and agrees to perform the services and duties set forth in Section 2 of this Agreement in consideration of the compensation provided for in Section 4 hereof.

2. SERVICES AND DUTIES. As Administrator, and subject to the supervision and control of the Trust's Board of Trustees, the Administrator will provide facilities, equipment, and personnel to carry out the following administrative services for operation of the business and affairs of the Trust and each of its Funds:

a. prepare, file, and maintain the Trust's governing documents, including the Declaration of Trust (which has already been prepared and filed), the Bylaws, minutes of meetings of Trustees and shareholders, and proxy statements for meetings of shareholders;

b. prepare and file with the Securities and Exchange Commission and the appropriate state securities authorities the registration statements for the Trust and the Trust's shares and amendments thereto, the Trust's reports pursuant to Investment Company Act Rule 24f-2, reports to shareholders and regulatory authorities, including form N-SAR, and prospectuses, proxy statements, and such other documents as may be necessary or convenient to enable the Trust to make continuous offering of its shares and to conduct its affairs;

c. prepare, negotiate, and administer contracts on behalf of the Trust with, among others, the Trust's custodian and transfer agent;

d. supervise the Trust's custodian and fund accounting personnel in the maintenance of the Trust's general ledger and in the preparation of the Trust's financial statements, including oversight of expense accruals and payments, determination of the net asset value of the Trust's assets and of the Trust's shares, and of the declaration and payments of dividends and other distributions to shareholders;

e. calculate performance data of the Funds for dissemination to information services covering the investment company industry;

f. prepare and file on a timely basis the Trust's Federal and State income and other tax returns;

g. examine and review the operations of the Trust's custodian, transfer agent and investment adviser to promote compliance with applicable state and federal law;

h. coordinate the layout and printing of publicly disseminated prospectuses and reports;

i. perform internal audit examinations in accordance with procedures to be adopted by the Administrator and the Trust;

j. assist with the design, development, and operation of the Trust;

k. provide individuals reasonably acceptable to the Trust's Board of Trustees for nomination, appointment, or election as officers of the Trust, who will be responsible for the management of certain of the Trust's affairs as determined by the Trust's Board. of Trustees;

l. monitor the Trust's compliance with Section 817 and Sections 851 through 855 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, so as to enable the Trust to comply with the diversification requirements applicable to investments of variable contracts and to maintain its status as a "regulated investment company;"

m. advise the Trust and its Board of Trustees on matters concerning the Trust and its affairs; and

n. provide the Trust with office space and personnel.

The foregoing, along with any additional services that the Administrator shall agree in writing to perform for the Trust hereunder, shall hereafter be referred to as "Administrative Services." In compliance with the requirements of Rule 31a-3 under the Investment Company Act, the Administrator hereby agrees that all records that it maintains for the Trust are the property of the Trust and further agrees to surrender promptly to the Trust any of such records upon the Trust's request. The Administrator further agrees to preserve for the periods prescribed by Investment Company Act Rule 31a-2 the records required to be maintained by Investment Company Act Rule 31a-1. Administrative Services shall not include any duties, functions, or services to be performed for the Trust by the Trust's investment adviser, custodian, or transfer agent pursuant to their agreements with the Trust.

The Administrator acknowledges the importance of efficient and prompt transmission of information to Nationwide Life and Annuity Insurance Company, the purchaser of Trust shares to fund the obligations of certain variable annuity contracts. The Administrator agrees to use its best efforts to meet the deadline for transmission of pricing information presently set by Nationwide Life and Annuity Insurance Company and such other time deadlines as may be established from time to time in the future.

When performing Administrative Services to the Trust, the Administrator will comply with the provisions of the Declaration of Trust and Bylaws of the Trust, will safeguard and promote the welfare of the Trust, and will comply with the policies that the Trustees may from time to time reasonably determine, provided that such policies are not in conflict with this Agreement, the Trust's governing documents, or any applicable statutes or regulations.

3. EXPENSES. The Administrator shall be responsible for expenses incurred in providing all the Administrative Services to the Trust, including the compensation of the Administrator employees who serve as Officers of the Trust. The Trust (or the Trust's investment adviser) shall be responsible for all other expenses incurred by the Administrator on behalf of the Trust, including without limitation: (i) investment advisory fees; (ii) interest and taxes; (iii) brokerage commissions and other costs in connection with the purchase or sale of securities and other investment instruments; (iv) all expenses incurred in valuing portfolio securities for the Equity Index Fund; (v) fees and expenses of the Trust's trustees, other than those who are "interested persons" of the Administrator, distributor or investment adviser of the Trust; (vi) legal and audit expenses; (vii) custodian, registrar and transfer agent fees and expenses; (viii) fees and expenses related to the registration and qualification of the Trust and the Trust's shares for distribution under state and federal securities laws; (ix) expenses of printing and mailing reports and notices and proxy material to beneficial shareholders of the Trust; (x) all other expenses incidental to holding meetings of the Trust's shareholders, including proxy

solicitations therefor, (xi) insurance premiums for fidelity and other coverage; (xii) association membership dues; (xiii) such nonrecurring or extraordinary expenses as may arise, including those relating to actions, suits or proceedings to which the Trust is a party and the legal obligation which the Trust may have to indemnify the Trust's trustees and officers with respect thereto.

4. COMPENSATION. For the Administrative Services provided, the Trust hereby agrees to pay and the Administrator hereby agrees to accept as full compensation for its services rendered hereunder an administrative fee, payable monthly as soon as practicable after the last day of each month. The administrative fee shall be computed on a daily basis at annual rates equal to the following percentages of the average net assets of the Trust (less assets of the Equity Index Fund): 0.24% of the Trust's average net assets up to $250 million, and 0.14% of Trust's average net assets in excess of $250 million. The administrative fee for the Equity Index Fund shall be payable in the manner described above and shall be computed on a daily basis at the annual rate of 0.14% of the average daily net assets of the Equity Index Fund.

In the event the total expenses of any one of the Funds in any fiscal year exceed expense limitations imposed by applicable state securities regulations, the Administrator and the Trust's investment adviser shall reimburse that Fund by the amount of such excess in proportion to their respective fees (after giving effect to any waiver of fees agreed to by the Administrator and investment adviser).

In case of termination of this Agreement during any month, the administrative fee for that month shall be reduced proportionately on the basis of the number of business days during which it is in effect, and the fee computed upon the average net assets for the business days it is so in effect for that month.

5. RESPONSIBILITY OF ADMINISTRATOR.

a. The Administrator shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Trust in connection with the matters to which this Agreement relates, except a loss resulting from willful misfeasance, bad faith or negligence on its part in the performance of its duties or from reckless disregard by it of its obligations and duties under this Agreement. Any person, even though also an officer, director, partner, employee or agent of the Administrator, who may be or become an officer, trustee, employee or agent of the Trust, shall be deemed, when rendering services to the Trust or acting on any business of the Trust (other than services or business in connection with the duties of the Administrator hereunder) in accordance with his responsibilities to the Trust as such officer, employee or agent, to be rendering such services to or acting solely for the Trust and not as an officer, director, partner, employee or agent or one under the control or direction of the Administrator even through paid by the Administrator.

b. The Administrator shall be kept indemnified by the Trust and be without liability for any action taken or thing done by it in performing the Administrative Services in accordance with the above standards; provided, however, that the Trust will not indemnify the Administrator for the portion of any loss or claim caused, directly or indirectly, by the negligence of the Administrator. In order that the indemnification provisions contained in this Section 5 shall apply, however, it is understood that if in any case the Trust may be asked to indemnify or save the Administrator harmless, the Trust shall be fully and promptly advised of all pertinent facts concerning the situation in question, and it is further understood that the Administrator will use all reasonable care to identify and notify the Trust promptly concerning any situation which presents or appears likely to present the probability of such a claim for indemnification against the Trust. The Trust shall have the option to defend the

Administrator against any claim which may be the subject of this indemnification. In the event that the Trust so elects it will so notify the Administrator and thereupon the Trust shall take over complete defense of the claim, and the Administrator shall in such situation initiate no further legal or other expenses for which it shall seek indemnification under this Section. The Administrator shall in no case confess any claim or make any compromise in any case in which the Trust will be asked to indemnify the Administrator except with the Trust's written consent.

6. Duration and Termination

a. The initial term of this Agreement shall commence as of May 20, 1994 and extend until August 31, 1997.

b. Thereafter, this Agreement shall be automatically renewed each year for an additional term of one year, unless notice of termination has been delivered by either party to the other no less than 90 days before the beginning of such additional term.

c. Notwithstanding the foregoing, this Agreement may be terminated at any time by mutual agreement of the parties hereto or for "cause" (as defined below), in either case on not less than 60 days' notice given by the Trust's Board of Trustees or given by the Administrator. For purposes of this Agreement, "cause" shall mean (a) willful misfeasance, bad faith, gross negligence or reckless disregard on the part of the Administrator with respect to its obligations and duties set forth herein; (b) a final judicial, regulatory or administrative ruling or order in which the Administrator has been found guilty of criminal misconduct or of unethical behavior in the operation of its business; (c) the dissolution or liquidation of either party or other cessation of business other than a reorganization or recapitalization of such party as an ongoing business; (d) financial difficulties on the part of either party which is evidenced by the authorization or commencement of, or involvement by way of pleading, answer, consent, or acquiescence in, a voluntary or involuntary case under Title 11 of the United States Code, as may be in effect

from time to time, or any applicable law, other than said Title 11, of any jurisdiction relating to the liquidation or reorganization of debtors or to the modification or alteration of the rights of creditors; or (e) any other circumstances which may substantially impair the performance of either party's obligations and duties, or the ability to perform those obligations and duties, as contemplated herein.

d. This Agreement shall be reviewed under the "cause" provisions of Section 6(c) at least annually annually by the Trust's Board of Trustees.

e. Upon the termination of this Agreement, the Trust shall pay to the Administrator such compensation as may be payable prior to the effective date of such termination. In the event that the Trust designates a successor to any of the Administrator's obligations hereunder, the Administrator shall, at the direction of the Trust, transfer to such successor all relevant books, records and other data established or maintained by the Administrator under the foregoing provisions.

7. AMENDMENT. No provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which an enforcement of the change, waiver, discharge or termination is sought.

8. LIMITATIONS OF LIABILITY OF TRUSTEES EMPLOYEES, AGENTS AND SHAREHOLDERS OF THE TRUST. The Administrator is expressly put on notice of the limitation of liability as set forth in the Declaration of Trust and agrees that the obligations assumed by the Trust pursuant to this Agreement shall be limited in any case to the Trust and its assets and that the Administrator shall not seek satisfaction of any such obligations from the shareholders of the Trust, the Trustees, officers, employees or agents of the Trust, or any of them.

9. PROPRIETARY AND CONFIDENTIAL INFORMATION. The Administrator agrees on behalf of itself and its directors, officers, and employees to treat confidentially and as proprietary information of the Trust all records and other information relative to the Trust and prior, present, or potential Shareholders, and not to use such records and information for any purpose other than performance of its responsibilities and duties hereunder, except after prior notification to and approval in writing by the Trust, which approval may not be withheld where the Administrator may be exposed to civil or criminal contempt proceedings for failure to comply, when requested to divulge such information by duly constituted authorities, or when so requested by the Trust. Failure by the Administrator to comply with the provisions of this Section will constitute "cause" for purposes of Section 6(c).

10. NOTICES. Notices of any kind to be given to the Trust hereunder by the Administrator shall be in writing and shall be duly given if delivered to the Trust and to its investment adviser at the following address:

The One Group(R) Investment Trust
Three Nationwide Plaza 3-26-02
Columbus, Ohio 43215
Attn.: James F. Laird, Jr., President and Treasurer

Notices of any kind to be given to the Administrator hereunder by the Trust shall be in writing and shall be duly given if delivered to the Administrator at:

Nationwide Advisory Services, Inc.
Three Nationwide Plaza
Columbus, Ohio 43215
Attn.: Christopher A. Cray, Treasurer

11. MISCELLANEOUS. The captions in this Agreement are included for convenience of reference only and in no way define or delimit any of the provisions hereof or otherwise affect their construction or effect. If any provision of this Agreement shall be held or made invalid by a court or regulatory agency decision, statute, rule or otherwise, the remainder of this Agreement shall not be affected thereby. Subject to the provisions of Section 5, hereof, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and shall be governed by Massachusetts law; provided, however, that nothing herein shall be construed in a manner inconsistent with the Investment Company Act of 1940 or any rule or regulation promulgated by the Securities and Exchange Commission thereunder.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their officers designated below as of the day and year first above written.

THE ONE GROUP(R) INVESTMENT TRUST

By: /s/ James F. Laird, Jr.

Title: President and Treasurer

NATIONWIDE ADVISORY SERVICES, INC.

By: /s/ Christopher A. Cray

Title: Treasurer

APPENDIX A

FUNDS OF THE TRUST

One Group Investment Trust Government Bond Portfolio
One Group Investment Trust Balanced Portfolio

One Group Investment Trust Mid Cap Growth Portfolio
One Group Investment Trust Large Cap Growth Portfolio
One Group Investment Trust Equity Index Portfolio
One Group Investment Trust Bond Portfolio
One Group Investment Trust Diversified Equity Portfolio
One Group Investment Trust Diversified Mid Cap Portfolio
One Group Investment Trust Mid Cap Value Portfolio

THE ONE GROUP(R) INVESTMENT TRUST

By: /s/ James F. Laird, Jr.

Title: President and Treasurer

NATIONWIDE ADVISORY SERVICES, INC.

By: /s/ Christopher A. Cray

Title: Treasurer

Dated: February 17, 1999

1

Exhibit 23(h)(4)

Form of Sub-Administration Agreement between Nationwide Advisory Services, Inc. and Banc One Investment Advisors Corporation

2

SUB-ADMINISTRATION AGREEMENT

AGREEMENT made this 1st day of April, 1999, between Nationwide Advisory Services, Inc. (the "Administrator"), an Ohio corporation having its principal place of business at Three Nationwide Plaza, Columbus, Ohio 43215 and Banc One Investment Advisors Corporation (the "Sub-Administrator"), an Ohio corporation having its principal place of business at 1111 Polaris Parkway, Columbus, Ohio 43240.

WHEREAS, the Administrator has entered into an Administrative Services Agreement dated May 20, 1994, as amended, ("Administration Agreement"), with One Group(R) Investment Trust (the "Trust"), a Massachusetts business trust having its principal place of business at Three Nationwide Plaza, Columbus, Ohio 43215, concerning the provision of administrative services for the investment portfolios of the Trust identified on Schedule A hereto, as such Schedule shall be amended from time to time (individually referred to herein as a "Fund" and collectively as the "Funds"); and

WHEREAS, the Administrator desires to retain the Sub-Administrator to assist it in performing administrative services with respect to each Fund and the Sub-Administrator is willing to perform such services on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual premises and covenants herein set forth, the parties agree as follows:

1. Services as Sub-Administrator. As provided herein, the Sub-Administrator will perform the following duties:

(a) assist the Trust in the supervision of all aspects of the operations of the Funds except those performed by the investment adviser for the Funds under its Investment Advisory Agreement;

(b) assist the Administrator in the coordination and review of portfolio compliance checklists completed by the investment advisor for the Funds, including follow-up and board reporting of specific issues arising from the checklists;

(c) assist the Administrator in the monitoring of all board approved security procedures and transactions, including, but not limited to the following: Rule 10f-3, 17a-7, 17e-1, 144A and 12d3-1, and in the preparation of the quarterly board reporting of related holdings and transactions;

(d) assist the Trust to the extent requested by the Trust in the preparation and filing of the Trust's Annual and Semi-Annual Reports to Shareholders;

(e) assist the Administrator in preparing and filing with the Securities and Exchange Commission all required filings, including, but not limited to, Registration Statements on Form N-1A and all amendments thereto, proxy statements, and shareholder reports, with the advice of Trust's counsel;

(f) provide Trustee Board meeting coordination and support, including the preparation and binding of documents related thereto and the distribution of such documents.

The Sub-Administrator will keep and maintain all books and records relating to its services in accordance with Rule 31a-1 under the 1940 Act.

2. Compensation; Reimbursement of Expenses. The Administrator will pay the Sub-Administrator for the services provided under this Agreement a fee with respect to each Fund calculated at the annual rate of up to five one-hundredths of one percent (.05%) of such Fund's average daily net assets. The fee payable hereunder shall be calculated and paid on a monthly basis. The fee for the period from the day of the month this Agreement is entered into until the end of that month shall be prorated according to the proportion which such period bears to the full monthly period. Upon any termination of this Agreement before the end of any month, the fee for such part of a month shall be prorated according to the proportion which such period bears to the full monthly period and shall be payable upon the date of termination of this Agreement.

For the purpose of determining fees payable to the Sub-Administrator, the value of the net assets of a particular Fund shall be computed in the manner described in the Trust's Declaration of Trust or in the prospectus or Statement of Additional Information respecting the Fund as from time to time in effect for the computation of the value of such net assets in connection with the determination of the liquidating value of the shares of such Fund.

3. Effective Date. This Agreement shall become effective with respect to a Fund as of the date first written above (or, if a particular Fund is not in existence on that date, on the date specified in the amendment to Schedule A to this Agreement relating to such Fund or, if no date is specified, the date on which such amendment is executed).

4. Term. This Agreement shall continue in effect with respect to a Fund, unless earlier terminated by either party hereto as provided hereunder, until August 1, 1999, and thereafter shall be renewed automatically for successive one-year terms unless written notice not to renew is given by the non-renewing party to the other party at least 60 days prior to the expiration of the then-current term; provided, however, that after such termination for so long as the Sub-Administrator, with the written consent of the Administrator, in fact

continues to perform any one or more of the services contemplated by this Agreement or any schedule or exhibit hereto, the provisions of this Agreement, including without limitation the provisions dealing with indemnification, shall continue in full force and effect. This Agreement will also terminate with the termination of the Administrative Services Agreement, provided the Administrator promptly notifies the Sub-Administrator of such termination. Either party to this Agreement may terminate such Agreement prior to the expiration of the initial term set forth above by providing the other party with written notice of such termination at least 60 days prior to the date upon which such termination shall become effective. Compensation due the Sub-Administrator and unpaid by the Administrator upon such termination shall be immediately due and payable upon and notwithstanding such termination. The Sub-Administrator shall be entitled to collect from the Administrator, in addition to the compensation described under paragraph 2 hereof, the amount of all the Sub-Administrator's cash disbursements for services in

connection with the Sub-Administrator's activities in effecting such termination, including without limitation, the delivery to the Administrator, the Trust, and/or their respective designees, of the Trust's property, records, instruments and documents, or any copies thereof. Subsequent to such termination for a reasonable fee to be paid by the Administrator, the Sub-Administrator will provide the Administrator, and or the Trust with reasonable access to any Trust documents or records remaining in its possession.

5. Standard of Care; Reliance on Records and Instructions; Indemnification. The Sub-Administrator shall use its best efforts to ensure the accuracy of all services performed under this Agreement, but shall not be liable to the Administrator or the Trust for any action taken or omitted by the Sub-Administrator in the absence of bad faith, willful misfeasance, negligence or from reckless disregard by it of its obligations and duties. The Administrator agrees to indemnify and hold harmless the Sub-Administrator, its employees, agents, directors, officers and nominees from and against any and all claims, demands, actions and suits (collectively "Claims"), whether groundless or otherwise, and from and against any and all judgements, liabilities, losses, damages, costs, charges, counsel fees and other expenses of every nature and character (collectively, "Losses") arising out of or in any way relating to the Sub-Administrator's actions taken or inactions with respect to the performance of services under this Agreement with respect to a Fund or based upon reasonable reliance on information, records, instructions or requests with respect to such Fund given or made to the Sub-Administrator by a duly authorized representative of the Administrator, unless such Claims and Losses result from the bad faith, willful misfeasance, negligence or from the reckless disregard of the Sub-Administrator of its obligations and duties.

The Sub-Administrator agrees to indemnity and hold harmless the Administrator, its employees, agents, directors, officers and nominees from and against any and all claims, demands, actions and suits, whether groundless or otherwise, and from and against any and all judgements, liabilities, losses, damages, costs, charges, counsel fees and other expenses of every nature and character arising out of or in any way relating to the Sub-Administrator's bad faith, willful misfeasance, negligence or from reckless disregard by it of its obligations and duties, with respect to the performance of services under this Agreement.

6. Record Retention and Confidentiality. The Sub-Administrator shall keep and maintain on behalf of the Trust all books and records that the Trust and the Sub-Administrator are, or may be, required to keep and maintain in connection with the services to be provided hereunder pursuant to any applicable statutes, rules and regulations, including without limitation Rules 31a-1 and 31a-2 under the Investment Company Act of 1940, as amended. The Sub-Administrator further agrees that all such books and records shall be the property of the Trust and to make such books and records available for inspection by the Trust, by the Administrator, or by the Securities and Exchange Commission at reasonable times and otherwise to keep confidential all books and records and other information relative to the Trust and its shareholders; except when requested to divulge such information by duly-constituted authorities or court process.

7. Uncontrollable Events. The Sub-Administrator assumes no responsibility hereunder, and shall not be liable, for any damage, loss of data, delay or any other loss whatsoever caused by events beyond its reasonable control.

8. Rights of Ownership. All computer programs and procedures developed to perform the services to be provided by the Sub-Administrator under this Agreement are the property of the Sub-Administrator. All records and other data except such computer programs and procedures are the exclusive property of the Trust and all such other records and data will be furnished to the Administrator and/or the Trust in appropriate form as soon as practicable after termination of this Agreement for any reason.

9. Return of Records. The Sub-Administrator may at its option at any time, and shall promptly upon the demand of the Administrator and/or the Trust, turn over to the Administrator and/or the Trust and cease to retain the Sub-Administrator's files, records and documents created and maintained by the Sub-Administrator pursuant to this Agreement which are no longer needed by the Sub-Administrator in the performance of its services or for its legal protection. If not so turned over to the Administrator and/or the Trust, such documents and records will be retained by the Sub-Administrator for six years from the year of creation. At the end of such six-year period, such records and documents will be turned over to the Administrator and/or the Trust unless the Trust authorizes in writing the destruction of such records and documents.

10. Notices. Any notice provided hereunder shall be sufficiently given when sent by registered or certified mail to the address set forth above, or at such other address as either party may from time to time specify in writing to the

other party pursuant to this Section.

11. Headings. Paragraph headings in this Agreement are included for convenience only and are not to be used to construe or interpret this Agreement.

12. Assignment. This agreement and the rights and duties hereunder shall not be assignable with respect to a Fund by either of the parties hereto except by the specific written consent of the other party and with the specific written consent of the Trust.

13. Governing Law. This Agreement shall be governed by and provisions shall be construed in accordance with the laws of The State of Ohio.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed all as of the day and year first above written.

NATIONWIDE ADVISORY SERVICES, INC.	BANC ONE INVESTMENT ADVISORS CORPORATION
By:____________________________	By:____________________________
Title:_________________________	Title:_________________________
Date:__________________________	Date:__________________________

SCHEDULE A
TO THE SUB-ADMINISTRATION AGREEMENT
BETWEEN
BANC ONE INVESTMENT ADVISORS CORPORATION
AND
NATIONWIDE ADVISORY SERVICES, INC.

NAME OF THE FUND
One Group Investment Trust Bond Portfolio
One Group Investment Trust Government Bond Portfolio
One Group Investment Trust Balanced Portfolio
One Group Investment Trust Large Cap Growth Portfolio
One Group Investment Trust Equity Index Portfolio
One Group Investment Trust Diversified Equity Portfolio
One Group Investment Trust Mid Cap Growth Portfolio
One Group Investment Trust Diversified Mid Cap Portfolio
One Group Investment Trust Mid Cap Value Portfolio

BANC ONE INVESTMENT ADVISORS CORPORATION NATIONWIDE ADVISORY SERVICES, INC.

By:_____________________________ By:_____________________________

Title:__________________________ Title:__________________________

Date:___________________________ Date:___________________________

1

Exhibit 23(h)(6)

Form of Amendment to Exhibit A to Securities Lending Agreement for One Group Investment Trust between the Registrant, Banc One Investment Advisors Corporation, and Banc One Trust Company, N.A.

2

EXHIBIT A

LIST OF FUNDS

FEBRUARY ___, 1999

One Group Investment Trust Bond Portfolio
One Group Investment Trust Government Bond Portfolio
One Group Investment Trust Balanced Portfolio
One Group Investment Trust Large Cap Growth Portfolio
One Group Investment Trust Equity Index Portfolio
One Group Investment Trust Diversified Equity Portfolio
One Group Investment Trust Mid Cap Growth Portfolio
One Group Investment Trust Diversified Mid Cap Portfolio
One Group Investment Trust Mid Cap Value Portfolio

One Group Investment Trust
("Lender")

By:____
James F. Laird, Jr., President and Treasurer

Banc One Investment Advisors Corporation
("Advisor")

By:____
Mark A. Beeson, Senior Managing Director

Bank One Trust Company, N.A.
("Subcustodian")

By:____
Steven E. Cutler, Officer

Exhibit 23(i)
OPINION OF ROPES & GRAY

Ropes & Gray
One Franklin Square
1301 K Street, N.W.
Washington, DC 20005-3333
(202) 626-3900
Fax: (202) 626-3961

March 25, 1999

One Group(R) Investment Trust
One Nationwide Plaza
Columbus, Ohio 43215

Ladies and Gentlemen:

You have informed us that you intend to file a Rule 485(b) Post-Effective Amendment to your Registration Statement under the Investment Company Act of 1940, as amended, with the Securities and Exchange Commission (the "Commission") for the purpose of updating the Trust's financial information.

We have examined your Amended and Restated Agreement and Declaration of Trust, as further amended, as on file at the office of the Secretary of The Commonwealth of Massachusetts. We are familiar with the actions taken by your Trustees to authorize the issue and sale from time to time of your units of beneficial interest ("Shares") at not less than the public offering price of such shares and have assumed that the Shares have been issued and sold in accordance with such action. We have also examined a copy of your Code of Regulations and such other documents as we have deemed necessary for the purposes of this opinion.

Based on the foregoing, we are of the opinion that the Shares being registered have been duly authorized and when sold will be legally issued, fully paid and non-assessable.

The Trust is an entity of the type commonly known as a "Massachusetts business trust." Under Massachusetts law, shareholders could, under certain circumstances, be held personally liable for the obligations of the Trust. However, the Declaration of Trust disclaims shareholder liability for acts or obligations of the Trust and requires that notice of such disclaimer be given in each agreement, obligation or instrument entered into or executed by the Trust or its Trustees. The Declaration of Trust provides for indemnification out of the property of the Trust for all loss and expense of any shareholder of the Trust held personally liable solely by reason of his being or having been a shareholder. Thus, the risk of a shareholder incurring financial loss on account of being a shareholder is limited to circumstances in which the Trust itself would be unable to meet its obligations.

We consent to this opinion accompanying the Post-Effective Amendment No. 11 when filed with the Commission.

Very truly yours,

/s/ Ropes & Gray

Ropes & Gray

1

Exhibit 23(j)(i)
CONSENT OF ROPES & GRAY

2

CONSENT OF COUNSEL

We hereby consent to the use of our name and to the reference to our firm under the caption "Legal Counsel" included in or made a part of Post-Effective Amendment No. 11 to the Registration Statement of the One Group(R) Investment Trust on Form N-1A (Nos. 33-66080 and 811-7874) under the Securities Act of 1933, as amended.

/s/ Ropes & Gray
ROPES & GRAY

Washington, D.C.
March 25, 1999

1

Exhibit 23(j)(2)
Consent of PricewaterhouseCoopers LLP

2

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the inclusion in the Statement of Additional Information constituting part of this Post-Effective Amendment No.11 to the registration statement on Form N-1A (the "Registration Statement") of our report dated February 17, 1999, relating to the financial statements and financial highlights appearing in the December 31, 1998 Annual Report to Shareholders of The One Group Investment Trust, which is included in the Registration Statement. We also consent to the reference to us under the heading "Experts" in such Statement of Additional Information.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Columbus, Ohio
March 24, 1999

1

Exhibit 23(j)(3)
Consent of Arthur Andersen LLP

2

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the use of our report dated February 12,1999, and to all references to our Firm included in or made a part of this Post Effective Amendment No. 11 to the One Group Investment Trust's registration statement on Form N-1A under the Securities Act of 1933.

/s/ Arthur Andersen LLP

Detroit, Michigan,
March 22, 1999.

<TABLE> <S> <C>

<ARTICLE> 6
<CIK> 0000909221
<NAME> ONE GROUP INVESTMENT TRUST
<SERIES>
<NUMBER> 1
<NAME> GOVERNMENT BOND FUND
<MULTIPLIER> 1,000
<CURRENCY> U.S. DOLLARS

<S> <C>
<PERIOD-TYPE> 12-MOS
<FISCAL-YEAR-END> DEC-31-1998
<PERIOD-START> JAN-01-1998
<PERIOD-END> DEC-31-1998
<EXCHANGE-RATE> 1
<INVESTMENTS-AT-COST> 42,112
<INVESTMENTS-AT-VALUE> 42,935
<RECEIVABLES> 290
<ASSETS-OTHER> 1
<OTHER-ITEMS-ASSETS> 1
<TOTAL-ASSETS> 43,227
<PAYABLE-FOR-SECURITIES> 1,019
<SENIOR-LONG-TERM-DEBT> 0
<OTHER-ITEMS-LIABILITIES> 21
<TOTAL-LIABILITIES> 1,040
<SENIOR-EQUITY> 0
<PAID-IN-CAPITAL-COMMON> 41,362
<SHARES-COMMON-STOCK> 3,964
<SHARES-COMMON-PRIOR> 2,134
<ACCUMULATED-NII-CURRENT> 0
<OVERDISTRIBUTION-NII> 0
<ACCUMULATED-NET-GAINS> 2
<OVERDISTRIBUTION-GAINS> 0
<ACCUM-APPREC-OR-DEPREC> 823
<NET-ASSETS> 42,187
<DIVIDEND-INCOME> 0
<INTEREST-INCOME> 1,936
<OTHER-INCOME> 2
<EXPENSES-NET> 230
<NET-INVESTMENT-INCOME> 1,708
<REALIZED-GAINS-CURRENT> 141
<APPREC-INCREASE-CURRENT> 256
<NET-CHANGE-FROM-OPS> 2,105
<EQUALIZATION> 0
<DISTRIBUTIONS-OF-INCOME> 1,742
<DISTRIBUTIONS-OF-GAINS> 105
<DISTRIBUTIONS-OTHER> 0

<NUMBER-OF-SHARES-SOLD>	1,866
<NUMBER-OF-SHARES-REDEEMED>	210
<SHARES-REINVESTED>	174
<NET-CHANGE-IN-ASSETS>	19,823
<ACCUMULATED-NII-PRIOR>	0
<ACCUMULATED-GAINS-PRIOR>	0
<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	0
<GROSS-ADVISORY-FEES>	138
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	240
<AVERAGE-NET-ASSETS>	30,733
<PER-SHARE-NAV-BEGIN>	10.48
<PER-SHARE-NII>	.56
<PER-SHARE-GAIN-APPREC>	.20
<PER-SHARE-DIVIDEND>	.57
<PER-SHARE-DISTRIBUTIONS>	.03
<RETURNS-OF-CAPITAL>	0
<PER-SHARE-NAV-END>	10.61
<EXPENSE-RATIO>	.75
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

</TABLE>

<TABLE> <S> <C>

<ARTICLE> 6
<CIK> 0000909221
<NAME> ONE GROUP INVESTMENT TRUST
<SERIES>
<NUMBER> 2
<NAME> ASSET ALLOCATION FUND
<MULTIPLIER> 1,000
<CURRENCY> U.S. DOLLARS

<S>	<C>
<PERIOD-TYPE>	12-MOS
<FISCAL-YEAR-END>	DEC-31-1998
<PERIOD-START>	JAN-01-1998
<PERIOD-END>	DEC-31-1998
<EXCHANGE-RATE>	1
<INVESTMENTS-AT-COST>	92,353
<INVESTMENTS-AT-VALUE>	103,692
<RECEIVABLES>	579
<ASSETS-OTHER>	3
<OTHER-ITEMS-ASSETS>	2
<TOTAL-ASSETS>	104,276
<PAYABLE-FOR-SECURITIES>	1,353
<SENIOR-LONG-TERM-DEBT>	0
<OTHER-ITEMS-LIABILITIES>	78
<TOTAL-LIABILITIES>	1,431
<SENIOR-EQUITY>	0
<PAID-IN-CAPITAL-COMMON>	91,111
<SHARES-COMMON-STOCK>	6,792
<SHARES-COMMON-PRIOR>	3,142
<ACCUMULATED-NII-CURRENT>	28
<OVERDISTRIBUTION-NII>	0
<ACCUMULATED-NET-GAINS>	367
<OVERDISTRIBUTION-GAINS>	0
<ACCUM-APPREC-OR-DEPREC>	11,339
<NET-ASSETS>	102,845
<DIVIDEND-INCOME>	457
<INTEREST-INCOME>	2,111
<OTHER-INCOME>	9
<EXPENSES-NET>	704
<NET-INVESTMENT-INCOME>	1,873
<REALIZED-GAINS-CURRENT>	1,661
<APPREC-INCREASE-CURRENT>	8,917
<NET-CHANGE-FROM-OPS>	12,451
<EQUALIZATION>	0
<DISTRIBUTIONS-OF-INCOME>	1,900
<DISTRIBUTIONS-OF-GAINS>	1,266
<DISTRIBUTIONS-OTHER>	0

<NUMBER-OF-SHARES-SOLD>	3,511
<NUMBER-OF-SHARES-REDEEMED>	76
<SHARES-REINVESTED>	215
<NET-CHANGE-IN-ASSETS>	61,399
<ACCUMULATED-NII-PRIOR>	1,870
<ACCUMULATED-GAINS-PRIOR>	25,093
<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	0
<GROSS-ADVISORY-FEES>	493
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	707
<AVERAGE-NET-ASSETS>	70,447
<PER-SHARE-NAV-BEGIN>	13.19
<PER-SHARE-NII>	.39
<PER-SHARE-GAIN-APPREC>	2.14
<PER-SHARE-DIVIDEND>	.39
<PER-SHARE-DISTRIBUTIONS>	.19
<RETURNS-OF-CAPITAL>	0
<PER-SHARE-NAV-END>	15.14
<EXPENSE-RATIO>	1.0
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

</TABLE>

```
<TABLE> <S> <C>

<ARTICLE> 6
<CIK> 0000909221
<NAME> ONE GROUP INVESTMENT TRUST
<SERIES>
   <NUMBER> 3
   <NAME> GROWTH OPPORTUNITIES FUND
<MULTIPLIER> 1,000
<CURRENCY> U.S. DOLLARS

<S>                                <C>
<PERIOD-TYPE>                      12-MOS
<FISCAL-YEAR-END>                             DEC-31-1998
<PERIOD-START>                                JAN-01-1998
<PERIOD-END>                                  DEC-31-1998
<EXCHANGE-RATE>                                         1
<INVESTMENTS-AT-COST>                              77,798
<INVESTMENTS-AT-VALUE>                            101,360
<RECEIVABLES>                                          44
<ASSETS-OTHER>                                          3
<OTHER-ITEMS-ASSETS>                                    3
<TOTAL-ASSETS>                                    101,410
<PAYABLE-FOR-SECURITIES>                            8,671
<SENIOR-LONG-TERM-DEBT>                                 0
<OTHER-ITEMS-LIABILITIES>                              65
<TOTAL-LIABILITIES>                                 8,736
<SENIOR-EQUITY>                                         0
<PAID-IN-CAPITAL-COMMON>                           69,408
<SHARES-COMMON-STOCK>                               5,003
<SHARES-COMMON-PRIOR>                               3,570
<ACCUMULATED-NII-CURRENT>                               0
<OVERDISTRIBUTION-NII>                                  0
<ACCUMULATED-NET-GAINS>                                 0
<OVERDISTRIBUTION-GAINS>                              297
<ACCUM-APPREC-OR-DEPREC>                           23,563
<NET-ASSETS>                                       92,674
<DIVIDEND-INCOME>                                     332
<INTEREST-INCOME>                                     131
<OTHER-INCOME>                                         12
<EXPENSES-NET>                                        642
<NET-INVESTMENT-INCOME>                             (167)
<REALIZED-GAINS-CURRENT>                            4,627
<APPREC-INCREASE-CURRENT>                          19,581
<NET-CHANGE-FROM-OPS>                              24,041
<EQUALIZATION>                                          0
<DISTRIBUTIONS-OF-INCOME>                               0
<DISTRIBUTIONS-OF-GAINS>                            4,432
<DISTRIBUTIONS-OTHER>                               1,003
```

<NUMBER-OF-SHARES-SOLD>	1,240
<NUMBER-OF-SHARES-REDEEMED>	113
<SHARES-REINVESTED>	306
<NET-CHANGE-IN-ASSETS>	41,967
<ACCUMULATED-NII-PRIOR>	0
<ACCUMULATED-GAINS-PRIOR>	0
<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	327
<GROSS-ADVISORY-FEES>	432
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	642
<AVERAGE-NET-ASSETS>	66,415
<PER-SHARE-NAV-BEGIN>	14.21
<PER-SHARE-NII>	(.03)
<PER-SHARE-GAIN-APPREC>	5.95
<PER-SHARE-DIVIDEND>	0
<PER-SHARE-DISTRIBUTIONS>	1.41
<RETURNS-OF-CAPITAL>	.20
<PER-SHARE-NAV-END>	18.52
<EXPENSE-RATIO>	.97
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

</TABLE>

<TABLE> <S> <C>

<ARTICLE> 6
<CIK> 0000909221
<NAME> ONE GROUP INVESTMENT TRUST
<SERIES>
<NUMBER> 4
<NAME> LARGE COMPANY FUND
<MULTIPLIER> 1,000
<CURRENCY> U.S. DOLLARS

<S>	<C>
<PERIOD-TYPE>	12-MOS
<FISCAL-YEAR-END>	DEC-31-1998
<PERIOD-START>	JAN-01-1998
<PERIOD-END>	DEC-31-1998
<EXCHANGE-RATE>	1
<INVESTMENTS-AT-COST>	149,330
<INVESTMENTS-AT-VALUE>	205,313
<RECEIVABLES>	187
<ASSETS-OTHER>	7
<OTHER-ITEMS-ASSETS>	2
<TOTAL-ASSETS>	205,509
<PAYABLE-FOR-SECURITIES>	3,331
<SENIOR-LONG-TERM-DEBT>	0
<OTHER-ITEMS-LIABILITIES>	143
<TOTAL-LIABILITIES>	3,474
<SENIOR-EQUITY>	0
<PAID-IN-CAPITAL-COMMON>	146,108
<SHARES-COMMON-STOCK>	8,929
<SHARES-COMMON-PRIOR>	5,790
<ACCUMULATED-NII-CURRENT>	1
<OVERDISTRIBUTION-NII>	0
<ACCUMULATED-NET-GAINS>	0
<OVERDISTRIBUTION-GAINS>	57
<ACCUM-APPREC-OR-DEPREC>	55,983
<NET-ASSETS>	202,035
<DIVIDEND-INCOME>	1,402
<INTEREST-INCOME>	424
<OTHER-INCOME>	3
<EXPENSES-NET>	1,363
<NET-INVESTMENT-INCOME>	466
<REALIZED-GAINS-CURRENT>	13,358
<APPREC-INCREASE-CURRENT>	37,840
<NET-CHANGE-FROM-OPS>	51,664
<EQUALIZATION>	0
<DISTRIBUTIONS-OF-INCOME>	465
<DISTRIBUTIONS-OF-GAINS>	13,400
<DISTRIBUTIONS-OTHER>	0

<NUMBER-OF-SHARES-SOLD>	2,584
<NUMBER-OF-SHARES-REDEEMED>	59
<SHARES-REINVESTED>	614
<NET-CHANGE-IN-ASSETS>	102,407
<ACCUMULATED-NII-PRIOR>	0
<ACCUMULATED-GAINS-PRIOR>	0
<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	15
<GROSS-ADVISORY-FEES>	948
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	1,363
<AVERAGE-NET-ASSETS>	145,863
<PER-SHARE-NAV-BEGIN>	17.21
<PER-SHARE-NII>	.06
<PER-SHARE-GAIN-APPREC>	7.03
<PER-SHARE-DIVIDEND>	.06
<PER-SHARE-DISTRIBUTIONS>	1.61
<RETURNS-OF-CAPITAL>	0
<PER-SHARE-NAV-END>	22.63
<EXPENSE-RATIO>	.93
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

</TABLE>

<TABLE> <S> <C>

<ARTICLE> 6
<CIK> 0000909221
<NAME> ONE GROUP INVESTMENT TRUST
<SERIES>
<NUMBER> 5
<NAME> EQUITY INDEX FUND
<MULTIPLIER> 1,000
<CURRENCY> U.S. DOLLARS

<S> <C>
<PERIOD-TYPE> 8-MOS
<FISCAL-YEAR-END> DEC-31-1998
<PERIOD-START> MAY-01-1998
<PERIOD-END> DEC-31-1998
<EXCHANGE-RATE> 1
<INVESTMENTS-AT-COST> 13,206
<INVESTMENTS-AT-VALUE> 14,563
<RECEIVABLES> 95
<ASSETS-OTHER> 1
<OTHER-ITEMS-ASSETS> 0
<TOTAL-ASSETS> 14,659
<PAYABLE-FOR-SECURITIES> 156
<SENIOR-LONG-TERM-DEBT> 0
<OTHER-ITEMS-LIABILITIES> 22
<TOTAL-LIABILITIES> 178
<SENIOR-EQUITY> 0
<PAID-IN-CAPITAL-COMMON> 13,177
<SHARES-COMMON-STOCK> 1,320
<SHARES-COMMON-PRIOR> 0
<ACCUMULATED-NII-CURRENT> 0
<OVERDISTRIBUTION-NII> 0
<ACCUMULATED-NET-GAINS> 0
<OVERDISTRIBUTION-GAINS> 53
<ACCUM-APPREC-OR-DEPREC> 1,357
<NET-ASSETS> 14,481
<DIVIDEND-INCOME> 68
<INTEREST-INCOME> 35
<OTHER-INCOME> 0
<EXPENSES-NET> 28
<NET-INVESTMENT-INCOME> 75
<REALIZED-GAINS-CURRENT> (53)
<APPREC-INCREASE-CURRENT> 1,357
<NET-CHANGE-FROM-OPS> 1,379
<EQUALIZATION> 0
<DISTRIBUTIONS-OF-INCOME> 75
<DISTRIBUTIONS-OF-GAINS> 0
<DISTRIBUTIONS-OTHER> 0

<NUMBER-OF-SHARES-SOLD>	1,370
<NUMBER-OF-SHARES-REDEEMED>	57
<SHARES-REINVESTED>	7
<NET-CHANGE-IN-ASSETS>	14,481
<ACCUMULATED-NII-PRIOR>	0
<ACCUMULATED-GAINS-PRIOR>	0
<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	0
<GROSS-ADVISORY-FEES>	15
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	58
<AVERAGE-NET-ASSETS>	7,664
<PER-SHARE-NAV-BEGIN>	10.00
<PER-SHARE-NII>	.08
<PER-SHARE-GAIN-APPREC>	.97
<PER-SHARE-DIVIDEND>	.08
<PER-SHARE-DISTRIBUTIONS>	0
<RETURNS-OF-CAPITAL>	0
<PER-SHARE-NAV-END>	10.97
<EXPENSE-RATIO>	.55
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

</TABLE>

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

```
<TABLE> <S> <C>

<ARTICLE> 6
<CIK> 0000932736
<NAME> THE PEGASUS PATHMAKER VARIABLE ANNUITY FUND
<SERIES>
   <NUMBER> 2
   <NAME> PEGASUS GROWTH & VALUE FUND
<MULTIPLIER> 1,000
<CURRENCY> U.S. DOLLARS

<S>                                <C>
<PERIOD-TYPE>                      12-MOS
<FISCAL-YEAR-END>                             DEC-31-1998
<PERIOD-START>                                JAN-01-1998
<PERIOD-END>                                  DEC-31-1998
<EXCHANGE-RATE>                                         1
<INVESTMENTS-AT-COST>                              50,284
<INVESTMENTS-AT-VALUE>                             59,260
<RECEIVABLES>                                         304
<ASSETS-OTHER>                                          4
<OTHER-ITEMS-ASSETS>                                   57
<TOTAL-ASSETS>                                     59,625
<PAYABLE-FOR-SECURITIES>                                0
<SENIOR-LONG-TERM-DEBT>                                 0
<OTHER-ITEMS-LIABILITIES>                              65
<TOTAL-LIABILITIES>                                    65
<SENIOR-EQUITY>                                         0
<PAID-IN-CAPITAL-COMMON>                           50,276
<SHARES-COMMON-STOCK>                               3,345
<SHARES-COMMON-PRIOR>                               2,386
<ACCUMULATED-NII-CURRENT>                               1
<OVERDISTRIBUTION-NII>                                  0
<ACCUMULATED-NET-GAINS>                               307
<OVERDISTRIBUTION-GAINS>                                0
<ACCUM-APPREC-OR-DEPREC>                            8,976
<NET-ASSETS>                                       59,560
<DIVIDEND-INCOME>                                     675
<INTEREST-INCOME>                                     133
<OTHER-INCOME>                                          0
<EXPENSES-NET>                                        469
<NET-INVESTMENT-INCOME>                               339
<REALIZED-GAINS-CURRENT>                            1,445
<APPREC-INCREASE-CURRENT>                           4,451
<NET-CHANGE-FROM-OPS>                               6,235
<EQUALIZATION>                                          0
<DISTRIBUTIONS-OF-INCOME>                           (356)
```

<DISTRIBUTIONS-OF-GAINS>	(1,328)
<DISTRIBUTIONS-OTHER>	0
<NUMBER-OF-SHARES-SOLD>	955
<NUMBER-OF-SHARES-REDEEMED>	(97)
<SHARES-REINVESTED>	102
<NET-CHANGE-IN-ASSETS>	16,305
<ACCUMULATED-NII-PRIOR>	18
<ACCUMULATED-GAINS-PRIOR>	190
<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	0
<GROSS-ADVISORY-FEES>	296
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	502
<AVERAGE-NET-ASSETS>	58,015
<PER-SHARE-NAV-BEGIN>	16.22
<PER-SHARE-NII>	.11
<PER-SHARE-GAIN-APPREC>	2.00
<PER-SHARE-DIVIDEND>	(.12)
<PER-SHARE-DISTRIBUTIONS>	(.41)
<RETURNS-OF-CAPITAL>	0
<PER-SHARE-NAV-END>	17.80
<EXPENSE-RATIO>	.95
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

</TABLE>

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

<TABLE> <S> <C>

<ARTICLE> 6
<CIK> 0000932736
<NAME> THE PEGASUS PATHMAKER VARIABLE ANNUITY FUND
<SERIES>
<NUMBER> 3
<NAME> MID-CAP OPPORTUNITY FUND
<MULTIPLIER> 1,000
<CURRENCY> U.S. DOLLARS

<S> <C>
<PERIOD-TYPE> 12-MOS
<FISCAL-YEAR-END> DEC-31-1998
<PERIOD-START> JAN-01-1998
<PERIOD-END> DEC-31-1998
<EXCHANGE-RATE> 1
<INVESTMENTS-AT-COST> 15,373
<INVESTMENTS-AT-VALUE> 18,083
<RECEIVABLES> 52
<ASSETS-OTHER> 4
<OTHER-ITEMS-ASSETS> 65
<TOTAL-ASSETS> 18,204
<PAYABLE-FOR-SECURITIES> 0
<SENIOR-LONG-TERM-DEBT> 0
<OTHER-ITEMS-LIABILITIES> 44
<TOTAL-LIABILITIES> 44
<SENIOR-EQUITY> 0
<PAID-IN-CAPITAL-COMMON> 15,417
<SHARES-COMMON-STOCK> 1,230
<SHARES-COMMON-PRIOR> 812
<ACCUMULATED-NII-CURRENT> 1
<OVERDISTRIBUTION-NII> 0
<ACCUMULATED-NET-GAINS> 32
<OVERDISTRIBUTION-GAINS> 0
<ACCUM-APPREC-OR-DEPREC> 2,710
<NET-ASSETS> 18,160
<DIVIDEND-INCOME> 97
<INTEREST-INCOME> 28
<OTHER-INCOME> 0
<EXPENSES-NET> 139
<NET-INVESTMENT-INCOME> (14)
<REALIZED-GAINS-CURRENT> 312
<APPREC-INCREASE-CURRENT> 551
<NET-CHANGE-FROM-OPS> 849
<EQUALIZATION> 0
<DISTRIBUTIONS-OF-INCOME> 0

<DISTRIBUTIONS-OF-GAINS>	(356)
<DISTRIBUTIONS-OTHER>	0
<NUMBER-OF-SHARES-SOLD>	436
<NUMBER-OF-SHARES-REDEEMED>	(42)
<SHARES-REINVESTED>	25
<NET-CHANGE-IN-ASSETS>	6,492
<ACCUMULATED-NII-PRIOR>	1
<ACCUMULATED-GAINS-PRIOR>	76
<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	0
<GROSS-ADVISORY-FEES>	88
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	222
<AVERAGE-NET-ASSETS>	17,137
<PER-SHARE-NAV-BEGIN>	14.38
<PER-SHARE-NII>	(.01)
<PER-SHARE-GAIN-APPREC>	.70
<PER-SHARE-DIVIDEND>	.00
<PER-SHARE-DISTRIBUTIONS>	(.31)
<RETURNS-OF-CAPITAL>	.00
<PER-SHARE-NAV-END>	14.76
<EXPENSE-RATIO>	.95
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

</TABLE>

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.


```
<TABLE> <S> <C>

<ARTICLE> 6
<CIK> 0000932736
<NAME> THE PEGASUS PATHMAKER VARIABLE ANNUITY FUND
<SERIES>
   <NUMBER> 6
   <NAME> PEGASUS INTRINSIC VALUE FUND
<MULTIPLIER> 1,000
<CURRENCY> U.S. DOLLARS

<S>                                <C>
<PERIOD-TYPE>                      12-MOS
<FISCAL-YEAR-END>                            DEC-31-1998
<PERIOD-START>                               JAN-01-1998
<PERIOD-END>                                 DEC-31-1998
<EXCHANGE-RATE>                                        1
<INVESTMENTS-AT-COST>                             22,910
<INVESTMENTS-AT-VALUE>                            22,508
<RECEIVABLES>                                         27
<ASSETS-OTHER>                                         9
<OTHER-ITEMS-ASSETS>                                   0
<TOTAL-ASSETS>                                    22,544
<PAYABLE-FOR-SECURITIES>                               0
<SENIOR-LONG-TERM-DEBT>                                0
<OTHER-ITEMS-LIABILITIES>                             43
<TOTAL-LIABILITIES>                                   43
<SENIOR-EQUITY>                                        0
<PAID-IN-CAPITAL-COMMON>                          22,992
<SHARES-COMMON-STOCK>                              2,103
<SHARES-COMMON-PRIOR>                              1,208
<ACCUMULATED-NII-CURRENT>                              0
<OVERDISTRIBUTION-NII>                                 0
<ACCUMULATED-NET-GAINS>                             (89)
<OVERDISTRIBUTION-GAINS>                               0
<ACCUM-APPREC-OR-DEPREC>                           (402)
<NET-ASSETS>                                      22,501
<DIVIDEND-INCOME>                                    428
<INTEREST-INCOME>                                     85
<OTHER-INCOME>                                         0
<EXPENSES-NET>                                       171
<NET-INVESTMENT-INCOME>                              342
<REALIZED-GAINS-CURRENT>                             283
<APPREC-INCREASE-CURRENT>                        (1,347)
<NET-CHANGE-FROM-OPS>                              (722)
<EQUALIZATION>                                         0
<DISTRIBUTIONS-OF-INCOME>                          (346)
```

<DISTRIBUTIONS-OF-GAINS>	(447)
<DISTRIBUTIONS-OTHER>	0
<NUMBER-OF-SHARES-SOLD>	834
<NUMBER-OF-SHARES-REDEEMED>	(17)
<SHARES-REINVESTED>	78
<NET-CHANGE-IN-ASSETS>	8,576
<ACCUMULATED-NII-PRIOR>	3
<ACCUMULATED-GAINS-PRIOR>	76
<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	0
<GROSS-ADVISORY-FEES>	108
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	229
<AVERAGE-NET-ASSETS>	20,756
<PER-SHARE-NAV-BEGIN>	11.53
<PER-SHARE-NII>	.21
<PER-SHARE-GAIN-APPREC>	(.58)
<PER-SHARE-DIVIDEND>	(.21)
<PER-SHARE-DISTRIBUTIONS>	(.25)
<RETURNS-OF-CAPITAL>	0.00
<PER-SHARE-NAV-END>	10.70
<EXPENSE-RATIO>	.95
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

</TABLE>

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

<TABLE> <S> <C>

<ARTICLE> 6
<CIK> 0000932736
<NAME> THE PEGASUS PATHMAKER VARIABLE ANNUITY FUND
<SERIES>
   <NUMBER> 7
   <NAME> PEGASUS BOND FUND
<MULTIPLIER> 1,000
<CURRENCY> U.S. DOLLARS

<S> <C>
<PERIOD-TYPE> 12-MOS
<FISCAL-YEAR-END> DEC-31-1998
<PERIOD-START> JAN-01-1998
<PERIOD-END> DEC-31-1998
<EXCHANGE-RATE> 1
<INVESTMENTS-AT-COST> 58,146
<INVESTMENTS-AT-VALUE> 60,450
<RECEIVABLES> 490
<ASSETS-OTHER> 1
<OTHER-ITEMS-ASSETS> 0
<TOTAL-ASSETS> 60,941
<PAYABLE-FOR-SECURITIES> 0
<SENIOR-LONG-TERM-DEBT> 0
<OTHER-ITEMS-LIABILITIES> 49
<TOTAL-LIABILITIES> 49
<SENIOR-EQUITY> 0
<PAID-IN-CAPITAL-COMMON> 58,600
<SHARES-COMMON-STOCK> 5,677
<SHARES-COMMON-PRIOR> 3,279
<ACCUMULATED-NII-CURRENT> 0
<OVERDISTRIBUTION-NII> 0
<ACCUMULATED-NET-GAINS> 0
<OVERDISTRIBUTION-GAINS> (12)
<ACCUM-APPREC-OR-DEPREC> 2,304
<NET-ASSETS> 60,892
<DIVIDEND-INCOME> 0
<INTEREST-INCOME> 2,920
<OTHER-INCOME> 0
<EXPENSES-NET> 358
<NET-INVESTMENT-INCOME> 2,562
<REALIZED-GAINS-CURRENT> 45
<APPREC-INCREASE-CURRENT> 1,451
<NET-CHANGE-FROM-OPS> 4,058
<EQUALIZATION> 0
<DISTRIBUTIONS-OF-INCOME> (2,606)

<DISTRIBUTIONS-OF-GAINS>	(57)
<DISTRIBUTIONS-OTHER>	0
<NUMBER-OF-SHARES-SOLD>	2,630
<NUMBER-OF-SHARES-REDEEMED>	(502)
<SHARES-REINVESTED>	270
<NET-CHANGE-IN-ASSETS>	26,662
<ACCUMULATED-NII-PRIOR>	6
<ACCUMULATED-GAINS-PRIOR>	0
<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	0
<GROSS-ADVISORY-FEES>	191
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	385
<AVERAGE-NET-ASSETS>	55,444
<PER-SHARE-NAV-BEGIN>	10.44
<PER-SHARE-NII>	.57
<PER-SHARE-GAIN-APPREC>	.31
<PER-SHARE-DIVIDEND>	(.58)
<PER-SHARE-DISTRIBUTIONS>	(.01)
<RETURNS-OF-CAPITAL>	0.00
<PER-SHARE-NAV-END>	10.73
<EXPENSE-RATIO>	.75
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

</TABLE>