The State of Rhode Island
ING 457(b) Deferred Compensation Plan

ENROLL BY INTERNET^{sm}

Available 24 hours-a-day, 7 days-a-week

Congratulations on taking steps to enroll in The State of Rhode Island 457(b) deferred compensation plan. Enrolling in the Plan is easy; all you need is your enrollment kit and Internet access. Simply review all of your enrollment information and follow this helpful checklist to ***Enroll by Internet^{sm}*.**

INTERNET ADDRESS
www.ingretirementplans.com/enrollment

1. Log on to the Internet by typing your 9-digit Social Security Number.
2. Enter your 6-Digit Plan Number **VK0450**
3. Enter your 6 digit Kit Number **055025**

Use the two navigation buttons at the bottom of the screen, which will guide you forward and backwards through the enrollment process. You can also cancel the enrollment at any time or go to the frequently asked questions section for more information by clicking on the ***Help*** button.

Important: On the **Financial Information** screen you must select at least one ***Account Investment Objective(s)*** but no more than three. Failure to do so will result in the enrollment being rejected.

When you have completed the Enroll by Internet^{sm} process you will come to the confirmation page that lists your personal information as well as the investment options you have selected. Review the information carefully for accuracy. If you need to make changes use the back button to return to the page you wish to correct. Print a copy of the confirmation page for your records.

The final step in your enrollment is to read the acknowledgment page carefully. Click the **"yes",** if you agree with the listed disclosures and click on **"*Submit Enrollment*"** button. This completes the online enrollment process.

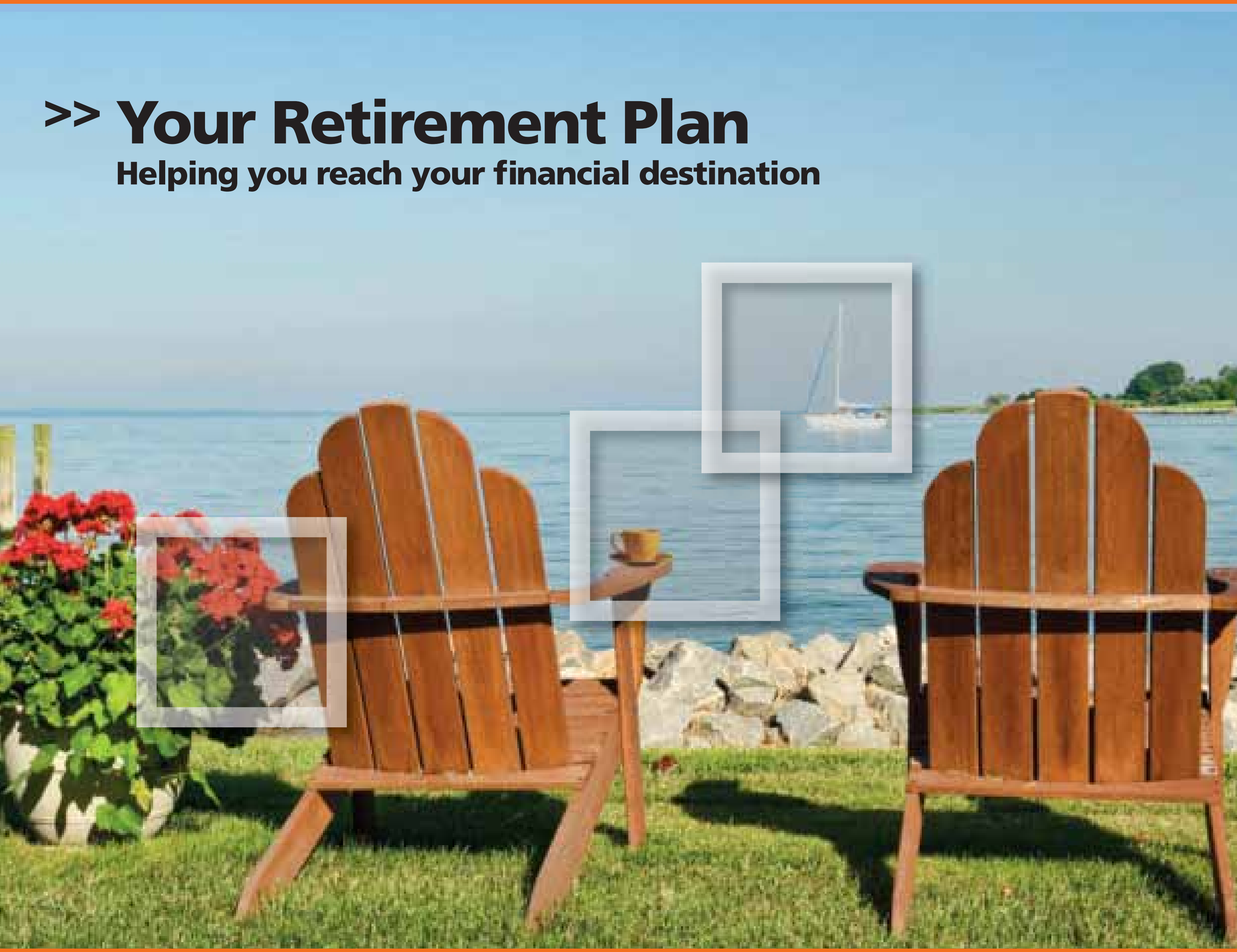
It is recommended you close your browser at this time as your information remains stored in the browser memory until it is closed.

You will receive a written confirmation by mail within the next week. Please review it carefully and call the toll-free number **866-865-2660** if you need to make any changes.

If you choose not to enroll online and would like in person assistance please contact Stephen Brown at: 866-387-9003, he will be able to assist you with your enrollment into the State of Rhode Island 457(b) deferred compensation plan.

>> Your Retirement Plan

Helping you reach your financial destination



STATE OF RHODE ISLAND
457 (b) DEFERRED COMPENSATION PLAN

ING

Your future. Made easier.®

Today could be a new beginning and the start of planning a financially sound future… for you and your family. And, ING is committed to being with you every step of the way – living up to our brand promise: ING. Your future. Made easier.®

>> Where do you see yourself?

What's Inside?

You'll find important information about your employer-sponsored retirement plan, including investment information, forms/worksheets, disclosures, and account access instructions.

About ING.

With over 40 years of experience in the DC business, ING is dedicated to setting the standard in helping our clients manage their financial future.

An Industry Leader – Retirement Services. ING currently serves 50,903 plan sponsors with over 5.4 million plan participants and holds $291 billion in Defined Contribution assets.*

* Source: Pensions & Investments "Top DC Recordkeeper", December 31, 2010

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IMPORTANT INFORMATION

ABOUT YOUR RETIREMENT INVESTMENT... HELPING YOU UNDERSTAND AND PLAN FOR YOUR FUTURE.

The decisions you make about your participation in this plan could have a big impact on your financial security later in life - at retirement. It's important that you understand the plan, its benefits, features and options, and the fees and other costs that may affect your investment in the program.

> **EDUCATION -** helps you understand the benefits of the plan and why it could make sense for you to participate or, if you are already participating, how you can make better use of the plan's features and investment options.

> **INVESTMENT INFORMATION -** this plan has a wide variety of investment options ranging from "conservative" to "aggressive." Make sure you read the educational portion of your guide to understand the different kinds of options, and then review the details about each fund and its performance.

> **FEES AND OTHER COSTS -** you'll find detailed information about the costs and fees associated with this plan. It's important for you to understand that all retirement plans and investment programs have fees associated with them, to help pay for the services that maintain and run the programs, including: investment research and operations, account services, statements, customer service centers, communication and educational programs, and distribution expenses.

> **PLAN FEATURES -** detailed information for plan participants about the specific conditions and features of the plan will help you make the right participation decisions for your own goals, needs, retirement timeframe and situation.

Feel free to contact your ING representative, financial professional or office if you have any questions about this plan, its options, or how you can best achieve your own retirement goals.

ING's promise to you is that we help you build the future - the retirement - that you dream of by giving you flexible products, tools, information and assistance you need to make the right decisions for your own situation. We feel that it's important for you to understand your retirement investment opportunity and that's why this kit contains a wide variety of information for you.

NEED HELP?

Visit your plan's Web site for interactive tools, calculators and other information to help you explore retirement investing, retirement planning, and your financial options!

IMPORTANT FACTS ABOUT YOUR PLAN

This retirement product is not free. ING and the funds offered in the product charge various fees and expenses. Many fund companies pay ING in connection with their being offered by ING as investment options in its retirement products. These payments compensate ING for the recordkeeping and related services ING provides and, in some cases, for distribution-related expenses ING may incur. We select funds to offer through ING products based on several factors, including the revenue paid to ING and our assessment of the funds' quality and cost. Both ING and the mutual fund companies seek to make a profit from the product.

As of 01/07/2013, the total fees charged for investing in this product averaged 0.96 % of a hypothetical investor's account balances every year. The actual amount of fees you will pay for investing in this product may vary depending on your investment selections. You can find information about the fees for specific investments in your enrollment materials.

Any fees that you pay as part of your retirement plan will have an impact on your savings over time. The table below shows the impact of the average fees charged for investing in this product on the growth of the account of a hypothetical investor over a 10 year period.[1] The table assumes that the hypothetical investor saves $3,500 annually and that the investment portfolio (before fees) increases by 7% per year.

YEAR	END OF YEAR BALANCE WITHOUT FEES	END OF YEAR BALANCE AFTER AVERAGE FEE
1	$3,745.00	$3,711.38
5	$21,536.52	$20,937.79
10	$51,742.60	$49,009.26

In this hypothetical example, the total fees deducted over the 10 year period is $2,144.50. The difference between the year-end balances before and after fees in the chart reflects the negative impact of the deducted fees on the growth of the hypothetical investment over 10 years.

The hypothetical return without fees is provided to help you understand how fees affect your investment. Before investing, you should carefully consider the investment objectives, risks, charges and expenses of these investments. The prospectuses for these investments and your enrollment materials contain this and other information. For a free copy of these prospectuses, please contact us at the number listed in your enrollment materials.

[1] Fees are calculated as an arithmetic average, and therefore assume a pro-rata investment in the funds only, and do not include premium taxes, charges for optional riders or benefits available under the product, deferred sales charges, or market value adjustments, if applicable.

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SPECIMEN PARTICIPATION AGREEMENT/ DEFERRAL ELECTION
457(b) Deferred Compensation Plan for Governmental Employers

This sample form is provided as a courtesy only and is not intended as the offering of tax or legal advice. Please consult with your tax and legal advisors before using this form.

1. PARTICIPANT INFORMATION

Plan Name ______________________________ Billing Group/Plan # ______________

Department Name ______________________ Department Location *(city, town)* ______________

Participant Name *(first, middle initial, last)* ______________________________

Date of Birth ______________________ SSN ***(Required)*** ______________________

Participant Resident Address *(# & street)* ______________________ PO Box *(optional)* ________

City/Town ______________________________ State ________ ZIP ______________

Home Phone (   ) ______________________ Work Phone (   ) ______________________

E-mail Address ____

2. NEW PARTICIPANT AGREEMENT *(To be completed by __new__ Plan Participants only.)*

Pre Tax Amounts Per Pay	$ ______________
Designated Roth Amounts Per Pay Period *(If applicable.)*	$ ______________
Total Per Pay Period =	$ ______________
Number of Pay Periods Per Year *(if $ then multiply)*	X ______________
Annual Contribution	$ ______________

3. CONTRIBUTION RATE CHANGE *(To be completed by __existing__ Plan Participants only.)*

☐ Restart ☐ Increase ☐ Decrease ☐ Stop

Pre Tax Amounts Per Pay	$ ______________
Designated Roth Amounts Per Pay Period *(If applicable.)*	$ ______________
Total Per Pay Period =	$ ______________
Number of Pay Periods Per Year *(if $ then multiply)*	X ______________
Annual Contribution	$ ______________

4. EFFECTIVE DATE *(Note that it may take several payroll cycles for your payroll office to process this agreement.)*

This Agreement will be effective no earlier than the month following the month in which the Employer receives this Agreement and is able to process.

5. BENEFICIARY ELECTION

I wish to designate the following beneficiary(ies) to receive benefits in the event of my death. I understand that each beneficiary eligible to receive benefits will receive an equal share of benefits under the Plan unless otherwise indicated.

Primary Beneficiary *(name(s), relationship, address, percentage)* ____

____

Contingent Beneficiary *(name(s), relationship, address, percentage)* ____

____

6. CATCH-UP CONTRIBUTION ELIGIBILITY *(Select one if applicable.)*

☐ Special 457(b) Catch-up Election

☐ 50+ Catch-up Election

A Participant cannot simultaneously contribute under the 457(b) Special Catch-up and the Older Worker Catch-up.

Plan Participants must choose the catch-up provision which gives them the greater amount.

7. SIGNATURE

This Agreement is made between the Participant *(as indicated below)* and the Employer in conjunction with the 457(b) Deferred Compensation Plan established and maintained by the Employer. The elections indicated above will remain effective until later changed or revoked by the Participant.

I hereby elect to participate in my Employer's 457(b) Deferred Compensation Plan and adopt the provisions of the Plan. I hereby acknowledge that I have received a copy of the Plan document and/or summary plan description, where applicable.

I acknowledge that I am responsible for determining that the amount of compensation I defer does not exceed the limits set forth in Sections 457 and 414(v) of the Internal Revenue Code, as amended.

By signing this form, I certify that the information I provided is complete and accurate.

Please return form to ____

Participant Signature ______________________________ Date *(mm/dd/yyyy)* ______________

ACCEPTANCE LETTER
For 457 Plans/Programs

Mail Check to:
ING Life Insurance and Annuity Company (“ILIAC”)
PO Box 2215, New York, NY 10116-2215

Mail Form to:
ING Life Insurance and Annuity Company (“ILIAC”)
A member of the ING family of companies
PO Box 990063
Hartford, CT 06199-0063
Phone: 800-262-3862 Fax: 800-643-8143

ING
Your future. Made easier.®

As used on this form, the term “ING,” “Company,” “we,” “us” or “our” refer to ILIAC as your plan’s funding agent and/or administrative services provider. Contact us for more information.

TYPE OF REQUEST *(Please check one box.)*

☐ **Direct Rollover to a Governmental 457 Annuity Contract** *(Please complete all sections except Carrier to Carrier/Plan to Plan Transfer Information.)*

☐ **Carrier to Carrier *(same plan)* or Plan to Plan *(different employer plans)* Transfer** *(Please complete all sections except Direct Rollover Information.)*

GOOD ORDER INSTRUCTIONS

1. Please contact your Plan Administrator prior to completing this form to determine if assets under an existing plan or traditional IRA can be rolled over into this Plan. If yes, complete this form and forward it to the Former Investment Provider/Record Keeper along with a request for a distribution. Mail or fax a copy to the address or phone number above. Please make a photocopy if you wish to retain a copy for your records. If you are not previously enrolled in the Plan, your Plan Administrator must submit a completed Enrollment Form before requesting a transfer or rollover to ING.
2. In order to process the rollover or transfer request, the transferred assets must be received at our designated location in good order. Assets transferred by the Former Investment Provider/Record Keeper will be deemed to be in good order if accompanied by the appropriate information to enable ING to apply the assets to the Account Holder’s account. Any corrections made on this form must be initialed and dated by the appropriate parties. Transferred assets will be invested using the Account Holder’s most current investment allocation, unless we receive this form on which an alternate investment selection is made. If the alternate investment instructions are not in good order, as we determine, we may return the form to you for correction and re-submission, or we may contact you to clarify investment instructions.
3. Funds will be applied to the account the same day they are received from the Former Investment Provider/Record Keeper if received in good order before the close of the New York Stock Exchange on any day the Stock Exchange is open for trading *(usually 4:00 p.m. Eastern Time)*. All requests received in good order after the close of the Stock Exchange will be processed the next day that the Stock Exchange is open.

1. ACCOUNT HOLDER INFORMATION

Account Holder Name *(last, first, middle initial)* ______________________________

Date of Birth *(mm/dd/yyyy)* ________________ SSN ***(Required)*** ________________

Street Address ***(Required)*** ______________________________ PO Box *(optional)* ____________

City ______________________________ State ________ ZIP ____________

Work Phone ________________ Extension ____________ Home Phone ________________

2. FORMER INVESTMENT PROVIDER/RECORD KEEPER

Former Investment Provider/Record Keeper Name ______________________________ Phone ____________

Former Investment Account # ______________________________

☐ Full Transfer/Rollover

☐ Partial Transfer/Rollover $____________ or ____________%

☐ Maximum Without Penalty

3. TRANSFER TO ILIAC *(Please choose only one option.)*

☐ **Make check payable to[1]:**
ING Life Insurance and Annuity Company
F/B/O Account Holder Name, Social Security Number and Billing Group #

[1]*Six digit ING Billing Group # must be referenced on the check.*

And mail to:
PO Box 2215
New York, NY 10116-2215

☐ **Wire Transfer:**
For wire transfer, wire funds to:
Wells Fargo Bank, N.A.
Operating Account # 2087370802580,
ABA # 121000248
OBI Field: Include Account Holder Name, Social Security Number and Billing Group #

Billing Group # and/or Employer Name ***(Required)*** ______________________________

4. INVESTMENT ALLOCATION *(Obtain 4 digit fund number from most recent quarterly statement package, or call 800-262-3862.)*

Unless otherwise indicated below, all your Direct Rollover or Transfer assets will be invested according to your current investment elections for ongoing contributions of the Billing Group number indicated on Page one. Use whole percentages *(e.g., 33% not 33 1/3%)*.

OR

Enter the percentage or dollar value of the transferred asset amount to be allocated to each investment option.

Employer Account				Employee/Rollover Account			
4-digit Fund #	% or $	4-digit Fund #	% or $	4-digit Fund #	% or $	4-digit Fund #	% or $

The total of the columns must each equal 100% of the transferred amount.

5. DIRECT ROLLOVER INFORMATION *(Complete if type of request (above) is Direct Rollover.)*

☐ **Rollover of pre-tax contributions and earnings from**

☐ 403(b) Plan $ ______________________

☐ 401 Plan $ ______________________

☐ Governmental 457 $ ______________________

☐ Traditional IRA $ ______________________

Rollover of after-tax contributions are not allowed. If necessary rollover accounts do not already exist, new accounts will be established to house the incoming rollover assets. For Deferred Sales Charge purposes, the rollover accounts will assume the same age as the existing employee/voluntary contribution account.

6. CARRIER TO CARRIER/PLAN TO PLAN TRANSFER INFORMATION *(Do not complete this section for a Direct Rollover. Completed by Participant & Former Investment Provider/Record Keeper. Complete Employer values where applicable.)*

Transfers FROM another eligible 457(b) Annuity Contract

Please provide a breakdown of the applicable money types:

Employer _______ % or $ _______________ of transferred assets

Employee (pre-tax) _______ % or $ _______________ of transferred assets

7. ACCOUNT HOLDER SIGNATURE AND CERTIFICATION

I understand that if historical account value information is not provided, the entire amount rolled over will be subject to Internal Revenue Service (IRS) rules applicable to non-457 rollover amounts received by a governmental 457 plan. I understand that transferred amounts will be subject to the applicable IRS and plan withdrawal rules. I understand that if the applicable breakdown of assets is not provided, the Company will treat all transferred assets as deposited in the Employee Contribution Asset Account of the billing group number indicated in the 'Transfer to ILIAC' section of this form. I understand that if the investment allocation section is not completed, the Carrier to Carrier/Plan to Plan Transfer or Direct Rollover will be invested using my current investment allocation under this billing group to the extent on file.

I acknowledge that I have read and accept the terms of this form and that the information shown is correct and complete.

Account Holder Signature ______________________________ Date *(mm/dd/yyyy)* ________________

Account Holder SSN ______________________________ City/State Where Signed ________________

Registered Representative Name *(Please print.)* ______________________________ Phone ________________

Plan Administrator Name ____

Plan Administrator Signature ______________________________ Date *(mm/dd/yyyy)* ________________

8. ACCEPTANCE OF FUNDS

ING Life Insurance and Annuity Company hereby agrees to accept funds from the current Trustee/Custodian/Carrier and deposit them into a 457 Variable Annuity Contract on behalf of the Participant executing this form in accordance with the applicable provisions of the Internal Revenue Code.

Molly A. Garrett

Molly A. Garrett, Vice President

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>> 457 Deferred Compensation Plan

Benefits and Features of a 457 Plan

This section describes the major provisions of a governmental 457(b) deferred compensation plan. Details about the ING family of companies, ("ING") product funding the plan are provided here and elsewhere in your enrollment guide. Please read the investment option material and consider the terms and conditions of the plan before you enroll and invest.

What is a 457(b) plan?

A 457(b) plan is also commonly referred to as a deferred compensation plan or retirement plan. A deferred compensation plan is governed by Section 457(b) of the Internal Revenue Code (IRC). Under a 457(b) plan, you can make pre-tax contributions through a Participation Agreement. This means that your contributions are deducted from your salary before federal income taxes are calculated.

How does it work?

With a deferred compensation plan, you postpone receiving a portion of your salary. Here's how it works:

- You decide, within Internal Revenue Code set limits, how much of your salary you want to defer.
- Your employer will deduct contributions from your paycheck before federal income taxes are taken out and forward them to ING on a regular basis.
- Contributions are invested in one or more of the investment options offered under the plan. If your employer and plan allow it, you can select the investment options yourself.
- Contributions and earnings accumulate tax-deferred. You are subject to federal income taxes only when you receive benefit payments.
- The amounts you contribute to your employer's deferred compensation plan are still considered part of your total pay for Social Security purposes. If wages paid by your employer are subject to Social Security taxes, the wages subject to Social Security payroll taxes will include the amounts paid into the deferred compensation plan.
- If you are in a middle- or lower-income range, you may be eligible for a non-refundable tax credit of up to $1,000 for pre--tax elective contributions to your governmental 457(b), plan. The availability and amount of the tax credit depends on your adjusted gross income (your total income less certain deductions for which you may qualify) and your filing status. If your adjusted gross income is in 2012 (and subject to annual cost of living adjustments) no more than $57,500 (married, filing jointly), $43,125 (head of household), or $28,750 (all other filers) and you make elective contributions, you may be eligible for this valuable tax credit. To be eligible for the tax credit you must be at least 18 years of age at the close of the tax year but cannot be either a full-time student or declared as a dependent on someone else's return. The tax credit is non-refundable, which means it can't be more than your total tax bill.

How much can I contribute?

Federal tax law restricts the amount you and/or your employer may contribute to the 457(b) plan. In 2012, the annual contribution limit is $17,000, not taking into account any available catch-up contributions. For years after 2012, the Internal Revenue Service will determine if additional cost of living adjustments are appropriate.

Your employer's plan allows you to change the amount of compensation you defer as your retirement planning needs change. You may increase the amount you defer up to the legal maximum, or reduce, stop or restart deferrals based on the plan's terms.

Can I contribute more?

Yes. If your plan permits, you may be able to take advantage of the ability to make higher contributions to the 457 deferred compensation plan through one of the following catch-up contributions.

The catch-up contributions that may be available under your 457(b) plan are:

457(b) catch-up

During the three consecutive years prior to the year in which you reach the 457 plan's definition of normal retirement age, a participant who has not always deferred the maximum amount in prior years to the plan is allowed to "catch-up" on past contributions up to a stated dollar amount.

Please note: The 457(b) catch-up provision may only be elected once per employer.

Age 50+ catch-up

Participants under a 457(b) sponsored by a governmental entity who will be at least 50 in 2012 may be able to defer up to an additional $5,500 (subject to annual cost of living adjustments) over the annual contribution limit in that same year.

Please note: If you are eligible for both catch-up contributions in the same year, IRS rules provide that you cannot use both in the same year. The amount of the catch-up contribution you can make is the greater of these two catch-ups (if available under your employer's plan.)

Whether you are new to your employer's plan or have been contributing for many years, catch up provisions can be an important piece of your retirement strategy. If you're just starting out, it's some-thing you'll want to consider as part of your long-term financial plan. If you are nearing retirement, you may be able to take advantage of increased contributions before you retire.

What investment options are available?

Your employer's plan provides a wide range of diversified, professionally managed investment options – each designed to pursue a different investment objective. For descriptions of the investment options specific to your employer's retirement plan, and for fund performance information, please review the information contained in your enrollment kit.

You should consider the investment objectives, risks, and charges and expenses of the variable product and its underlying fund options; or mutual funds offered through a retirement plan, carefully before investing. The prospectuses/prospectus summaries/information booklets containing this and other information can be obtained by contacting your local representative. Please read the information carefully before investing.

If your Employer and the plan allow it, you may be able to:

- Customize your own portfolio to match your individual needs
- Diversify, or spread, your contributions over different options, thereby potentially reducing investment risk
- Change the mix of your current contributions and transfer prior contributions among the various investment options.

What is dollar cost averaging?

Dollar cost averaging is a system for investing a fixed amount of money at regular intervals over a period of time. This process lowers the total average cost of a particular investment.

Please note: Dollar cost averaging does not ensure a profit nor protect against a loss in declining markets. You should consider your financial ability to continue making purchases through periods of low price levels.

Once enrolled in the plan, how can I manage my account assets?

ING can help you stay in touch with your account assets through:

- Quarterly Account Statements
- Toll-Free Telephone Account Access
- Internet Account Access
- Local Service

When can I receive a distribution from the plan?

Generally, withdrawals from a deferred compensation plan are not allowed unless you retire, attain age 70½, sever from employment or die. In addition, a withdrawal can generally be made to meet an "unforeseeable emergency," if your employer's plan permits this feature and your employer determines that your withdrawal request meets the IRS criteria of an "unforeseeable emergency." The IRS defines an unforeseeable emergency as a "severe financial hardship of the participant or beneficiary resulting from an illness or accident of the participant or beneficiary, the participant's or beneficiary's spouse or dependent." This definition, which is based on the participant's particular facts and circumstances, does not generally include the purchase of a principal residence or payment of college expenses.

The IRS requires that you begin to take Required Minimum Distributions (RMD) generally no later than April 1st of the year following the year you retire, or reach age 70½, whichever is later. Subsequent RMDs must be taken no later than December 31 each year. If you fail to take the RMD for any tax year, you are subject to an IRS 50% excise tax on the amount of the RMD that was not timely taken.

Your employer's plan document may contain additional restrictions on distributions from your account. Please refer to your summary plan description or your employer's benefits office for more information.

What are my payment choices when I am entitled to a distribution?

The Plan will describe the available payment methods. Your choices may include:

- Distribution over your lifetime
- Distribution over your lifetime and the lifetime of your designated beneficiary
- Distribution over a set time period not extending beyond your life expectancy
- Distribution over a set time period not extending beyond the joint and last survivor life expectancy of both you and your designated beneficiary
- Other systematic withdrawal options that provide periodic income for either a specific dollar amount or a specified time period
- Lump sum or partial lump sum distribution in combination with one of the other options
- Deferral of all or a portion of your benefits to a future date, subject to the IRS' Required Minimum Distribution rules.

An estate conservation option that allows you to receive only the minimum amount required by law at either age 70½ or retirement, whichever comes later. Money distributed will be taxed as ordinary income in the year the money is withdrawn.

Can I transfer my benefits to another 457(b) plan?

After severance from employment with your current employer sponsoring the 457(b) plan, you may transfer your plan assets to another 457(b) plan sponsored by a governmental entity for which you are performing services, if both plans permit.

Are my plan benefits portable?

A 457(b) deferred compensation plan sponsored by a governmental entity is "portable." This means that if you go to work for another employer you may be able to roll over your account balance to your new employer's eligible retirement plan (such as a governmental 457, 403(b), 401(a)/(k)), if your new employer's plan accepts rollovers. You may also roll over eligible amounts into a traditional IRA or, you can choose to leave your assets in your former employer's plan (if the plan allows this). There, it will continue to accumulate tax-deferred until the IRC requires that you begin receiving minimum distributions – generally, when you attain age 70½ or retire, whichever comes later.

Amounts you roll over from another plan (other than a governmental 457(b) plan) into a governmental 457(b) deferred compensation plan would still remain subject to the IRS 10% premature distribution penalty tax if distributed from the 457 plan prior to age 59½ (unless another IRS exemption applies). Furthermore, any amounts rolled from a governmental 457(b) deferred compensation plan to another plan type (e.g. 401(a)/(k), 403(b), etc.), would then become subject to the IRS 10% penalty if distributed prior to age 59½ (again, unless another IRS exemption applies).

When are my benefits taxable?

If you choose to take your benefits, the distribution will be taxable in the year the amount is distributed to you. Or, you may choose to spread your payments out over time. Should you choose to spread out your payments, you will only be taxed on the amount distributed from your account.

What happens upon my death?

Upon your death, the Plan will provide your beneficiary with a choice among various death benefit options. If you die before your minimum distribution required beginning date (generally the later of age 70½ or retirement) and your plan beneficiary is also your spouse, he or she is not required to begin receiving payments any earlier than when you would have reached age 70½.

If you die after your required beginning date, the balance of your account must be distributed at least as rapidly as under the method in place at your death.

How do I get started?

Once you have determined that participating in your employer's retirement plan is right for you, you'll need to complete a Participation Agreement through your employer to authorize deductions from your salary. Carefully review your enrollment materials to select your investments and make other plan choices (such as designating a beneficiary).

Group annuities and mutual funds offered through a retirement plan are intended as long-term investments designed for retirement purposes. Early withdrawals may be subject to a deferred sales charge. Money taken from the plan will be taxed as ordinary income in the year the money is distributed. Account values fluctuate with market conditions, and when surrendered, the principal may be worth more or less than the original amount invested. An annuity does not provide any additional tax deferral benefit, as tax deferral is provided by the plan. Annuities may be subject to additional fees and expenses to which other tax-qualified funding vehicles may not be subject. However, an annuity does provide other features and benefits, such as lifetime payments and death benefits, which may be valuable to you.

Insurance products issued by ING Life Insurance and Annuity Company, One Orange Way, Windsor, CT 06095. **Securities distributed by ING Financial Advisers, LLC (Member SIPC), or other Broker-Dealers with which ING Financial Advisers, LLC has a selling agreement.**

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Investment Option Asset Classes

NVESTMENT OPTIONS

IMPORTANT PRODUCT INFORMATION

YOU SHOULD CONSIDER THE INVESTMENT OBJECTIVES, RISKS, AND CHARGES AND EXPENSES OF THE VARIABLE PRODUCT AND ITS UNDERLYING FUND OPTIONS; OR MUTUAL FUNDS OFFERED THROUGH A RETIREMENT PLAN, CAREFULLY BEFORE INVESTING. THE PROSPECTUSES/ PROSPECTUS SUMMARIES/ INFORMATION BOOKLETS CONTAIN THIS AND OTHER INFORMATION, WHICH CAN BE OBTAINED BY CONTACTING YOUR LOCAL REPRESENTATIVE. PLEASE READ THE INFORMATION CAREFULLY BEFORE INVESTING.

Securities are distributed by ING Financial Advisers, LLC (member SIPC), and other authorized broker/dealers with which it has a selling agreement.

ING does not provide tax or legal advice. Any tax or legal information is the Company's understanding of current laws and regulations, which are subject to change. Consult your tax advisor for full details.

Target Date

Multi-asset class, multi-manager investment portfolios offering a range of distinct risk/return characteristics. These portfolios invest in a combination of funds which are active and passive Domestic Stock, International Stock, and fixed income investments. An active strategic asset allocation strategy allows investors to remain in a single portfolio throughout their working years using their "goal" date, whether that be retirement or some other target date, to help select the appropriate Portfolio. This approach includes a professionally managed, automatic process to shift from a more aggressive asset allocation to a more conservative asset allocation, as the target retirement date or other "goal" date gets closer. Generally speaking, Target Date funds target a certain date range for retirement, or the date the investor plans to start withdrawing money. Investors can select the fund that corresponds to their target date. They are designed to rebalance to a more conservative approach as the date nears. An investment in the Target Date Fund is not guaranteed at any time, including on or after the target date.

Stability of Principal

Assets are invested in conservative investment options that seek – but not necessarily guarantee – to hold the principal value of an investment stable through all market conditions. These options may credit a stated rate of return or minimum periodic interest rate that may vary. Dividend rates and income levels fluctuate with market conditions and are not guaranteed. These investment options, including money market portfolios, are neither insured nor guaranteed by the U.S. government.

Bonds

Investors here are primarily seeking income or growth of income, with less emphasis on capital appreciation. Fixed-income funds are those that may have significant investments in below-investment grade bonds ("junk bonds") or bonds of foreign issuers. Investment grade corporate bonds, mortgages, government bonds and, to a lesser degree, preferred stock, foreign or convertible bonds. Conservative funds are short-term bond funds focusing solely on Treasury Bills and other highly-rated short-term (e.g. 90 day) securities. Fixed-income investments are subject to interest rate risk such that the value of the bond will decline as interest rates rise.

Asset Allocation

These funds are also known as "LifeStyle" or "LifeCycle" funds. They invest in a combination of assets such as aggressive stocks, international stocks, large-company stocks, government bonds, foreign bonds or money markets. The allocation percentage to each asset type may be fixed, bounded by a range, or determined at the discretion of the manager. Managers of these funds review market conditions regularly and refine the asset allocation mixture they believe will achieve the best risk adjusted performance based on the stated objectives and "target" allocations of the particular fund. Different constructs can be based on risk tolerance or length of time to investment goal.

Balanced

These funds seek to "balance" growth of principal and current income by investing in a combination of stocks and bonds. The investment style used here is some funds have fixed asset allocations and others allow managers discretion to allocate between equities and bonds, depending on their view of return and risk.

Large Cap Value

Funds seek long-term growth of capital or a combination of growth and income by investing primarily in stocks of larger, mature companies. The investment styles exhibited are value and "blend." Stocks are selected for price appreciation and for the value of the current income provided through dividends. These funds generally exhibit a lower level of price volatility, due to the types of companies they favor, such as those able to pay dividends.

Large Cap Growth

Funds with fewer holdings and a relatively narrow focus merit the risk level of "Aggressive." Overall, these funds invest primarily in stocks of larger U.S. companies, employing an investment style of growth.

Funds emphasizing growth stocks will typically have higher price/earnings ratios and make little or no dividend payments. Large capitalization companies tend to be more established, with lower relative volatility, than more aggressive small and mid-cap stock funds.

Small/Mid/Specialty

Small cap, mid cap and "specialty" funds are in this category, employing investment styles of growth, value or "blend." These funds seek capital appreciation by investing primarily in stocks of small-and medium-sized companies. Generally, these companies are striving to develop new products or markets and have above-average earnings growth potential. Because of their smaller size, these companies may face greater business risk, and investments in these funds generally carry much higher risk than other domestic equity funds. "Specialty" or "sector" funds invest in stocks of companies in a particular industry. This narrow focus can significantly increase the risk and volatility of such funds.

Global / International

There are three main types of funds in this category. International funds have an investment style of Foreign Stock. These funds invest in stocks of companies outside of the United States. Global funds carry an investment style of World Stock. These funds invest in stocks of companies in the United States and developed countries outside of the United States. Emerging Markets funds invest in securities of developing countries and demonstrate the greatest volatility of performance due to the unstable nature of their economies, political structures and currencies. International investing may provide greater diversification benefits to a U.S. – based portfolio than investing in domestic securities alone. However, foreign investing does involve additional risks not present in U.S. securities.

P E R F O R M A N C E   U P D A T E

ING Life Insurance and Annuity Company

STATE OF RHODE ISLAND

Separate Account D

Average Annual Total Returns as of: 12/31/2012 (shown in percentages)

Variable annuities and funding agreements are long-term investment vehicles designed for retirement purposes which allow you to allocate contributions among variable investment options that have the potential to grow tax-deferred with an option to receive a stream of income at a later date.

The performance data quoted represents past performance. Past performance does not guarantee future results. For month-end performance which may be lower or higher than the performance data shown please call 800-232-5422. Investment return and principal value of an investment will fluctuate so that, when sold, an investment may be worth more or less than the original cost.

These numbers reflect total Separate Account charges of 0.25% on an annual basis. They also assume reinvestment of all dividends (ordinary income and capital gains) and are net of management fees and other fund operating expenses.

Depending upon the type of contract in which you participate, you have either received disclosure booklets for the separate account and/or fund prospectuses. You should consider the investment objectives, risks and charges, and expenses of the variable product and its underlying fund options carefully before investing. The disclosure booklet contains this and other information. Anyone who wishes to obtain a free copy of the separate account disclosure booklet and/or fund prospectuses may call their ING representative or the number above. Please read the separate account disclosure booklet and/or the fund prospectuses carefully before investing.

Returns less than one year are not annualized. Fund Inception Date is the date of inception for the underlying fund, and is the date used in calculating the periodic returns. This date may also precede the portfolio's inclusion in the product.

Investment Options	1-Mo	3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Incept	Fund Inception Date
Stability of Principal									
Stability of Principal									
ING Fixed Account - 457/401 (1)(4) *This fund is not part of the product's separate account.*	0.25	0.75	3.00	3.00	3.28	3.52	4.03		
Bonds									
High Yield Bond									
Prudential High Yield Fund, Inc. - Class Z	1.41	2.95	13.83	13.83	10.93	9.43	9.69		03/01/1996
Inflation-Protected Bond									
PIMCO VIT Real Return Portfolio - Administrative Class	-0.52	0.66	8.48	8.48	9.23	7.37	6.64		09/30/1999
Intermediate-Term Bond									
ING Intermediate Bond Portfolio - Class I	0.76	1.47	9.12	9.12	8.65	5.44	5.02		05/23/1973
ING U.S. Bond Index Portfolio - Class I	-0.26	-0.08	3.59	3.59	5.46			5.26	03/04/2008
Asset Allocation									
Lifecycle									
ING Solution 2015 Portfolio - Adviser Class	0.88	0.84	10.86	10.86	6.60	1.44		3.64	04/29/2005
ING Solution 2015 Portfolio - Initial Class	0.95	1.00	11.42	11.42	7.15	1.94		4.18	04/29/2005
ING Solution 2025 Portfolio - Initial Class	1.62	1.49	13.54	13.54	7.76	0.81		3.93	04/29/2005
ING Solution 2035 Portfolio - Initial Class	1.92	1.88	15.08	15.08	7.90	0.31		4.03	04/29/2005
ING Solution 2045 Portfolio - Initial Class	2.07	1.94	15.52	15.52	8.04	-0.30		4.01	04/29/2005
ING Solution 2055 Portfolio - Initial Class	2.08	1.95	15.51	15.51				7.96	03/08/2010

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Investment Options	1-Mo	3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Incept	Fund Inception Date
ING Solution Income Portfolio - Initial Class	0.61	0.57	9.84	9.84	6.48	3.36		4.31	04/29/2005
Balanced									
Moderate Allocation									
ING T. Rowe Price Capital Appreciation Portfolio - Inst (2)	1.01	1.77	14.49	14.49	10.34	5.34	9.33		01/24/1989
Large Cap Value									
Large Blend									
ING Growth and Income Portfolio - Class I	0.95	-1.21	15.49	15.49	9.36	1.12	6.59		12/31/1979
ING U.S. Stock Index Portfolio - Institutional Class	0.89	-0.45	15.50	15.50	10.31	1.18		4.60	05/03/2004
Large Value									
BlackRock Equity Dividend Fund - Institutional Shares	0.86	0.18	11.90	11.90	9.97	1.74	9.21		11/29/1988
Large Cap Growth									
Large Growth									
ING Large Cap Growth Portfolio - Institutional Class	0.25	-1.59	17.80	17.80	11.24	7.27		7.25	05/03/2004
Small/Mid/Specialty									
Mid-Cap Blend									
ING Russell Mid Cap Index Portfolio - Class I	2.28	2.83	16.75	16.75	12.59			6.24	03/04/2008
Mid-Cap Growth									
Principal MidCap Blend Fund - R-5 Class Shares	1.85	3.19	18.55	18.55	16.24	6.51	10.97		12/06/2000
Small Blend									
ING Russell Small Cap Index Portfolio - Class I	3.44	1.68	15.75	15.75	11.84			6.91	03/04/2008
ING Small Company Portfolio - Class I	3.29	1.49	14.23	14.23	11.30	3.82	9.84		12/27/1996
Global / International									
Foreign Large Blend									
American Funds EuroPacific Growth Fund - Class R-4 (3)	2.72	5.49	18.92	18.92	3.80	-1.65	9.74		04/16/1984
ING International Index Portfolio - Class I	3.91	7.43	18.42	18.42	3.73			-1.52	03/04/2008
World Stock									
ING Oppenheimer Global Portfolio - Initial Class	3.27	7.35	21.39	21.39	8.80	1.32	8.78		05/01/2002

The risks of investing in small company stocks may include relatively low trading volumes, a greater degree of change in earnings and greater short-term volatility.

Foreign investing involves special risks such as currency fluctuation and public disclosure, as well as economic and political risks.

Some of the Funds invest in securities guaranteed by the U.S. Government as to the timely payment of principal and interest; however, shares of the Funds are not insured nor guaranteed.

High yielding fixed-income securities generally are subject to greater market fluctuations and risks of loss of income and principal than are investments in lower yielding fixed-income securities.

Sector funds may involve greater-than average risk and are often more volatile than funds holding a diversified portfolio of stocks in many industries. Examples include: banking, biotechnology, chemicals, energy, environmental services, natural resources, precious metals, technology, telecommunications, and utilities.

Additional Notes

(1)The CURRENT rate for the ING Fixed Account - 457/401 Base+110 is 3.00%, expressed as an annual effective yield, and is guaranteed not to drop below 3.00% through 12/31/2013. The annual rate of interest applied to your account may be higher or lower than the current rate. Restrictions may apply to transfers of funds from the Fixed Account to other contract investment options. Please refer to your product prospectus / disclosure booklet and call your 800 number for more information.

(2)The ING T. Rowe Price Capital Appreciation - Inst. Class commenced operations on May 1, 2003. The fund has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as the Service Class of this fund. The performance information for the ING T.Rowe Price Capital Appreciation Portfolio - Inst. Class prior to May 1, 2003 is based upon the Service Class performance, NOT adjusted by fees associated with the Inst. Class.

(3)EuroPacific Growth Fund - Class R-4 commenced operations on May 15, 2002. Class R-4 has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as Class A. The performance information above prior to May 15, 2002 is based upon the Class A performance adjusted by the fee differences between classes.

Additional Notes

(4)The Investment Option is neither a mutual fund nor part of a Separate Account. The returns listed do not include the impact of contract charges. Please refer to the contract or disclosure book to determine which Fixed Interest Options are available for your specific plan. The Investment Option is offered through ING Life and Insurance Annuity Company.

Insurance products, annuities and funding agreements issued by ING Life Insurance and Annuity Company One Orange Way Windsor, CT 06095, (ILIAC), which is solely responsible for meeting its obligations. Plan administrative services provided by ILIAC or ING Institutional Plan Services, LLC. All companies are members of the ING family of companies. Securities are distributed by or offered through ING Financial Advisers, LLC (member SIPC) or other broker-dealers with which it has a selling agreement.

Not all investments options are available under all contracts; please check your disclosure booklet for options available under your plan.

The returns do not reflect the impact of a Deferred Surrender Charge. If included, performance would be less favorable.

Disclosure and Glossary

Insurance products, annuities and funding agreements issued by ING Life Insurance and Annuity Company ("ILIAC"), One Orange Way, Windsor, CT 06095, which is solely responsible for meeting its obligations. Plan administrative services provided by ILIAC or ING Institutional Plan Services, LLC. Securities distributed by or offered through ING Financial Advisers, LLC (member SIPC) or other broker-dealers with which it has a selling agreement. Annuities may also be issued by ReliaStar Life Insurance Company (Minneapolis, MN) and ReliaStar Life Insurance Company of New York (Woodbury, NY). Variable annuities issued by ReliaStar Life Insurance Company are distributed by ING Financial Advisers, LLC. Variable annuities issued by ReliaStar Life Insurance Company of New York are distributed by Directed Services LLC. Only ING Life Insurance and Annuity Company and ReliaStar Life Insurance Company of New York are admitted and issue products in the state of New York. All companies are members of the ING family of companies. Products and services may vary by state and may not be available in all states.

You should consider the investment objectives, risks, charges and expenses of the investment options offered through a retirement plan carefully before investing. The prospectus contains this and other information. Please read the prospectus carefully before investing. You can obtain a free prospectus for the portfolio/fund and/or the separate account prior to making an investment decision or at any time by contacting your local representative or 1-800-262-3862. If a different toll-free number is shown on the first page of the prospectus summary or in your enrollment material, please call that number.

If you participate in an IRC Section 403(b), 401 or 457 retirement plan funded by an SEC registered group annuity contract, this material must be preceded or accompanied by a prospectus summary for the contract.

If you are an individual contract holder of an individual retirement annuity or a non-qualified annuity, this material must be preceded or accompanied by a prospectus for the contract.

Morningstar Category
While the prospectus objective identifies a fund's investment goals based on the wording in the fund prospectus, the Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings (portfolio and other statistics over the past three years).

Investment Objective and Strategy
For mutual funds and variable annuity/life products, this is a summary of the Investment Objectives and Policy section found in every prospectus. It states the objective of the fund and how the manager(s) intend to invest to achieve this objective. It includes any limitations to the fund's investment policies, as well as any share class structure differences, previous names, mergers, liquidation, and opening and closing information. For separate accounts, the investment strategy is typically written by the asset manager.

Volatility and Risk
Although volatility and risk are closely related, the volatility measure is different from the Morningstar risk measure (a component of the star rating) shown at the top of each page. The risk measure compares a fund with other funds in its star rating group, while the volatility measure shows where the fund ranks relative to all mutual funds.

Low: In the past, this investment has shown a relatively small range of price fluctuations relative to other investments within the category. Based on this measure, currently more than two thirds of all investments have shown higher levels of risk. Consequently, this investment may appeal to investors looking for a more conservative investment strategy.

Moderate: Moderate: In the past, this investment has shown a relatively moderate range of price fluctuations relative to other investments within the category. This investment may experience larger or smaller price declines or price increases depending on market conditions. Some of this risk may be offset by owning other investments with different portfolio makeups or investment strategies.

High: In the past, this investment has shown a wide range of price fluctuations relative to other investments within the category. This investment may experience significant price increases in favorable markets or undergo large price declines in adverse markets. Some of this risk may be offset by owning other investments within different portfolio makeups or investment strategies.

The volatility measure is not displayed for investments with fewer than three years of history. The category average, however is shown.

Risk Measures
Standard Deviation: A statistical measure of the volatility of the fund's returns.

Beta: Beta is a measure of a fund's sensitivity to market movements, as defined by a benchmark index. It measures the relationship between an investment's excess return over 90-day Treasury-bills and the excess return of the benchmark index. By definition, the beta of the benchmark is 1.00. A fund with a beta greater than 1 is more volatile than the market, and a fund with a beta less than 1 is less volatile than the market. A fund with a 1.10 beta has performed 10% better than its benchmark index (after deducting the T-bill rate) in up markets, and 10% worse in down markets, assuming all other factors remain constant. A beta of 0.85 indicates that the fund has performed 15% worse than the index in up markets, and 15% better in down markets. A low beta does not imply that the fund has a low level of volatility; rather, it means only that the fund's market-related risk is low.

Prospectus Risk
As with any mutual fund, you could lose money on your investment unless otherwise noted. The share price of the fund normally changes daily based on changes in the value of the securities that the fund holds. The investment strategies that the sub advisor uses may not produce the intended results. Additional information about the investment risks are provided on the applicable fund fact sheets. For detailed information about these risks, please refer to the fund's prospectus.

NOT A DEPOSIT. NOT FDIC INSURED. NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY. NOT GUARANTEED BY THE INSTITUTION. MAY GO DOWN IN VALUE.

Active Management Risk: The investment is actively managed and subject to the risk that the advisor's usage of investment techniques and risk analyses to make investment decisions fails to perform as expected, which may cause the portfolio to lose value or underperform investments with similar objectives and strategies or the market in general.

Amortized Cost Risk: If the deviation between the portfolio's amortized value per share and its market-based net asset value per share results in material dilution or other unfair results to shareholders, the portfolio's board will take action to counteract these results, including potentially suspending redemption of shares or liquidating the portfolio.

Asset Transfer Program Risk: The portfolio is subject to unique risks because of its use in connection with certain guaranteed benefit programs, frequently associated with insurance contracts. To fulfill these guarantees, the advisor may make large transfers of assets between the portfolio and other affiliated portfolios. These transfers may subject the shareholder to increased costs if the asset base is substantially reduced and may cause the portfolio to have to purchase or sell securities at inopportune times.

Bank Loans Risk: Investments in bank loans, also known as senior loans or floating-rate loans, are rated below-investment grade and may be subject to a greater risk of default than are investment-grade loans, reducing the potential for income and potentially leading to impairment of the collateral provided by the borrower. Bank loans pay interest at rates that are periodically reset based on changes in interest rates and may be subject to increased prepayment and liquidity risks.

Capitalization Risk: Concentrating assets in stocks of one or more capitalizations (small, mid, or large) may be subject to both the specific risks of those capitalizations as well as increased volatility because stocks of specific capitalizations tend to go through cycles of beating or lagging the market as a whole.

Cash Drag Risk: The portfolio may fail to meet its investment objective because of positions in cash and equivalents.

Cash Transactions Risk: Redemptions of ETF shares for cash, rather than in-kind securities, may require the portfolio to sell securities. This may increase shareholder tax liability, potentially through capital gain distributions.

China Region Risk: Investing in the China region, including Hong Kong, the People's Republic of China, and Taiwan, may be subject to greater volatility because of the social, regulatory, and political risks of that region, as well as the Chinese government's significant level of control over China's economy and currency. A disruption of relations between China and its neighbors or trading partners could severely impact China's export-based economy.

Closed-End Fund Risk: Investments in closed-end funds generally reflect the risks of owning the underlying securities, although they may be subject to greater liquidity risk and higher costs than owning the underlying securities directly because of their management fees. Shares of CEFs are subject to market trading risk, potentially trading at a premium or discount to net asset value.

Commodity Risk: Investments in commodity-related instruments are subject to the risk that the performance of the overall commodities market declines and that weather, disease, political, tax, and other regulatory developments adversely impact the value of commodities, which may result in a loss of principal and interest. Commodity-linked investments face increased price volatility and liquidity, credit, and issuer risks compared with their underlying measures.

Compounding Risk: Because the investment is managed to replicate a multiple or inverse multiple of an index over a single day (or similar short-term period), returns for periods longer than one day will generally reflect performance that is greater or less than the target in the objective because of compounding. The effect of compounding increases during times of higher index volatility, causing long-term results to further deviate from the target objective.

Conflict of Interest Risk: A conflict of interest may arise if the advisor makes an investment in certain underlying funds based on the fact that those funds are also managed by the advisor or an affiliate or because certain underlying funds may pay higher fees to the advisor do than others. In addition, an advisor’s participation in the primary or secondary market for loans may be deemed a conflict of interest and limit the ability of the investment to acquire those assets.

Convertible Securities Risk: Investments in convertible securities may be subject to increased interest-rate risks, rising in value as interest rates decline and falling in value when interest rates rise, in addition to their market value depending on the performance of the common stock of the issuer. Convertible securities, which are typically unrated or rated lower than other debt obligations, are secondary to debt obligations in order of priority during a liquidation in the event the issuer defaults.

Country or Region Risk: Investments in securities from a particular country or region may be subject to the risk of adverse social, political, regulatory, or economic events occurring in that country or region. Country- or region-specific risks also include the risk that adverse securities markets or exchange rates may impact the value of securities from those areas.

Credit and Counterparty Risk: The issuer or guarantor of a fixed-income security, counterparty to an OTC derivatives contract, or other borrower may not be able to make timely principal, interest, or settlement payments on an obligation. In this event, the issuer of a fixed-income security may have its credit rating downgraded or defaulted, which may reduce the potential for income and value of the portfolio.

Credit Default Swaps Risk: Credit default swaps insure the buyer in the event of a default of a fixed-income security. The seller of a credit default swap receives premiums and is obligated to repay the buyer in the event of a default of the underlying creditor. Investments in credit default swaps may be subject to increased counterparty, credit, and liquidity risks.

Currency Risk: Investments in securities traded in foreign currencies or more directly in foreign currencies are subject to the risk that the foreign currency will decline in value relative to the U.S. dollar, which may reduce the value of the portfolio. Investments in currency hedging positions are subject to the risk that the value of the U.S. dollar will decline relative to the currency being hedged, which may result in a loss of money on the investment as well as the position designed to act as a hedge. Cross-currency hedging strategies and active currency positions may increase currency risk because actual currency exposure may be substantially different from that suggested by the portfolio's holdings.

Custody Risk: Foreign custodial and other foreign financial services are generally more expensive than they are in the United States and may have limited regulatory oversight. The investment may have trouble clearing and settling trades in less-developed markets, and the laws of some countries may limit the investment’s ability to recover its assets in the event the bank, depository, or agent holding those assets goes into bankruptcy.

Depositary Receipts Risk: Investments in depositary receipts generally reflect the risks of the securities they represent, although they may be subject to increased liquidity risk and higher expenses and may not pass through voting and other shareholder rights. Depositary receipts cannot be directly exchanged for the securities they represent and may trade at either a discount or premium to those securities.

Derivatives Risk: Investments in derivatives may be subject to the risk that the advisor does not correctly predict the movement of the underlying security, interest rate, market index, or other financial asset, or that the value of the derivative does not correlate perfectly with either the overall market or the underlying asset from which the derivative's value is derived. Because derivatives usually involve a small investment relative to the magnitude of liquidity and other risks assumed, the resulting gain or loss from the transaction will be disproportionately magnified. These investments may result in a loss if the counterparty to the transaction does not perform as promised.

Distressed Investments Risk: Investments in distressed or defaulted investments, which may include loans, loan participations, bonds, notes, and issuers undergoing bankruptcy organization, are often not publicly traded and face increased price volatility and liquidity risk. These securities are subject to the risk that the advisor does not correctly estimate their future value, which may result in a loss of part or all of the investment.

Dollar Rolls Risk: Dollar rolls transactions may be subject to the risk that the market value of securities sold to the counterparty declines below the repurchase price, the counterparty defaults on its obligations, or the portfolio turnover rate increases because of these transactions. In addition, any investments purchased with the proceeds of a security sold in a dollar rolls transaction may lose value.

Early Close/Late Close/Trading Halt Risk: The investment may be unable to rebalance its portfolio or accurately price its holdings if an exchange or market closes early, closes late, or issues trading halts on specific securities or restricts the ability to buy or sell certain securities or financial instruments. Any of these scenarios may cause the investment to incur substantial trading losses.

Emerging Markets Risk: Investments in emerging- and frontier-markets securities may be subject to greater market, credit, currency, liquidity, legal, political, and other risks compared with assets invested in developed foreign countries.

Equity Securities Risk: The value of equity securities, which include common, preferred, and convertible preferred stocks, will fluctuate based on changes in their issuers' financial conditions, as well as overall market and economic conditions, and can decline in the event of deteriorating issuer, market, or economic conditions.

ETF Risk: Investments in exchange-traded funds generally reflect the risks of owning the underlying securities they are designed to track, although they may be subject to greater liquidity risk and higher costs than owning the underlying securities directly because of their management fees. Shares of ETFs are subject to market trading risk, potentially trading at a premium or discount to net asset value.

ETN Risk: Investments in exchange-traded notes may be subject to the risk that their value is reduced because of poor performance of the underlying index or a downgrade in the issuer’s credit rating, potentially resulting in default. The value of these securities may also be impacted by time to maturity, level of supply and demand, and volatility and lack of liquidity in underlying markets, among other factors. The portfolio bears its proportionate share of fees and expenses associated with investment in ETNs, and its decision to sell these holdings may be limited by the availability of a secondary market.

Event-Driven Investment/ Arbitrage Strategies Risk: Arbitrage strategies involve investment in multiple securities with the expectation that their prices will converge at an expected value. These strategies face the risk that the advisor’s price predictions will not perform as expected. Investing in event-driven or merger arbitrage strategies may not be successful if the merger, restructuring, tender offer, or other major corporate event proposed or pending at the time of investment is not completed on the terms contemplated.

Extension Risk: The issuer of a security may repay principal more slowly than expected because of rising interest rates. In this event, short- and medium-duration securities are effectively converted into longer-duration securities, increasing their sensitivity to interest-rate changes and causing their prices to decline.

Financials Sector Risk: Concentrating assets in the financials sector may disproportionately subject the portfolio to the risks of that industry, including loss of value because of economic recession, availability of credit, volatile interest rates, government regulation, and other factors.

Fixed Income Securities Risk: The value of fixed-income or debt securities may be susceptible to general movements in the bond market and are subject to interest-rate and credit risk.

Foreign Securities Risk: Investments in foreign securities may be subject to increased volatility as the value of these securities can change more rapidly and extremely than can the value of U.S. securities. Foreign securities are subject to increased issuer risk because foreign issuers may not experience the same degree of regulation as U.S. issuers do and are held to different reporting, accounting, and auditing standards. In addition, foreign securities are subject to increased costs because there are generally higher commission rates on transactions, transfer taxes, higher custodial costs, and the potential for foreign tax charges on dividend and interest payments. Many foreign markets are relatively small, and securities issued in less-developed countries face the risks of nationalization, expropriation or confiscatory taxation, and adverse changes in investment or exchange control regulations, including suspension of the ability to transfer currency from a country. Economic, political, social, or diplomatic developments can also negatively impact performance.

Forwards Risk: Investments in forwards may increase volatility and be subject to additional market, active management, currency, and counterparty risks as well as liquidity risk if the contract cannot be closed when desired. Forwards purchased on a when-issued or delayed-delivery basis may be subject to risk of loss if they decline in value prior to delivery, or if the counterparty defaults on its obligation.

Futures Risk: Investments in futures contracts and options on futures contracts may increase volatility and be subject to additional market, active management, interest, currency, and other risks if the contract cannot be closed when desired.

Growth Investing Risk: Growth securities may be subject to increased volatility as the value of these securities is highly sensitive to market fluctuations and future earnings expectations. These securities typically trade at higher multiples of current earnings than do other securities and may lose value if it appears their earnings expectations may not be met.

Hedging Strategies Risk: The advisor's use of hedging strategies to reduce risk may limit the opportunity for gains compared with unhedged investments, and there is no guarantee that hedges will actually reduce risk.

High Portfolio Turnover Risk: Active trading may create high portfolio turnover, or a turnover of 100% or more, resulting in increased transaction costs. These higher costs may have an adverse impact on performance and generate short-term capital gains, creating potential tax liability even if an investor does not sell any shares during the year.

High Yield Securities Risk: Investments in below-investment-grade debt securities and unrated securities of similar credit quality, commonly known as "junk bonds" or "high-yield securities," may be subject to increased interest, credit, and liquidity risks.

Income Risk: The investment's income payments may decline depending on fluctuations in interest rates and the dividend payments of its underlying securities. In this event, some investments may attempt to pay the same dividend amount by returning capital.

Increase in Expenses Risk: The actual cost of investing may be higher than the expenses listed in the expense table for a variety of reasons, including termination of a voluntary fee waiver or losing portfolio fee breakpoints if average net assets decrease. The risk of expenses increasing because of a decrease in average net assets is heightened when markets are volatile.

Index Correlation/Tracking Error Risk: A portfolio that tracks an index is subject to the risk that certain factors may cause the portfolio to track its target index less closely, including if the advisor selects securities that are not fully representative of the index. The portfolio will generally reflect the performance of its target index even if the index does not perform well, and it may underperform the index after factoring in fees, expenses, transaction costs, and the size and timing of shareholder purchases and redemptions.

Industry and Sector Investing Risk: Concentrating assets in a particular industry, sector of the economy, or markets may increase volatility because the investment will be more susceptible to the impact of market, economic, regulatory, and other factors affecting that industry or sector compared with a more broadly diversified asset allocation.

Inflation/Deflation Risk: A change of asset value may occur because of inflation or deflation, causing the portfolio to underperform. Inflation may cause the present value of future payments to decrease, causing a decline in the future value of assets or income. Deflation causes prices to decline throughout the economy over time, impacting issuers' creditworthiness and increasing their risk for default, which may reduce the value of the portfolio.

Inflation-Protected Securities Risk: Unlike other fixed-income securities, the values of inflation-protected securities are not significantly impacted by inflation expectations because their interest rates are adjusted for inflation. Generally, the value of inflation-protected securities will fall when real interest rates rise and rise when real interest rates fall.

Interest Rate Risk: Most securities are subject to the risk that changes in interest rates will reduce their market value.

Intraday Price Performance Risk: The investment is rebalanced according to the investment objective at the end of the trading day, and its reported performance will reflect the closing net asset value. A purchase at the intraday price may generate performance that is greater or less than reported performance.

Inverse Floaters Risk: Investments in inverse floaters may be subject to increased price volatility compared with fixed-rate bonds that have similar credit quality, redemption provisions, and maturity. The performance of inverse floaters tends to lag fixed-rate bonds in rising long-term interest-rate environments and exceed them in falling or stable long-term interest-rate environments.

Investment-Grade Securities Risk: Investments in investment-grade debt securities that are not rated in the highest rating categories may lack the capacity to pay principal and interest compared with higher-rated securities and may be subject to increased credit risk.

IPO Risk: Investing in initial public offerings may increase volatility and have a magnified impact on performance. IPO shares may be sold shortly after purchase, which can increase portfolio turnover and expenses, including commissions and transaction costs. Additionally, IPO shares are subject to increased market, liquidity, and issuer risks.

Issuer Risk: A stake in any individual security is subject to the risk that the issuer of that security performs poorly, resulting in a decline in the security's value. Issuer-related declines may be caused by poor management decisions, competitive pressures, technological breakthroughs, reliance on suppliers, labor problems or shortages, corporate restructurings, fraudulent disclosures, or other factors. Additionally, certain issuers may be more sensitive to adverse issuer, political, regulatory, market, or economic developments.

Large Cap Risk: Concentrating assets in large-capitalization stocks may subject the portfolio to the risk that those stocks underperform other capitalizations or the market as a whole. Large-cap companies may be unable to respond as quickly as small- and mid-cap companies can to new competitive pressures and may lack the growth potential of those securities. Historically, large-cap companies do not recover as quickly as smaller companies do from market declines.

Lending Risk: Investing in loans creates risk for the borrower, lender, and any other participants. A borrower may fail to make payments of principal, interest, and other amounts in connection with loans of cash or securities or fail to return a borrowed security in a timely manner, which may lead to impairment of the collateral provided by the borrower. Investments in loan participations may be subject to increased credit, pricing, and liquidity risks, with these risks intensified for below investment-grade loans.

Leverage Risk: Leverage transactions may increase volatility and result in a significant loss of value if a transaction fails. Because leverage usually involves investment exposure that exceeds the initial investment, the resulting gain or loss from a relatively small change in an underlying indicator will be disproportionately magnified.

Long-term Outlook and Projections Risk: The investment is intended to be held for a substantial period of time, and investors should tolerate fluctuations in their investment’s value.

Loss of Money Risk: Because the investment's market value may fluctuate up and down, an investor may lose money, including part of the principal, when he or she buys or sells the investment.

Management Risk: Performance is subject to the risk that the advisor's asset allocation and investment strategies do not perform as expected, which may cause the portfolio to underperform its benchmark, other investments with similar objectives, or the market in general. The investment is subject to the risk of loss of income and capital invested, and the advisor does not guarantee its value, performance, or any particular rate of return.

Market Trading Risk: Because shares of the investment are traded on the secondary market, investors are subject to the risks that shares may trade at a premium or discount to net asset value. There is no guarantee that an active trading market for these shares will be maintained.

Market/Market Volatility Risk: The market value of the portfolio's securities may fall rapidly or unpredictably because of changing economic, political, or market conditions, which may reduce the value of the portfolio.

Master/Feeder Risk: The portfolio is subject to unique risks related to the master/feeder structure. Feeder funds bear their proportionate share of fees and expenses associated with investment in the master fund. The performance of a feeder fund can be impacted by the actions of other feeder funds, including if a larger feeder fund maintains voting control over the operations of the master fund or if large-scale redemptions by another feeder fund increase the proportionate share of costs of the master fund for the remaining feeder funds.

Maturity/Duration Risk: Securities with longer maturities or durations typically have higher yields but may be subject to increased interest-rate risk and price volatility compared with securities with shorter maturities, which have lower yields but greater price stability.

Mid-Cap Risk: Concentrating assets in mid-capitalization stocks may subject the portfolio to the risk that those stocks underperform other capitalizations or the market as a whole. Mid-cap companies may be subject to increased liquidity risk compared with large-cap companies and may experience greater price volatility than do those securities because of more-limited product lines or financial resources, among other factors.

MLP Risk: Investments in master limited partnerships may be subject to the risk that their value is reduced because of poor performance of the underlying assets or if they are not treated as partnerships for federal income tax purposes. Investors in MLPs have more-limited control and voting rights on matters affecting the partnership compared with shareholders of common stock.

Money Market Fund Risk: Money market funds are subject to the risk that they may not be able to maintain a stable net asset value of $1.00 per share. Investments in money market funds are not a deposit in a bank and are not guaranteed by the FDIC, any other governmental agency, or the advisor itself.

Mortgage-Backed and Asset-Backed Securities Risk: Investments in mortgage-backed and asset-backed securities may be subject to increased price volatility because of changes in interest rates, issuer information availability, credit quality of the underlying assets, market perception of the issuer, availability of credit enhancement, and prepayment of principal. The value of ABS and MBS may be adversely affected if the underlying borrower fails to pay the loan included in the security.

Multimanager Risk: Managers' individual investing styles may not complement each other. This can result in both higher portfolio turnover and enhanced or reduced concentration in a particular region, country, industry, or investing style compared with an investment with a single manager.

Municipal Obligations, Leases, and AMT-Subject Bonds Risk: Investments in municipal obligations, leases, and private activity bonds subject to the alternative minimum tax have varying levels of public and private support. The principal and interest payments of general-obligation municipal bonds are secured by the issuer's full faith and credit and supported by limited or unlimited taxing power. The principal and interest payments of revenue bonds are tied to the revenues of specific projects or other entities. Federal income tax laws may limit the types and volume of bonds qualifying for tax exemption of interest and make any further purchases of tax-exempt securities taxable.

Municipal Project-Specific Risk: Investments in municipal bonds that finance similar types of projects, including those related to education, health care, housing, transportation, utilities, and industry, may be subject to a greater extent than general obligation municipal bonds to the risks of adverse economic, business, or political developments.

New Fund Risk: Investments with a limited history of operations may be subject to the risk that they do not grow to an economically viable size in order to continue operations.

Nondiversification Risk: A nondiversified investment, as defined under the Investment Act of 1940, may have an increased potential for loss because its portfolio includes a relatively small number of investments. Movements in the prices of the individual assets may have a magnified effect on a nondiversified portfolio. Any sale of the investment's large positions could adversely affect stock prices if those positions represent a significant part of a company's outstanding stock.

Not FDIC Insured Risk: The investment is not a deposit or obligation of, or guaranteed or endorsed by, any bank and is not insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other U.S. governmental agency.

Options Risk: Investments in options may be subject to the risk that the advisor does not correctly predict the movement of an option's underlying stock. Option purchases may result in the loss of part or all of the amount paid for the option plus commission costs. Option sales may result in a forced sale or purchase of a security at a price higher or lower than its current market price.

OTC Risk: Investments traded and privately negotiated in the over-the-counter market, including securities and derivatives, may be subject to greater price volatility and liquidity risk than transactions made on organized exchanges. Because the OTC market is less regulated, OTC transactions may be subject to increased credit and counterparty risk.

Other Risk: The investment's performance may be impacted by its concentration in a certain type of security, adherence to a particular investing strategy, or a unique aspect of its structure and costs.

Passive Management Risk: The investment is not actively managed, and the advisor does not attempt to manage volatility or take defensive positions in declining markets. This passive management strategy may subject the investment to greater losses during general market declines than actively managed investments.

Portfolio Diversification Risk: Investments that concentrate their assets in a relatively small number of issuers, or in the securities of issuers in a particular market, industry, sector, country, or asset class, may be subject to greater risk of loss than is a more widely diversified investment.

Preferred Stocks Risk: Investments in preferred stocks may be subject to the risks of deferred distribution payments, involuntary redemptions, subordination to debt instruments, a lack of liquidity compared with common stocks, limited voting rights, and sensitivity to interest-rate changes.

Prepayment (Call) Risk: The issuer of a debt security may be able to repay principal prior to the security's maturity because of an improvement in its credit quality or falling interest rates. In this event, this principal may have to be reinvested in securities with lower interest rates than the original securities, reducing the potential for income.

Pricing Risk: Some investments may not have a market observed price; therefore, values for these assets may be determined through a subjective valuation methodology. Fair values determined by a subjective methodology may differ from the actual value realized upon sale. Valuation methodologies may also be used to calculate a daily net asset value.

Quantitative Investing Risk: Holdings selected by quantitative analysis may perform differently from the market as a whole based on the factors used in the analysis, the weighting of each factor, and how the factors have changed over time.

Real Estate/REIT Sector Risk: Concentrating assets in the real estate sector or REITs may disproportionately subject the portfolio to the risks of that industry, including loss of value because of changes in real estate values, interest rates, and taxes, as well as changes in zoning, building, environmental, and other laws, among other factors. Investments in REITs may be subject to increased price volatility and liquidity risk, and shareholders indirectly bear their proportionate share of expenses because of their management fees.

Regulation/Government Intervention Risk: The business of the issuer of an underlying security may be adversely impacted by new regulation or government intervention, impacting the price of the security. Direct government ownership of distressed assets in times of economic instability may subject the portfolio's holdings to increased price volatility and liquidity risk.

Reinvestment Risk: Payments from debt securities may have to be reinvested in securities with lower interest rates than the original securities.

Reliance on Trading Partners Risk: Investments in economies that depend heavily on trading with key partners may be subject to the risk that any reduction in this trading may adversely impact these economies.

Replication Management Risk: The investment does not seek investment returns in excess of the underlying index.

Therefore, it will not generally sell a security unless it was removed from the index, even if the security's issuer is in financial trouble.

Repurchase Agreements Risk: Repurchase agreements may be subject to the risk that the seller of a security defaults and the collateral securing the repurchase agreement has declined and does not equal the value of the repurchase price. In this event, impairment of the collateral may result in additional costs.

Restricted/Illiquid Securities Risk: Restricted and illiquid securities may fall in price because of an inability to sell the securities when desired. Investing in restricted securities may subject the portfolio to higher costs and liquidity risk.

Sampling Risk: Although the portfolio tracks an index, it maintains a smaller number of holdings than does the index. Use of this representative sampling approach may lead the portfolio to track the index less closely.

Shareholder Activity Risk: Frequent purchases or redemptions by one or multiple investors may harm other shareholders by interfering with the efficient management of the portfolio, increasing brokerage and administrative costs and potentially diluting the value of shares. Additionally, shareholder purchase and redemption activity may have an impact on the per-share net income and realized capital gains distribution amounts, if any, potentially increasing or reducing the tax burden on the shareholders who receive those distributions.

Short Sale Risk: Selling securities short may be subject to the risk that an advisor does not correctly predict the movement of the security, resulting in a loss if a security must be purchased on the market above its initial borrowing price to return to the lender, in addition to interest paid to the lender for borrowing the security.

Small Cap Risk: Concentrating assets in small-capitalization stocks may subject the portfolio to the risk that those stocks underperform other capitalizations or the market as a whole. Smaller, less-seasoned companies may be subject to increased liquidity risk compared with mid- and large-cap companies and may experience greater price volatility than do those securities because of limited product lines, management experience, market share, or financial resources, among other factors.

Socially Conscious Risk: Adhering to social, moral, or environmental criteria may preclude potentially profitable opportunities in sectors or firms that would otherwise be consistent with the investment objective and strategy.

Sovereign Debt Risk: Investments in debt securities issued or guaranteed by governments or governmental entities are subject to the risk that an entity may delay or refuse to pay interest or principal on its sovereign debt because of cash flow problems, insufficient foreign reserves, or political or other considerations. In this event, there may be no legal process for collecting sovereign debts that a governmental entity has not repaid.

Structured Products Risk: Investments in structured products may be more volatile, less liquid, and more difficult to price than other assets. These securities bear the risk of the underlying investment as well as counterparty risk. Securitized structured products including CMOs, CDOs, and other securitized products may increase volatility and be subject to increased liquidity and pricing risks compared with investing directly in the assets securitized within the product. Assets invested in structured products may be subject to full loss of value if the counterparty defaults on its obligation.

Suitability Risk: Investors are expected to select investments whose investment strategies are consistent with their financial goals and risk tolerance.

Swaps Risk: Investments in swaps, such as interest-rate swaps, currency swaps and total return swaps, may increase volatility and be subject to increased liquidity, credit, and counterparty risks. Depending on their structure, swaps may increase or decrease the portfolio's exposure to long- or short-term interest rates, foreign currency values, corporate borrowing rates, security prices, index values, inflation rates, credit, or other factors.

Target Date Risk: Target-date funds, also known as lifecycle funds, shift their asset allocation to become increasingly conservative as the target retirement year approaches. Still, investment in target-date funds may lose value near, at, or after the target retirement date, and there is no guarantee they will provide adequate income at retirement.

Tax Management Risk: A tax-sensitive investment strategy that uses hedging or other techniques may fail to limit distributions of taxable income and net realized gains and therefore create some tax liability for shareholders.

Tax Risk: Investors may be liable to pay state and federal taxes on income and capital gains distributions paid out by the investment.

Tax-Exempt Securities Risk: Tax-exempt securities could be reclassified as taxable by the IRS or a state tax authority, or their income could be reclassified as taxable by a future legislative, administrative, or court action. This may result in increased tax liability as interest from a security becomes taxable, and such reclassifications could be applied retroactively.

Technology Sector Risk: Concentrating assets in the technology sector may disproportionately subject the portfolio to the risks of that industry, including loss of value because of intense competitive pressures, short product cycles, dependence on intellectual property rights, legislative or regulatory changes, and other factors.

Temporary Defensive Measures Risk: Temporary defensive positions may be used during adverse economic, market, or other conditions. In this event, up to 100% of assets may be allocated to securities, including cash and cash equivalents that are normally not consistent with the investment objective.

U.S. Federal Tax Treatment Risk: Changes in the tax treatment of dividends, derivatives, foreign transactions, and other securities may have an impact on performance and potentially increase shareholder liability. Additionally, this includes the risk that the fund fails to qualify as a regulated investment company, potentially resulting in a significantly higher level of taxation.

U.S. Government Obligations Risk: Investments in U.S. government obligations are subject to varying levels of government support. In the event of default, some U.S. government securities, including U.S. Treasury obligations and Ginnie Mae securities, are issued and guaranteed as to principal and interest by the full faith and credit of the U.S. government. Other securities are obligations of U.S. government-sponsored entities but are neither issued nor guaranteed by the U.S. government.

U.S. State or Territory-Specific Risk: Investments in the municipal securities of a particular state or territory may be subject to the risk that changes in the economic conditions of that state or territory will negatively impact performance.

Underlying Fund/ Fund of Funds Risk: A portfolio's risks are closely associated with the risks of the securities and other investments held by the underlying or subsidiary funds, and the ability of the portfolio to meet its investment objective likewise depends on the ability of the underlying funds to meet their objectives. Investment in other funds may subject the portfolio to higher costs than owning the underlying securities directly because of their management fees.

Unrated Securities Risk: Investments in unrated securities may be subject to increased interest, credit, and liquidity risks if the advisor does not accurately assess the quality of those securities.

Valuation Time Risk: Net asset value is not calculated on days and times when the U.S. exchange is closed, though foreign security holdings may still be traded. In this event, the net asset value may be significantly impacted when shareholders are not able to buy or sell shares. Conversely, performance may vary from the index if the NAV is calculated on days and times when foreign exchanges are closed.

Value Investing Risk: Value securities may be subject to the risk that these securities cannot overcome the adverse factors the advisor believes are responsible for their low price or that the market may not recognize their fundamental value as the advisor predicted. Value securities are not expected to experience significant earnings growth and may underperform growth stocks in certain markets.

Variable-Rate Securities Risk: Investments in variable-rate securities, which periodically adjust the interest-rate paid on the securities, may be subject to greater liquidity risk than are other fixed-income securities. Because variable-rate securities are subject to less interest-rate risk than other fixed-income securities, their opportunity to provide capital appreciation is comparatively reduced.

Warrants Risk: Investments in warrants may be subject to the risk that the price of the underlying stock does not rise above the exercise price. In this event, the warrant may expire without being exercised and lose all value.

Zero-Coupon Bond Risk: Investments in zero-coupon bonds, which do not pay interest prior to maturity, may be subject to greater price volatility and liquidity risks than are fixed-income securities that pay interest periodically. Still,

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interest accrued on these securities prior to maturity is reported as income and distributed to shareholders.

Portfolio Analysis

Composition: A portfolio's composition will tell you something about its risk level. Funds that hold a large percentage of assets in cash usually carry less risk because not all of their holdings are exposed to the market. We use a pie chart to help you see how much of your investment consists of stocks, bonds, or cash. We also show how much of your investment is held in foreign stocks.

Top 5 or 10 Holdings: The top holdings are the stocks or bonds with the most influence on a portfolio's returns. Conservative portfolios typically devote no more than 3% to 4% of their assets to any one stock or bond. More daring portfolios may devote 7% or more to one stock. Add up the weighting of the top five holdings for another measure of risk. A conservative option generally bets 15% or less on the top 5 holdings, while a portfolio with more than 25% in the top five may be considered aggressive.

Morningstar Style Box™

The Morningstar Style Box reveals an investment choice's investment strategy as of the date noted on this report.

For equity funds the vertical axis shows the market capitalization of the long stocks owned and the horizontal axis shows investment style (value, blend, or growth).

For fixed-income funds, the vertical axis shows the credit quality of the long bonds owned and the horizontal axis shows interest rate sensitivity as measured by a bond's effective duration.

Morningstar seeks credit rating information from fund companies on a periodic basis (e.g., quarterly). In compiling credit rating information Morningstar accepts credit ratings reported by fund companies that have been issued by all Nationally Recognized Statistical Rating Organizations (NRSROs). For a list of all NRSROs, please visit http://www.sec.gov/divisions/marketreg/ratingagency.htm. Additionally, Morningstar accepts foreign credit ratings from widely recognized or registered rating agencies. If two rating organizations/agencies have rated a security, fund companies are to report the lower rating; if three or more organizations/agencies have rated a security, fund companies are to report the median rating, and in cases where there are more than two organization/agency ratings and a median rating does not exist, fund companies are to use the lower of the two middle ratings. PLEASE NOTE: Morningstar, Inc. is not itself an NRSRO nor does it issue a credit rating on the fund. An NRSRO or rating agency ratings can change from time-to-time.

For credit quality, Morningstar combines the credit rating information provided by the fund companies with an average default rate calculation to come up with a weighted-average credit quality. The weighted-average credit quality is currently a letter that roughly corresponds to the scale used by a leading NRSRO. Bond funds are assigned a style box placement of "low", "medium", or "high" based on their average credit quality. Funds with a low credit quality are those whose weighted-average credit quality is determined to be less than "BBB-"; medium are those less than "AA-", but greater or equal to "BBB-"; and high are those with a weighted-average credit quality of "AA-" or higher. When classifying a bond portfolio, Morningstar first maps the NRSRO credit ratings of the underlying holdings to their respective default rates (as determined by Morningstar's analysis of actual historical default rates). Morningstar then averages these default rates to determine the average default rate for the entire bond fund. Finally, Morningstar maps this average default rate to its corresponding credit rating along a convex curve.

For interest-rate sensitivity, Morningstar obtains from fund companies the average effective duration. Generally, Morningstar classifies a fixed-income fund's interest-rate sensitivity based on the effective duration of the Morningstar Core Bond Index (MCBI), which is currently three years. The classification of Limited will be assigned to those funds whose average effective duration is between 25% to 75% of MCBI's average effective duration; funds whose average effective duration is between 75% to 125% of the MCBI will be classified as Moderate; and those that are at 125% or greater of the average effective duration of the MCBI will be classified as Extensive.

For municipal bond funds, Morningstar also obtains from fund companies the average effective duration. In these cases static breakpoints are utilized. These breakpoints are as follows: (i) Limited: 4.5 years or less; (ii) Moderate: more than 4.5 years but less than 7 years; and (iii) Extensive: more than 7 years. In addition, for non-US taxable and non-US domiciled fixed income funds static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: greater than 3.5 and less than equal to 6 years; (iii) Extensive: greater than 6 years.

See also Credit Analysis

Market capitalization: The value of a company based on the current selling price of its stock and the number of shares it has issued. Market capitalization equals the number of shares issued multiplied by the share price. The Market Capitalization breakdown presents the overall market capitalization of the fund based on the individual stocks held within its portfolio. Individual stocks are classified as giant, large, mid, small or micro. Giant-cap stocks are defined as the group that accounts for the top 40% of the capitalization of the style zone; large-cap stocks represent the next 30%; mid-cap stocks represent the next 20%; and small-cap and micro stocks represent the balance. For the traditional Style Box, giant-cap stocks are included in the large-cap group.The market caps that correspond to these breakpoints are flexible and may shift from month to month as the market changes.

Giant-cap: For domestic companies, the biggest companies (in terms of market capitalization) in the investment universe. For international companies, a firm with a market capitalization exceeding $100 billion.

Large cap: For domestic companies, a firm of the 250 largest ones. For international companies, a firm in excess of $5 billion assets. A large-cap fund has a median market capitalization of greater than that of the 250th largest stock.

Mid-cap (also Medium cap): For domestic companies, a firm with the market capitalization of between 250th largest and 1,000th largest stock. For international companies, a firm with market capitalization of $1 billion to $5 billion. A mid-cap fund has a portfolio with a median market capitalization of between 250th largest and 1,000th largest stock.

Small-cap: For domestic companies, a firm with a market capitalization of less than that of the 1,000th largest stock. For international companies, a firm with less than $1 billion. A small-cap fund has a median market capitalization of less than that of 1,000th largest stock.

Micro-cap: For domestic comopanies, a firm with a market capitalization of approximately between $50 million and $300 million.

Average Effective Duration: A measure of a portfolio's interest-rate sensitivity—the longer a fund's duration, the more sensitive the portfolio is to shifts in interest rates. Duration is determined by a formula that includes coupon rates and bond maturities. Small coupons tend to increase duration, while shorter maturities and higher coupons shorten duration. The relationship between portfolios with different durations is straightforward: A portfolio with a duration of 10 years is twice as volatile as a portfolio with a five-year duration. Morningstar prints an average effective duration statistic that incorporates call, put, and prepayment possibilities.

Average Effective Maturity: Average effective maturity is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each bond's effective maturity by the market value of the security. Average effective maturity takes into consideration all mortgage prepayments, puts, and adjustable coupons. Because Morningstar uses fund company calculations for this figure and because different companies use varying interest-rate assumptions in determining call likelihood and timing, we ask that companies not adjust for call provisions. Longer-maturity funds are generally considered more interest-rate sensitive than their shorter counterparts.

Morningstar Equity Sectors: Morningstar determines how much of each investment is held in each of the 11 major industrial sectors, which are listed on your Investment Profile page in order from least risky (utilities) to most risky (technology). For domestic-stock funds, sector weightings provide another avenue into understanding the relative riskiness of different investment strategies. If a fund's sector allocation is similar to the overall market-as measured by the S&P 500 index-then the fund manager is likely following a conservative style. If management heavily overweights individual sectors by owning two or three times as much as the S&P 500 holds, then the fund's strategy typically takes on more risk.

Morningstar Super Sectors: For International investments, Morningstar presents how much of each investment is held in each of the 3 Super Sectors: Cyclical, Sensitive, Defensive. For domestic-stock funds, sector weightings provide another avenue into understanding the relative riskiness of different investment strategies. If a fund's sector allocation is similar to the overall market-as measured by the S&P 500 index-then the fund manager is likely following a conservative style. If management heavily overweights individual sectors by owning two or three times as much as the S&P 500 holds, then the fund's strategy typically takes on more risk.

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Morningstar Fixed Income Sectors: For fixed-income funds, we display the percentage of the fund's fixed-income assets invested in each of the six fixed-income sectors: Government, Corporate, Securitized, Municipal, Cash and Other. Other consists of Interest Rate Swaps, Treasury Futures and Derivatives.

Credit analysis: For corporate-bond and municipal bond funds, the credit analysis depicts the quality of the U.S. and non-U.S. bonds in the fund's portfolio. Credit quality can influence the returns of portfolios that invest heavily in bonds. The Credit Analysis graph shows the percentage of fund assets that are invested in each of the major credit ratings, as determined by Standard & Poor's or Moody's. At the top of the ratings are AAA bonds. Bonds within a BBB rating are the lowest bonds that are still considered to be of investment grade. Bonds that are rated at or lower than BB (often called junk bonds or high-yield bonds) are considered to be quite speculative and are more risky than higher-rated credits. Any bonds that appear in the NR/NA category are either not rated by Standard & Poor's or Moody's or did not have a rating available.

Morningstar World Regions: The percentage of assets a fund has invested in the various regions of the world. Regional exposure is a major determinant of the return of world and foreign funds. Consequently, you will want to know which regions your investment is most exposed to. The Morningstar Investment Profile shows the percentage of assets invested in each of ten world regions.

Allocation of Stocks and Bonds: This graphic is presented for Target Date investments and depicts how the allocation to stocks and bonds changes over time as you near retirement.

Operations:
The amounts shown are estimated operating expenses as a ratio of expenses to average daily net assets. These estimates are based on the Portfolio's actual operating expenses for its most recently completed fiscal year, adjusted for contractual charges, if any, and fee waivers to which the investment advisor has agreed.

Fees and expenses may be subject to change based on several factors, including but not limited to fund size or fee waiver arrangements. Please refer to the fund's prospectus for more information.

Funds or their affiliates may pay compensation to ING companies offering a fund. Such compensation may be paid out of distribution, service and/or 12b-1 fees that are deducted from the fund's assets, and/or may be paid directly by the fund's affiliates. Any fees deducted from fund assets are discussed in the fund's prospectus and disclosed in the fund fact sheet. Because these fees are paid on an on-going basis, over time these fees will increase the cost of your investment and may cost you more than paying other types of sales charges.

If offered through a retirement program, additional fees and expenses may be charged under that program.

Gross Prospectus Expense Ratio: The total gross expenses (net expenses with waivers added back in) divided by the fund's average net assets.

Net Prospectus Expense Ratio: The amount of money taken out of your account each year to pay for the operation and management of an investment portfolio, expressed as a percentage.

Management Fee: The amount of money taken out of your account each year to pay for the operation and management of an investment portfolio, expressed as a percentage.

12b-1 Fee: Maximum annual charge deducted from fund assets to pay for distribution and marketing costs. Although usually set on a percentage basis, this amount will occasionally be a flat figure.

Other Fee: Fund expenses classified as other can vary greatly among fund companies and generally include atypical expenses that do not otherwise fall into management or 12b-1 fees. Please see the prospectus for more details.

Miscellaneous Fee: The total of fee expense types not identified in a fund prospectus as Management Fee, 12b-1 Fee or Other Fee.

Inception Date: The date on which the fund began its operations. Funds with long track records offer more history by which investors can assess overall fund performance. However, another important factor to consider is the fund manager and his or her tenure with the fund. Often times a change in fund performance can indicate a change in management.

Total Fund Assets ($mil): The net assets of all share classes of the underlying fund, recorded in millions of dollars. Net-asset figures are useful in gauging an underlying fund's size, agility, and popularity. They help determine whether a small-company fund, for example, can remain in its investment-objective category if its asset base reaches an ungainly size.

Annual Turnover ratio: A proxy for how frequently a manager trades his or her portfolio.

Fund Family Name: The fund's distributor.

Waiver Data: This indicates that the fund is waiving sales fees at the time of publication. Call the fund's distributor to ensure that the waiver is still active at the time of investment.

Waiver Type: Waivers can be either contractual or voluntary. Contractual waivers are in place until a stated date. Voluntary waivers can be stopped at any time Call the fund's distributor to ensure that the voluntary waiver is still active at the time of investment exp date: the expiration date associated with contractual waivers.

Portfolio Manager(s): The name of the person or persons who determine which stocks or bonds belong in a portfolio.

Advisor: The company that takes primary responsibility for managing the fund.

Subadvisor: In some cases, the advisor employs another company, called the subadvisor, to handle the fund's day-to-day management. In these instances, the portfolio manager generally works for the fund's subadvisor, and not the advisor.

Glossary:
American Depository Receipts (ADRs): ADRs are securities that represent shares in a foreign company. They are traded on major U.S. stock exchanges and over the counter.

Asset base: The amount of money that a fund has under management. Frequently called assets or net assets.

Benchmark: An index or other standard against which an investment's performance is measured. A stock fund's returns are often compared with those of the S&P 500 index.

Bull market: A period in which security prices in a given market are generally rising.

Capital appreciation: An increase in the share price of a security. This is one of the two primary sources of an investor's total return. The other primary source is income.

Concentrated portfolio: A portfolio that is limited to relatively few securities or industries although its manager can invest in a diversified universe.

Current-coupon bond: A bond that is trading at its face value or par because it is paying a market-level rate of interest.

Debt: Another term for a bond or fixed-income security.

Derivative: A security that has been crafted from an existing asset or security. Derivatives' value (and investors' returns) derive from the value of the underlying asset or security. Examples of equity derivatives include futures contracts and options. Collateralized mortgage obligations (CMOs) and mortgage-backed securities are examples of fixed-income derivatives.

Diversification: Diversification is essentially the opposite of "keeping all your eggs in one basket". If you own just one investment, you'll have a limited amount of diversification. By owning several investments, particularly mutual funds that follow different investment strategies and hold different types of assets, you may lower your portfolio's overall risk. Diversification does not guarantee a profit or protect against loss in a declining market.

Dividend: A distribution of a portion of a company's earnings to its stockholders. Older, larger, and more-established companies are more likely to pay dividends. Young, growing companies often need to reinvest all of their profits into their businesses, and thus are less likely to pay out dividends to investors.

Equity: Another term for stock, which is issued by a corporation and trades on an exchange.

Fixed-income security: Another term for a bond or debt security.

Growth: There are two common uses of the word growth in the investment industry. In the first sense, growth refers to an increase in a firm's profits or sales. In the second sense, growth refers to a style of investing in which managers seek firms with rapidly increasing profits or sales, often paying little attention to the prices they pay for such stocks.

High-yield bond: Also referred to as a junk bond, this is a fixed-income security that has a credit rating of less than BBB, as measured by Standard & Poor's, or BAA as measured by Moody's. These bonds are much more sensitive to the economic cycle than are high-quality securities, but they offer the potential for higher coupons (interest payments), or yield, in return to investors who take on the added risk.

Income: Payment to an investor of a dividend from a stock or of interest on a bond. Income is one of the two sources of total return, the other being capital appreciation.

Index: As a noun, index refers to a benchmark, such as the S&P 500, that is used to measure a fund's performance. As a verb, it refers to the practice of buying and holding the securities that compose an index, or securities that are representative of an index.

Investment-grade bonds: A bond that carries a Standard & Poor's rating of BBB or a Moody's rating of BAA or better.

Money-market fund: A fund that invests exclusively in short-term securities, such as Treasury bills, certificates of deposit, and commercial paper. The maximum average maturity of these securities is generally 120 days.

Net Asset Value (NAV): An investment's expense ratio is the percentage of assets deducted each fiscal year for fund operational costs, including management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund.

Premium bond: A bond that sells for a price greater than its face value, usually because the bond pays a rate of interest greater than the market's. A bond that has a face value of $1,000 and sells for $1,025 has a 2.5% premium.

Principal: The face value of a bond that its owner receives at maturity. The term also refers to the amount invested in a fund or security, independent of any earnings or losses on the investment.

Real Estate Investment Trust (REITs): A company that invests in multiple real-estate properties. REITs trade on major stock exchanges, and are held by many mutual funds.

Security: This term can refer to any financial asset, including stocks, bonds, and derivative issues.

Standard & Poor's 500 Index (S&P 500): A collection of 500 large, widely held stocks used as a measure of stock-market performance. The 500 stocks in the index include 400 industrial companies, 20 transportation firms, 40 financial companies, and 40 public utilities.

Total return: The combined profits of a fund, including undistributed capital gains, capital appreciation, capital gains, and ordinary income.

ING'S PRIVACY PROMISE

ING

Your future. Made easier.®

Effective Date: October 1, 2010*
Effective Date for IFP: October 1, 2011**

ING is committed to protecting the privacy and confidentially of your personal information.

As providers of products and services that involve compiling personal — and sometimes, sensitive — information, protecting the confidentiality of that information has been, and will continue to be, a top priority throughout the ING companies.

Whether you are a current customer, former customer, or potential customer, we believe that you should know about the information we collect, the measures we take to safeguard it, and the limited circumstances in which we may share your information.

1. We collect only the customer information necessary to consistently deliver responsive products and services.

The information we collect and the extent to which we use it will vary depending on the product or service involved.

The ING companies collect information that helps serve your financial needs; provide high levels of customer service; develop and offer new products or services for our customers and potential customers; and fulfill legal and regulatory requirements.

The information collected generally varies depending on the products or services you request and may include:

- Information provided on applications and related forms — for example, name, age, address, Social Security number, and annual income.
- Responses from your employer, benefit plan sponsor, or association regarding any group products we may provide — for example, name, age, address, Social Security number, and annual income.
- Third-party reports, such as consumer credit history, motor vehicle records, demographic and/or medical information, if relevant to your product or service.
- Information about your relationship with us, such as products or services purchased, and account balances.

2. We maintain safeguards to protect privacy and information security.

We have implemented security standards and processes — including physical, electronic and procedural safeguards. We limit access to customer information to employees, registered representatives or agents who may need it to do their job. These individuals are trained to respect the confidentiality of your personal information and understand their duty to safeguard it.

3. We restrict the sharing of customer information with anyone — even our affiliates — for use in marketing.

First and foremost, we do not sell or share customer information with outside parties who want to market their products to you.

As a provider of a wide variety of financial products and services, we may identify opportunities to enhance customer service or to offer you additional products and services offered by other ING companies.

However, an ING company will not share information about you with another ING company that could be used to make insurance underwriting or lending decisions about you, unless you direct us to or unless we notify you first and give you a chance to say no.

In addition, an ING company will not use certain personal information (such as income, account history or credit history) received from another ING company in order to market its products or services to you unless you direct us to, or unless we notify you first and give you a chance to say no.

Similarly, we will not share personal information with third-party financial services entities, such as banks, credit unions, credit union service corporations, insurance companies, or securities broker-dealers, for purposes of joint marketing unless you direct us to, or unless we notify you first and give you a chance to say no.

4. We share customer information as necessary for business, regulatory, and servicing purposes.

We will share customer information to facilitate or service a transaction you have requested, but only in accordance with federal or state law. For example:

- When you apply for a life insurance product, the ING life insurance companies may use a common application to avoid multiple medical tests. In this way, the information you provide and authorize us to obtain may subsequently be used by one or all of these companies as necessary to determine — and offer to you — the product most appropriate for your needs.
- In some cases, your information (for example, name, address, age, and Social Security number) may be provided to other ING companies such as our securities broker-dealers, our insurance companies and agencies, or our banks to process or service a transaction you have requested or to facilitate enhanced customer service.
- We may share or exchange information with companies engaged to work with us, such as third-party administrators and vendors hired to effect, administer or enforce a transaction that you request or authorize; to develop or maintain software; to perform marketing research; or to provide us with demographic information to develop marketing plans. We require these companies to maintain the confidentiality of customer information and use it only for the purpose for which it was provided.
- We may provide information to reputable consumer reporting agencies in connection with your application or renewal of insurance coverage.

We may also share customer information in accordance with, or as required by, law or regulation (for example, in response to a subpoena, to prevent fraud, and to comply with rules of, or inquiries from, industry regulators).

In a few cases, an ING company not listed in this notice may have a privacy policy that differs from the one stated in this notice. If that is the case, you will receive a separate privacy notice from that ING business if you are a customer.

In addition, the agent or registered representative with whom you work to obtain ING financial products and services may use the personal information about you in his or her own files to advise you of other products or to help you with your overall financial strategy.

We will reaffirm this policy annually in writing, as long as you maintain an ongoing relationship with any of the ING companies listed below. While this policy may change from time to time, you can always review our current policy online at http://ing.us .

In this notice, the words "you" and "customer" are used to mean any individual who obtains or has obtained a financial product or service from an ING company that is to be used primarily for person, family, or household purposes.

*Following is a list of the ING companies that this notice applies to, as of October 1, 2010:

- Directed Services LLC
- ING America Equities, Inc.
- ING America Insurance Holdings, Inc.
- ING Capital Corporation, LLC
- ING Financial Advisers, LLC
- ING Funds Services, LLC
- ING Investment Advisors, LLC
- ING Investment Management Co.
- ING Investment Management LLC
- ING Investment Trust Co.
- ING Investments, LLC
- ING Investments Distributor, LLC
- ING Life Insurance and Annuity Company
- ING National Trust
- ING USA Annuity and Life Insurance Company
- Midwestern United Life Insurance Company
- ReliaStar Life Insurance Company
- ReliaStar Life Insurance Company of New York
- Security Life Assignment Corporation
- Security Life of Denver Insurance Company

** This policy applies to ING Financial Partners on October 1, 2011.

Additional information for clients of ING Financial Partners, Inc.:

We recognize that your relationship with your registered representative is important.

- If you are a participant of an employer sponsored plan, your registered representative may be under a contractual agreement that restricts the transfer of your personal information and/or your employer sponsored plan account to the new firm.
- Should your registered representative decide to transfer his or her registration to another broker-dealer, your representative may wish to continue to service your account(s) at the new firm. With your authorization and in accordance with Regulation S-P (covering the privacy and safeguarding of your personal information), your registered representative may take your personal information to the new firm.
- If your account was opened with ING Financial Partners because of your relationship with a third-party financial institution (such as a bank, thrift or credit union), we will share your personal and account information if your financial institution enters into a new agreement with another broker-dealer.
- ING Financial Partners is a member of the Securities Investor Protection Corporation (SIPC). You can obtain information including a brochure by calling SIPC at 202-371-8300 or visiting their website at www.sipc.org.

If either your registered representative or your financial institution transfers to another broker-dealer and you do not want ING Financial Partners to share or disclose your personal information, please contact us at 888-825-9130.

ING "EXCESSIVE TRADING" POLICY

The ING family of companies ("ING"), as providers of multi-fund variable insurance and retirement products, has adopted this Excessive Trading Policy to respond to the demands of the various fund families which make their funds available through our variable insurance and retirement products to restrict excessive fund trading activity and to ensure compliance with Section 22c-2 of the Investment Company Act of 1940, as amended. ING's current definition of Excessive Trading and our policy with respect to such trading activity is outlined below.

1. ING actively monitors fund transfer and reallocation activity within its variable insurance and retirement products to identify Excessive Trading.

ING currently defines Excessive Trading as:

a. More than one purchase and sale of the same fund (including money market funds) within a 60 calendar day period (hereinafter, a purchase and sale of the same fund is referred to as a "round-trip"). This means two or more round-trips involving the same fund within a 60 calendar day period would meet ING's definition of Excessive Trading; or

b. Six round-trips within a twelve month period.

The following transactions are excluded when determining whether trading activity is excessive:

a. Purchases or sales of shares related to non-fund transfers (for example, new purchase payments, withdrawals and loans);

b. Transfers associated with scheduled dollar cost averaging, scheduled rebalancing or scheduled asset allocation programs;

c. Purchases and sales of fund shares in the amount of $5,000 or less;

d. Purchases and sales of funds that affirmatively permit short-term trading in their fund shares, and movement between such funds and a money market fund; and

e. Transactions initiated by a member of the ING family of insurance companies.

2. If ING determines that an individual has made a purchase of a fund within 60 days of a prior round-trip involving the same fund, ING will send them a letter warning that another sale of that same fund within 60 days of the beginning of the prior round-trip will be deemed to be Excessive Trading and result in a six month suspension of their ability to initiate fund transfers or reallocations through the Internet, facsimile, Voice Response Unit (VRU), telephone calls to the ING Customer Service Center, or other electronic trading medium that ING may make available from time to time ("Electronic Trading Privileges"). Likewise, if ING determines that an individual has made five round-trips within a twelve month period, ING will send them a letter warning that another purchase and sale of that same fund within twelve months of the initial purchase in the first round-trip in the prior twelve month period will be deemed to be Excessive Trading and result in a six month suspension of their Electronic Trading Privileges. According to the needs of the various business units, a copy of the warning letters may also be sent, as applicable, to the person(s) or entity authorized to initiate fund transfers or reallocations, the agent/registered representative or investment adviser for that individual. A copy of the warning letters and details of the individual's trading activity may also be sent to the fund whose shares were involved in the trading activity.

3. If ING determines that an individual has used one or more of its products to engage in Excessive Trading, ING will send a second letter to the individual. This letter will state that the individual's Electronic Trading Privileges have been suspended for a period of six months. Consequently, all fund transfers or reallocations, not just those which involve the fund whose shares were involved in the Excessive Trading activity, will then have to be initiated by providing written instructions to ING via regular U.S. mail. During the six month suspension period, electronic "inquiry only" privileges will be permitted where and when possible. A copy of the letter restricting future transfer and reallocation activity to regular U.S. mail and details of the individual's trading activity may also be sent to the fund whose shares were involved in the Excessive Trading activity.

4. Following the six month suspension period during which no additional Excessive Trading is identified, Electronic Trading Privileges may again be restored. ING will continue to monitor the fund transfer and reallocation activity, and any future Excessive Trading will result in an indefinite suspension of the Electronic Trading Privileges. Excessive Trading activity during the six month suspension period will also result in an indefinite suspension of the Electronic Trading Privileges.

5. ING reserves the right to limit fund trading or reallocation privileges with respect to any individual, with or without prior notice, if ING determines that the individual's trading activity is disruptive, regardless of whether the individual's trading activity falls within the definition of Excessive Trading set forth above. Also, ING's failure to send or an individual's failure to receive any warning letter or other notice contemplated under this Policy will not prevent ING from suspending that individual's Electronic Trading Privileges or taking any other action provided for in this Policy.

6. Each fund available through ING's variable insurance and retirement products, either by prospectus or stated policy, has adopted or may adopt its own excessive/frequent trading policy. ING reserves the right, without prior notice, to implement restrictions and/or block future purchases of a fund by an individual who the fund has identified as violating its excessive/frequent trading policy. All such restrictions and/or blocking of future fund purchases will be done in accordance with the directions ING receives from the fund.

http://ing.us

Insurance products, annuities and funding agreements issued by ING Life Insurance and Annuity Company ("ILIAC"), One Orange Way, Windsor, CT 06095, which is solely responsible for meeting its obligations. Plan administrative services provided by ILIAC or ING Institutional Plan Services, LLC. **Securities distributed by or offered through ING Financial Advisers, LLC (member SIPC) or other broker-dealers with which it has a selling agreement.** Annuities may also be issued by ReliaStar Life Insurance Company (Minneapolis, MN) and ReliaStar Life Insurance Company of New York (Woodbury, NY). Variable annuities issued by ReliaStar Life Insurance Company are distributed by ING Financial Advisers, LLC. Variable annuities issued by ReliaStar Life Insurance Company of New York are distributed by Directed Services LLC. Only ING Life Insurance and Annuity Company and ReliaStar Life Insurance Company of New York are admitted and issue products in the state of New York. All companies are members of the ING family of companies. Products and services may vary by state and may not be available in all states.

ING

HTTP://ING.US

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GOVERNMENT CLASSIC AND BLEND

Supplement dated July, 2012

This supplemental information exhibit provides you with important information regarding fund revenue sharing and expenses, sales compensation, the availability of other products from ING Life Insurance and Annuity Company (the Company) and other important information.

FUND FEES AND EXPENSES

The management investment advisory fees, 12b-1 fees and other expenses including service fees (if applicable) that may be charged annually by each underlying mutual fund are disclosed in the fund prospectuses and in a Fund Fees and Expenses Table available from your sales representative. The fund fee and expense information listed in the Fund Fees and Expenses Table was provided by the funds. As shown in the fund prospectuses and the Fund Fees and Expenses Table, each fund deducts management/investment advisory fees from the amounts allocated to the fund. In addition, each fund deducts other expenses which may include service fees that may be used to compensate service providers, including the Company and its affiliates, for administrative and contract owner or participant services provided on behalf of the fund. Furthermore, certain funds deduct a distribution or 12b-1 fee, which is used to finance any activity that is primarily intended to result in the sale of fund shares. Fund fees and expenses are deducted from the value of the fund shares on a daily basis. If the fund shares are offered under a group annuity contract or group funding agreement, as applicable, this will in turn affect the value of each subaccount that purchases fund shares. Fund fees and expenses are one factor that impacts the value of a fund's shares. **To learn more about fund fees and expenses, the additional factors that can affect the value of a fund's shares and other important information about the funds, refer to the fund prospectuses.**

A single mutual fund usually offers more than one "class" of shares to investors. The key distinctions between these share classes are the charges and ongoing fees borne by the fund and absorbed by investors. These fees may include 12b-1 fees as well as administrative and "Sub-TA" fees (sometimes called service fees). The least expensive classes of mutual fund shares are often called "Initial Class" or "Class I" and generally only charge management fees and limited fees for other expenses related to the fund. These classes of shares usually generate the least amount of revenue for the Company, although they may pay service fees. Various share classes may charge 12b-1 fees up to 1.00%. These classes are often called Class A, Service Class, Adviser Class, R Class or S Class shares. They may also have other names.

Less expensive share classes of the funds offered through this contract may be available for investment outside of this contract. You should evaluate the expenses associated with the funds available through this contract before making a decision to invest.

Fund of Funds. Certain funds may be structured as "fund of funds" or "master-feeder" funds. These funds may have higher fees and expenses than a fund that invests directly in debt and equity securities, because they also incur the fees and expenses of the underlying funds in which they invest. These funds may be affiliated funds, and the underlying funds in which they invest may be affiliated as well. The fund prospectuses and the fund fact sheets disclose the aggregate annual operating expenses of each fund and its corresponding underlying fund or funds.

Your product may make more than one menu of funds available for the plan sponsor to select from. Generally, these menus differ from one another according to ranges of fund fee expense levels, administrative fund fees, and by share class. Plan sponsors should know that the expense levels associated with a fund menu may affect billed expenses, daily asset charges and other features of the product. This is because other product charges are related to the amount of fund revenue that the Company receives. Plan sponsors should discuss with their sales professional how fund revenues may affect services provided as well as other product fees and charges, as mentioned above.

Redemption Fees. Also as part of complying with Rule 22c-2 under the 1940 Act, certain fund companies may deduct redemption fees as the result of withdrawals, transfers or other fund transactions that a participant or the plan sponsor initiates. If applicable, the Company may deduct the amount of any redemption fees imposed by the fund(s). These fees are separate and distinct from any transaction charges or other charges deducted from a participant's account value. For a more complete description of the funds' fees and expenses, review the fund prospectuses.

Revenue from the Funds

The Company may receive compensation from each of the funds or the funds' affiliates. For certain funds, some of this compensation may be paid out of 12b-1 fees or service fees that are deducted from fund assets. Any such fees deducted from fund assets are disclosed in the fund prospectuses. The Company may also receive additional compensation from certain funds for administrative, recordkeeping or other services provided by the Company to the funds or the funds' affiliates. These additional payments may also be used by the Company to finance distribution. These additional payments are made by the funds or the funds' affiliates to the Company and do not increase, directly or indirectly, the fund fees and expenses.

The amount of revenue the Company may receive from each of the funds or from the funds' affiliates may be substantial, although the amounts and types of revenue vary with respect to each of the funds offered through the contract. This revenue is one of several factors we consider when determining contract fees and charges and whether to offer a fund through our contracts. **Fund revenue is important to the Company's profitability and it is generally more profitable for us to offer affiliated funds than to offer unaffiliated funds.**

Assets allocated to affiliated funds, meaning funds managed by Directed Services LLC, ING Investments, LLC or another Company affiliate, generate the largest dollar amount of revenue for the Company. Affiliated funds may also be subadvised by a Company affiliate or by an unaffiliated third party. Assets allocated to unaffiliated funds, meaning funds managed by an unaffiliated third party, generate lesser, but still substantial dollar amounts of revenue for the Company. The Company expects to earn a profit from this revenue to the extent it exceeds the Company's expenses, including the payment of sales compensation to its distributors.

Revenue Received from Affiliated Funds. The revenue received by the Company from affiliated funds may be deducted from fund assets and may include:

- A share of the management fee;
- Service fees;
- For certain share classes, compensation paid from 12b-1 fees; and
- Other revenues that may be based either on an annual percentage of average net assets held in the fund by the Company or a percentage of the management fees.

In the case of affiliated funds subadvised by unaffiliated third parties, any sharing of the management fee between the Company and the affiliated investment adviser is based on the amount of such fee remaining after the subadvisory fee has been paid to the unaffiliated subadviser. Because subadvisory fees vary by subadviser, varying amounts of revenue are retained by the affiliated investment adviser and ultimately shared with the Company. The sharing of the management fee between the Company and the affiliated investment adviser does not increase, directly or indirectly, fund fees and expenses. The Company may also receive additional compensation in the form of intercompany payments from an affiliated fund's investment adviser or the investment adviser's parent in order to allocate revenue and profits across the organization. These intercompany payments and other revenue received from affiliated funds provide the Company with a financial incentive to offer affiliated funds through the contract rather than unaffiliated funds.

Additionally, in the case of affiliated funds subadvised by third parties, no direct payments are made to the Company or the affiliated investment adviser by the subadvisers. However, subadvisers may provide reimbursement for employees of the Company or its affiliates to attend business meetings or training conferences.

Types of Revenue Received from Unaffiliated Funds. Revenue received from each of the unaffiliated funds or their affiliates is based on an annual percentage of the average net assets held in that fund by the Company. Some unaffiliated funds or their affiliates pay us more than others and some of the amounts we receive may be significant.

The revenue received by the Company from unaffiliated funds may be deducted from fund assets and may include:

- Service fees;
- For certain share classes, compensation paid from 12b-1 fees; and
- Additional payments for administrative, recordkeeping or other services which we provide to the funds or their affiliates, such as processing purchase and redemption requests, and mailing fund prospectuses, periodic reports and proxy materials. These additional payments are not disclosed in the Fund Fees and Expenses Table and do not increase directly or indirectly the fees and expenses shown in each fund's prospectus or in the Fund Fees and Expenses Table. These additional payments may be used by us to finance distribution of the contract.

If the unaffiliated fund families currently offered through the contracts that made payments to us were individually ranked according to the total amount they paid to the Company or its affiliates in 2011, in connection with the unregistered variable separate account contracts issued by the Company, that ranking would be as follows:

- American Funds®
- Fidelity Investments® [1]
- Pioneer Investment Management
- Franklin® Templeton® Investments [2]
- T. Rowe Price Funds [3]
- Columbia Wanger Asset Management
- Lord Abbett Funds
- OppenheimerFunds, Inc.
- Pimco Funds
- Baron Funds®
- BlackRock, Inc.
- MFS Investment Management® [4]
- Invesco℠ Funds
- CRM Funds [5]
- Eaton Vance Distributors, Inc.
- Janus Capital Management LLC
- Allianz Global Investors
- Lazard Asset Management LLC
- American Century Investments
- Davis Funds
- RidgeWorth Funds
- Galliard Capital Management
- Ariel Investments
- Loomis Sayles Funds
- Thornburg Investment Management®

If the revenues received from the affiliated funds were taken into account when ranking the funds according to the total dollar amount they paid to the Company or its affiliates in 2011, the affiliated funds would be first on the list.

[1] Fidelity and Fidelity Investments are registered trademarks of FMR Corp.
[2] Franklin and Templeton are registered trademarks of Franklin Resources, Inc. or its subsidiaries.
[3] T. Rowe Price, Invest With Confidence, the Big Horn Sheep and the logo they compose are trademarks or registered trademarks of T. Rowe Price Group, Inc. in the U.S. and other countries.
[4] MFS Investment Management® is a registered trademark of Massachusetts Financial Services Company.
[5] "CRM Funds" are distributed by "Professional Funds Distributor, LLC"

In addition to the types of revenue received from affiliated and unaffiliated funds described above, affiliated and unaffiliated funds and their investment advisers, subadvisers or affiliates may participate at their own expense in Company sales conferences or educational and training meetings. In relation to such participation, a fund's investment adviser, subadviser or affiliate may help offset the cost of the meetings or sponsor events associated with the meetings. In exchange for these expense offset or sponsorship arrangements, the investment adviser, subadviser or affiliate may receive certain benefits and access opportunities to Company sales representatives and wholesalers rather than monetary benefits. These benefits and opportunities include, but are not limited to, co-branded marketing materials, targeted marketing sales opportunities, training opportunities at meetings, training modules for sales professionals and opportunities to host due diligence meetings for representatives and wholesalers.

Please note certain management personnel and other employees of the Company or its affiliates may receive a portion of their total employment compensation based on the amount of net assets allocated to affiliated funds.

SALES COMPENSATION

Contract Distribution

The Company's subsidiary, ING Financial Advisers, LLC, serves as the principal underwriter for the contracts. ING Financial Advisers, LLC, a Delaware limited liability company, is registered as a broker-dealer with the SEC. ING Financial Advisers, LLC is also a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). ING Financial Advisers, LLC's principal office is located at One Orange Way, Windsor, Connecticut 06095-4774.

The contracts are offered to the public by sales professionals who are registered representatives of ING Financial Advisers, LLC, registered representatives of broker-dealers that have entered into selling arrangements with ING Financial Advisers, LLC, or not registered with any broker-dealer. We refer to the broker-dealers and other firms whose sales professionals sell the contracts as "distributors." All sales professionals selling the contracts must be appropriately licensed as insurance agents for the Company.

The following distributors are affiliated with the Company and have entered into selling agreements with ING Financial Advisers, LLC for the sale of our contracts:

- ING Financial Partners, Inc.
- Systematized Benefits Administrators, Inc.

Sales professionals of distributors who solicit sales of the contracts typically receive a portion of the compensation paid to the distributor in the form of commissions or other compensation, depending upon the agreement between the distributor and the sales professional. This compensation, as well as other incentives or payments, is not paid directly by plan sponsors or participants. We intend to recoup this compensation and other sales expenses paid to distributors through fees and charges imposed under the contracts.

Compensation Arrangements

Commission Payments. Sales professionals provide numerous services, including services to plan sponsors and participants. These include installing and servicing contracts, providing product explanations, and periodically reviewing participants' retirement needs as well as the investment options available under the contract. Compensation to sales professionals is provided through sales commissions. Commissions paid on transferred assets range from 0% to 3%; commissions paid on recurring contributions made during the first year of the contract or, if applicable, participant account and on increases in deferrals range from 0% to 4%; commissions paid on recurring contributions after the first year range from 0% to 2%. In addition, the Company may pay an asset based commission ranging up to 0.50%. In some situations, the Company may pay sales professionals a flat dollar commission that may exceed the commission maximums described above. Sales professionals may receive all or a portion of compensation paid to their distributor, depending upon the firm's practices. The amount of commissions and annual payments paid to your sales professional will be disclosed in the written materials we provide at the point of sale. In some situations, the Company may employ sales professionals to perform enrollment and other services, and may pay these sales professionals a flat salary rather than a commission.

Other Compensation Arrangements. We may also enter into special compensation arrangements with certain distributors based on those firms' aggregate or anticipated assets under management, sales of the contracts, or other criteria. These arrangements may include commission specials, in which additional commissions may be paid in connection with premium payments received for a limited time period within the maximum commission rates noted above. These special compensation arrangements will not be offered to all distributors, and the terms of such arrangements may differ among distributors based on various factors. These special compensation arrangements may also be limited only to distributors affiliated with the Company. Any such compensation payable to a distributor will not result in any additional direct charge to you by us.

To the extent permitted by SEC and FINRA rules and other applicable laws and regulations, we may also pay or allow other promotional incentives or payments in the form of cash payments or other compensation to sales professionals and distributors, which may require the sales professional or distributor to attain a certain threshold of sales of Company products. These other promotional incentives or payments may not be offered to all distributors and may be limited only to ING Financial Advisers, LLC and other distributors affiliated with the Company.

Some sales professionals may receive various types of non-cash compensation as special sales incentives, including trips and we may also pay for some sales professionals to attend educational and/or business seminars. Any such compensation will be paid in accordance with SEC and FINRA rules. Management personnel of the Company, and of its affiliated broker-dealers, may receive additional compensation if the overall amount of investments in funds advised by the Company or its affiliates meets certain target levels or increases over time. Compensation for certain management personnel, including sales management personnel, may be enhanced if management personnel meet or exceed goals for sales of the contracts, or if the overall amount of investments in the contracts and other products issued or advised by the Company or its affiliates increases over time. Certain sales management personnel may also receive compensation that is a specific percentage of the commissions paid to distributors or of purchase payments received under the contracts, or which may be a flat dollar amount that varies based upon other factors, including management's ability to meet or exceed service requirements, sell new contracts or retain existing contracts, or sell additional service features such as a common remitting program.

In addition to direct cash compensation for sales of contracts described above, through ING Financial Advisers, LLC, we may also pay sales professionals and distributors additional compensation or reimbursement of expenses for their efforts in selling contracts to plan sponsors and other customers.

These amounts may include:

- Marketing/distribution allowances that may be based on the percentages of purchase payments received, the aggregate commissions paid and/or the aggregate assets held in relation to certain types of designated insurance products issued by the Company and/or its affiliates during the year;
- Loans or advances of commissions in anticipation of future receipt of purchase payments (a form of lending to registered representatives). These loans may have advantageous terms, such as reduction or elimination of the interest charged on the loan and/or forgiveness of the principal amount of the loan, which may be conditioned on sales;
- Education and training allowances to facilitate our attendance at certain educational and training meetings to provide information and training about our products. We also hold training programs from time to time at our own expense;
- Sponsorship payments or reimbursements for distributors to use in sales contests and/or meetings for their sales professionals who sell our products. We do not hold contests based solely on sales of this product;
- Certain overrides and other benefits that may include cash compensation based on the amount of earned commissions, representative recruiting or other activities that promote the sale of contracts; and
- Additional cash or noncash compensation and reimbursements permissible under existing law. This may include, but is not limited to, cash incentives, merchandise, trips, occasional entertainment, meals and tickets to sporting events, client appreciation events, business and educational enhancement items, payment for travel expenses (including meals and lodging) to pre-approved training and education seminars, and payment for advertising and sales campaigns.

We pay dealer concessions, wholesaling fees, overrides, bonuses, other allowances and benefits and the costs of all other incentives or training programs from our resources, which include the fees and charges imposed under the contracts.

The following is a list of the top 25 distributors that, during 2011, received the most compensation, in the aggregate, from us in connection with the sale of packaged programs and unregistered variable separate account contracts issued by the Company, ranked by total dollars received:

- LPL Financial Corporation
- ING Financial Partners, Inc.
- NRP Financial, Inc.
- Lincoln Financial Group
- NFP Securities, Inc.
- Park Avenue Securities, LLC
- Morgan Keegan and Company, Inc.
- Northwestern Mutual Investment Services, LLC
- Morgan Stanley Smith Barney LLC
- Tower Square Securities, Inc.
- National Planning Corporation
- NYLIFE Securities LLC
- Woodbury Financial Services, Inc.
- Financial Telesis Inc./JHW Financial & Insurance Services
- Financial Network Investment Corporation
- Multi-Financial Securities Corporation
- Securities America, Inc.
- Royal Alliance Associates, Inc.
- M Holdings Securities, Inc.
- SRN Services, Inc.
- American Portfolios Financial Services, Inc.
- Wells Fargo & Company
- Walnut Street Securities, Inc.®
- PrimeVest Financial Services, Inc.
- M&I Financial Advisors Inc.

This is a general discussion of the types and levels of compensation paid by us for the sale of our unregistered variable separate account contracts. It is important for you to know that the payment of volume or sales-based compensation to a distributor or sales professional, along with the ability of the sales professional to select from various compensation options, may provide that sales professional a financial incentive to promote our contracts over those of another company, and may also provide a financial incentive to promote one of our contracts over another.

The names of the distributor and/or the sales professional responsible for your account are stated in your enrollment materials.

Third Party Compensation Arrangements. Please be aware that:
- The Company may seek to promote itself and the Programs by sponsoring or contributing to events sponsored by various associations, professional organizations and labor organizations;
- The Company may make payments to associations and organizations, including labor organizations, which endorse or otherwise recommend the Programs to their membership. If an endorsement is a factor in the plan sponsor's Program purchasing decision, more information on the payment arrangement, if any, is available upon your request; and
- At the direction of the plan sponsor, we may make payments to the plan sponsor, its representatives or third party service providers intended to defray or cover the costs of plan or Program related administration.

OTHER PRODUCTS

We and our affiliates offer various other products with different features and terms than these contracts that may offer some or all of the same funds. These products differ according to benefits, fees and charges. Plan sponsors who are interested in learning more about these other products may contact their sales professional.

LIMITS ON FREQUENT OR DISRUPTIVE TRANSFERS

The contract is not designed to serve as a vehicle for frequent transfers. Frequent transfer activity can disrupt management of a fund and raise its expenses through:
- Increased trading and transaction costs;
- Forced and unplanned portfolio turnover;
- Lost opportunity costs; and
- Large asset swings that decrease the fund's ability to provide maximum investment return to all contract owners and participants.

This in turn can have an adverse effect on fund performance. **Accordingly, individuals or organizations that use market-timing investment strategies or make frequent transfers should not purchase or participate in the contract.**

Excessive Trading Policy. The Company and its affiliates that provide multi-fund variable insurance and retirement products have adopted a common Excessive Trading Policy to respond to the demands of the various fund families that make their funds available through our products to restrict excessive fund trading activity and to ensure compliance with Rule 22c-2 of the Investment Company Act of 1940 (1940 Act).

We actively monitor fund transfer and reallocation activity within our variable insurance products and retirement products to identify violations of our Excessive Trading Policy. Our Excessive Trading Policy is violated if fund transfer and reallocation activity:
- Meets or exceeds our current definition of Excessive Trading, as defined below; or
- Is determined, in our sole discretion, to be disruptive or not in the best interests of other owners of our variable insurance and retirement products, or participants in such products.

We currently define "Excessive Trading" as:
- More than one purchase and sale of the same fund (including money market funds) within a 60 calendar day period (hereinafter, a purchase and sale of the same fund is referred to as a "round-trip"). This means two or more round-trips involving the same fund within a 60 calendar day period would meet our definition of Excessive Trading; or
- Six round-trips involving the same fund within a rolling twelve month period.

The following transactions are excluded when determining whether trading activity is excessive:

- Purchases or sales of shares related to non-fund transfers (for example, new purchase payments, withdrawals and loans);
- Transfers associated with scheduled dollar cost averaging, scheduled rebalancing, or scheduled asset allocation programs;
- Purchases and sales of fund shares in the amount of $5,000 or less;
- Purchases and sales of funds that affirmatively permit short-term trading in their fund shares, and movement between such funds and a money market fund; and
- Transactions initiated by us, another member of the ING family of companies, or a fund.

If we determine that an individual or entity has made a purchase of a fund within 60 days of a prior round-trip involving the same fund, we will send them a letter (once per year) warning that another sale of that same fund within 60 days of the beginning of the prior round-trip will be deemed to be Excessive Trading and result in a six month suspension of their ability to initiate fund transfers or reallocations through the Internet, facsimile, Voice Response Unit (VRU), telephone calls to the ING Customer service centers or other electronic trading medium that we may make available from time to time (Electronic Trading Privileges). Likewise, if we determine that an individual or entity has made five round-trips involving the same fund within a rolling twelve month period, we will send them a letter warning that another purchase and sale of that same fund within twelve months of the initial purchase in the first round-trip will be deemed to be Excessive Trading and result in a suspension of their Electronic Trading Privileges. According to the needs of the various business units, a copy of any warning letters may also be sent, as applicable, to the person(s) or entity authorized to initiate fund transfers or reallocations, the agent/registered representative, or the investment adviser for that individual or entity. A copy of the warning letters and details of the individual's or entity's trading activity may also be sent to the fund whose shares were involved in the trading activity.

If we determine that an individual or entity has violated our Excessive Trading Policy, we will send them a letter stating that their Electronic Trading Privileges have been suspended for a period of six months. Consequently, all fund transfers or reallocations, not just those that involve the fund whose shares were involved in the activity that violated our Excessive Trading Policy, will then have to be initiated by providing written instructions to us via regular U.S. mail. Suspension of Electronic Trading Privileges may also extend to products other than the product through which the Excessive Trading activity occurred. During the six month suspension period, electronic "inquiry only" privileges will be permitted where and when possible. A copy of the letter restricting future transfer and reallocation activity to regular U.S. mail and details of the individual's or entity's trading activity may also be sent, as applicable, to the person(s) or entity authorized to initiate fund transfers or reallocations, the agent/registered representative or investment adviser for that individual or entity, and the fund whose shares were involved in the activity that violated our Excessive Trading Policy.

Following the six month suspension period during which no additional violations of our Excessive Trading Policy are identified, Electronic Trading Privileges may again be restored. We will continue to monitor the fund transfer and reallocation activity, and any future violations of our Excessive Trading Policy will result in an indefinite suspension of Electronic Trading Privileges. A violation of our Excessive Trading Policy during the six month suspension period will also result in an indefinite suspension of Electronic Trading Privileges.

We reserve the right to suspend Electronic Trading Privileges with respect to any individual or entity, with or without prior notice, if we determine, in our sole discretion, that the individual's or entity's trading activity is disruptive or not in the best interests of other owners of our variable insurance and retirement products, or participants in such products, regardless of whether the individual's or entity's trading activity falls within the definition of Excessive Trading set forth above.

Our failure to send or an individual's or entity's failure to receive any warning letter or other notice contemplated under our Excessive Trading Policy will not prevent us from suspending that individual's or entity's Electronic Trading Privileges or taking any other action provided for in our Excessive Trading Policy.

The Company does not allow exceptions to our Excessive Trading Policy. We reserve the right to modify our Excessive Trading Policy, or the policy as it relates to a particular fund, at any time without prior notice, depending on, among other factors, the needs of the underlying fund(s), the best interests of contract owners, participants, and fund investors, and/or state or federal regulatory requirements. If we modify our policy, it will be applied uniformly to all contract owners and participants or, as applicable, to all contract owners and participants investing in the underlying fund.

Our Excessive Trading Policy may not be completely successful in preventing market-timing or excessive trading activity. If it is not completely successful, fund performance and management may be adversely affected, as noted above.

Limits Imposed by the Underlying Funds. Each underlying fund available through the variable insurance and retirement products offered by us and/or the other members of the ING family of companies, either by prospectus or stated policy, has adopted or may adopt its own excessive/frequent trading policy, and orders for the purchase of fund shares are subject to acceptance or rejection by the underlying fund. We reserve the right, without prior notice, to implement fund purchase restrictions and/or limitations on an individual or entity that the fund has identified as violating its excessive/frequent trading policy and to reject any allocation or transfer request to a subaccount if the corresponding fund will not accept the allocation or transfer for any reason. All such restrictions and/or limitations (which may include, but are not limited to, suspension of Electronic Trading Privileges and/or blocking of future purchases of a fund or all funds within a fund family) will be done in accordance with the directions we receive from the fund.

Agreements to Share Information with Fund Companies. As required by Rule 22c-2 under the 1940 Act, we have entered into information sharing agreements with each of the fund companies whose funds are offered through the contract. Contract owner and participant trading information is shared under these agreements as necessary for the fund companies to monitor fund trading and our implementation of our Excessive Trading Policy. Under these agreements, the Company is required to share information regarding contract owner and participant transactions, including but not limited to information regarding fund transfers initiated by you. In addition to information about contract owner and participant transactions, this information may include personal contract owner and participant information, including names and social security numbers or other tax identification numbers.

As a result of this information sharing, a fund company may direct us to restrict a contract owner or participant's transactions if the fund determines that the contract owner or participant has violated the fund's excessive/frequent trading policy. This could include the fund directing us to reject any allocations of purchase payments or account value to the fund or all funds within the fund family.

SAME-SEX MARRIAGES

Pursuant to Section 3 of the federal Defense of Marriage Act ("DOMA"), same-sex marriages currently are not recognized for purposes of federal law. Therefore, the favorable income-deferral options afforded by federal tax law to an opposite-sex spouse under Tax Code sections 72(s) and 401(a)(9) are currently NOT available to a same-sex spouse. Same-sex spouses who own or are considering the purchase of annuity products that provide benefits based upon status as a spouse should consult a tax advisor. In some states, including New York, to the extent that an annuity contract or certificate accords to spouses other rights or benefits that are not affected by DOMA, same-sex spouses remain entitled to such rights or benefits to the same extent as any contract holder's spouse.

ANTI-MONEY LAUNDERING

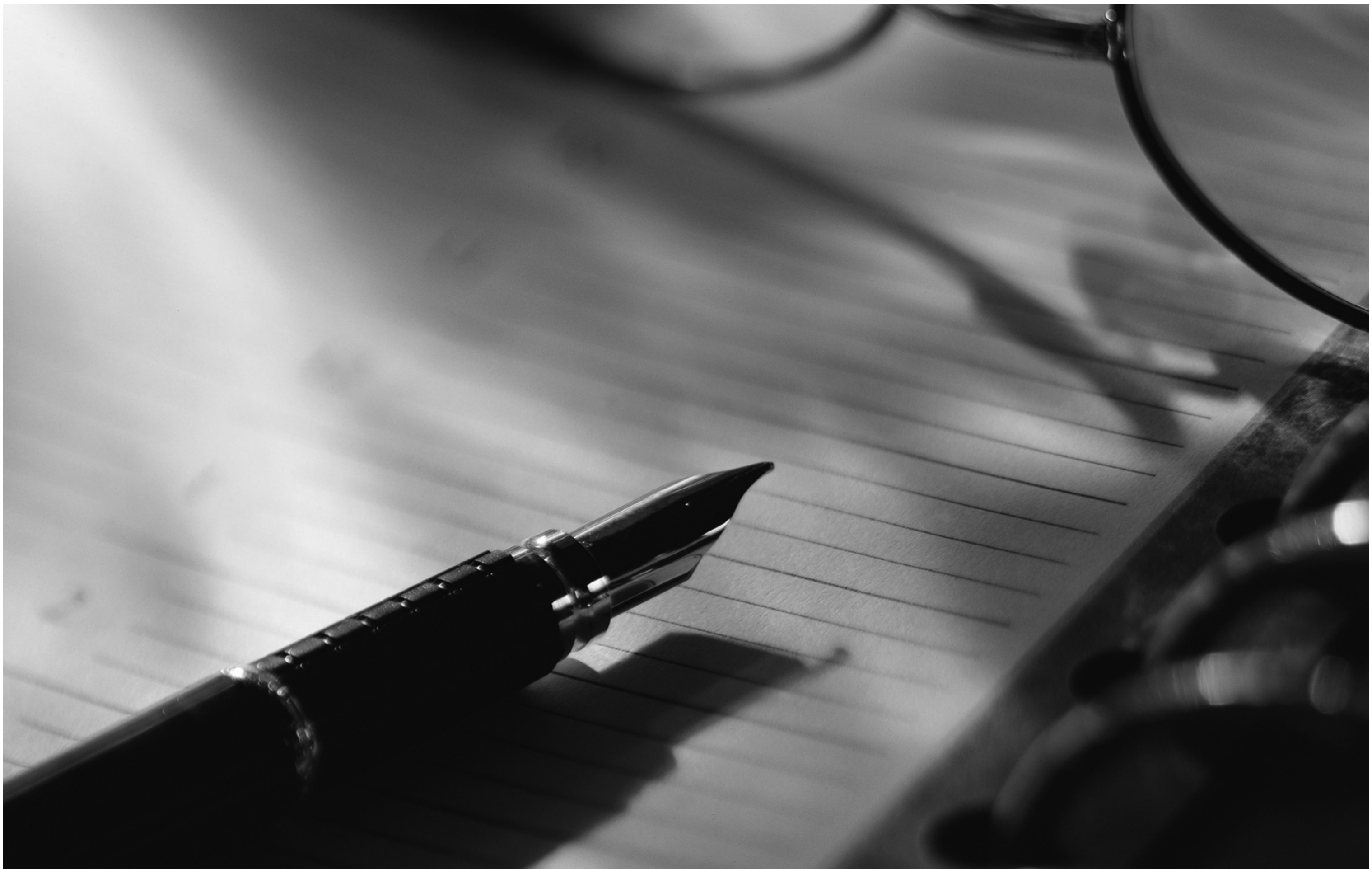
In order to protect against the possible misuse of our products in money laundering or terrorist financing, we have adopted an anti-money laundering program satisfying the requirements of the USA PATRIOT Act and other current anti-money laundering laws. Among other things, this program requires us, our agents and customers to comply with certain procedures and standards that will allow us to verify the identity of the sponsoring organization and that contributions and loan repayments are not derived from improper sources.

Under our anti-money laundering program, we may require customers, and/or beneficiaries to provide sufficient evidence of identification, and we reserve the right to verify any information provided to us by accessing information databases maintained internally or by outside firms.

We may also refuse to accept certain forms of payments or loan repayments (traveler's cheques, cashier's checks, bank drafts, bank checks and treasurer's checks, for example) or restrict the amount of certain forms of payments or loan repayments (money orders totaling more than $5,000.00, for example). In addition, we may require information as to why a particular form of payment was used (third party checks, for example) and the source of the funds of such payment in order to determine whether or not we will accept it. Use of an unacceptable form of payment may result in us returning the payment to you.

Applicable laws designed to prevent terrorist financing and money laundering might, in certain circumstances, require us to block certain transactions until authorization is received from the appropriate regulator. We may also be required to provide additional information about you and your policy to government regulators.

Our anti-money laundering program is subject to change without notice to take account of changes in applicable laws or regulations and our ongoing assessment of our exposure to illegal activity.



ING Custom Choice Blend and ING Custom Choice Classic

ING Packaged Products

Participant Information

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PARTICIPANT INFORMATION

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***Why Reading this Information Booklet is Important*.** Before you participate in **ING Custom Choice Blend** or **ING Custom Choice Classic** through your employer's retirement plan, you (the employee/participant) should read this information booklet and the accompanying **Additional Disclosure Supplement** (the Supplement). These materials (plus any plan-specific supplement, if applicable) provide facts about the contract and its investment options and other important information. Plan sponsors (generally your employer) should read this information booklet and all applicable supplements to help determine if the contract is appropriate for their plan. Please keep these documents for future reference.

Also, please see Appendix A for additional information concerning the material features of variable annuities and funding agreements in general. * This includes the potential surrender period, any applicable surrender charges, tax penalties applicable to surrender before age 59½ (*except under 457(b) plans*), mortality and expense fees and/or daily asset charges, investment advisory fees, charges for and features of riders, insurance and investment components, and market risk.

* **If variable investment options are *not* available in the plan, please disregard any information provided in this booklet related to these options. For example, if you participate in a FICA alternate retirement plan, the ING Fixed Account-457/401 may be the only available investment option.** [FICA is the Federal Insurance Contributions Act. A FICA alternative plan is an alternative to Social Security coverage for certain part-time, seasonal, temporary or contract employees as permitted by the federal Omnibus Budget Reconciliation Act of 1990 ("OBRA").]

OVERVIEW

ING Custom Choice Blend and ING Custom Choice Classic are group annuity contracts issued by ING Life Insurance and Annuity Company (the Company, we, us, our). Each contract offers a wide range of investment options to the retirement plan (the plan) that your employer sponsors under Section 457(b) or 401(a) of the Internal Revenue Code (the Code). Both credited interest and variable investment options from leading fund families may be available and, through its participant recordkeeping services, each contract brings these diverse offerings together in a single, consolidated program.

As used throughout this information booklet, "contract" will mean the ING Custom Choice Blend contract or the ING Custom Choice Classic contract, whichever is applicable to the plan your employer sponsors.

Please refer to the investment option fact sheets for the available investment options or contact your local representative for this information.

During the accumulation phase, when contributions are invested, you will receive periodic statements that provide confirmation of account transactions such as contributions made. As described in your enrollment material, you will also have access to your account information through our interactive voice response telephone service and via the Internet at www.ingretirementplans.com.

The plan's group annuity contract is more than just a vehicle for accumulating and investing your plan contributions. When you retire, the plan may allow you to take your benefit in the form of an annuity (that is, a series of payments for life or a definite period). This is known as the income phase. During the income phase, several contract payment options are available to pay benefits to you over time.

The following pages discuss the key operating features of the contract, including transfer provisions. The booklet describes the available credited interest investment options in detail and contains summary descriptions of the variable investment options. Your enrollment material includes fund fact sheets that have additional information on the variable investment options.

Your employer's plan may offer additional services that are not covered in this Disclosure Booklet. To find out more regarding services that are specific to your employer's plan, please contact your local representative or call ING's Customer Contact Center at the toll-free phone number found in your enrollment material.

Your retirement benefits are governed exclusively by the provisions of your employer's plan and not by the contract that we deliver to your employer. In the event of a conflict between this information booklet and the contract, the terms of the contract will prevail. The provisions described in this booklet may not match exactly the provisions included in your employer's plan.

ABOUT THE COMPANY

The Company issues the contract described in this booklet and provides administrative services.

We are a stock life insurance company organized under the insurance laws of the State of Connecticut in 1976 and an indirect wholly-owned subsidiary of ING Groep N.V., a global financial institution active in the fields of insurance, banking and asset management. **Securities are distributed through ING Financial Advisers, LLC, or through other broker dealers with which ING Financial Advisers, LLC has selling agreements.**

Financial planning is offered by ING Financial Partners, Inc.

ING Financial Advisers, LLC (member SIPC) and ING Financial Partners, Inc are both members of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC).

CONTRACT INVESTMENT OPTIONS

The contract generally offers a variety of credited interest and variable investment options, as described below and in your enrollment material. **The investment options that apply specifically to your plan may, or may not, match those discussed below.** At our discretion, we may add, restrict, or withdraw the availability of any such investment options in the future.

Credited Interest Options that may be available to your employer's plan: The contract offers the ING Fixed Account-457/401 as the credited interest option. In addition, the ING Guaranteed Accumulation Account may be an available credited interest option for certain plans. The Company's claims-paying ability should be taken into consideration in evaluating interest rate guarantees. The guarantees do not apply to the investment return or principal value of the variable investment options.

The **ING Fixed Account-457/401** (Fixed Account) provides stability of principal and credits interest on all amounts allocated to this option. The Fixed Account has two kinds of guaranteed interest rates:

- Minimum guaranteed interest rate: As provided in the contract, the minimum guaranteed interest rate on the Fixed Account is 3%.

- Floor interest rate: Each calendar year (1/1 to 12/31), the Company will set a guaranteed floor interest rate as a minimum for that year. At our discretion, we may discontinue declaring the floor interest rate.

During the year, the Company will credit interest to the Fixed Account at a "current credited interest rate". That rate, which is subject to change monthly, may be greater than either of the guaranteed interest rates shown above. At all times, the interest rate that we credit to the Fixed Account portion of your participant account will be equal to the greatest of the current credited interest rate, the declared floor rate (if applicable), or the minimum guaranteed interest rate in your contract.

All interest rates applicable to the Fixed Account are expressed as an annual effective yield. Interest is credited to your account on a daily basis. Once credited, the interest becomes a part of your principal. This means that your account earns compound interest. Taking the effect of compounding into account, the interest credited to your account daily yields the current credited interest rate. Any changes in rates will apply to all amounts in the Fixed Account. There are restrictions on transfers associated with the Fixed Account and a market value adjustment may apply on surrenders or distributions. Refer to "Changing Your Investment Selection" and "Market Value Adjustment – Fixed Account" for more details.

The **ING Guaranteed Accumulation Account** (GAA) option (not available for all plans) allows you to allocate amounts for specific periods of time and know in advance the rate of interest that will be earned. Amounts may be allocated to GAA during an open "deposit period," generally offered monthly. During each deposit period, the Company will offer a "guaranteed term". The guaranteed term is the length of time for which we guarantee interest rates for the GAA. You will always know in advance the rate you will receive during a guaranteed term. GAA credits interest daily. Taking the effect of compounding into account, the interest credited to your account daily yields the guaranteed rate.

Your principal and interest are guaranteed if you leave your money in a guaranteed term of GAA until the maturity date of the term. There are restrictions on transfers associated with GAA. In addition, if you surrender or transfer money from a guaranteed term before its maturity date, you will receive the "market value adjusted" amount of the balance, which could be either positive or negative. If GAA is available as an investment option for the plan's contract, you will be provided with a separate disclosure booklet that describes the features of GAA in greater detail. The booklet also gives examples of the market value adjustment calculation and the market value adjustment. GAA is available only during the accumulation phase.

Variable Investment Options that may be available to your employer's plan: Variable investment options are available under the contract through a Company separate account. Each variable investment option has a different investment objective. *These investment options fluctuate in value and involve investment risks. The value of the fund shares may increase or decrease, which will affect the value of your account.*

When contributions are allocated to a variable investment option, shares of that fund are purchased by the Company and held in a pooled separate account. The separate account actually holds the fund shares. Your account under the contract holds units of participation in the separate account.

At the end of each day that the New York Stock Exchange is open, a net asset value per share of each fund is determined (based on the value of each fund's securities, cash and other assets, less any liabilities, divided by the number of shares outstanding). The separate account unit value of the fund is then derived by multiplying the last unit value by the current net investment factor. The net investment factor takes into account the difference in net assets in the beginning and at the end of the period being valued, taxes (or provisions for taxes, if any), and the Daily Asset Charge. See "Daily Asset Charge on the Funds" for more details on the Daily Asset Charge.

Different funds and fund share classes pay varying levels of fees to the Company. Pricing for your employer's plan takes these different fee levels into consideration and the different fee levels can provide flexibility in the plan's overall cost. As a result, it is possible that different share classes within a fund family, or across different fund families, may be utilized in offering the variable investment options to the plan. Various share classes may charge 12b-1 fees up to 1.00%.

The valuation of the variable investment options is dependent upon the securities markets. The applicable valuation date for fund transactions is subject to federal securities laws and regulations. Also, certain funds may deduct redemption fees to discourage market timing and other short-term trading strategy. (See "Redemption Fees" in the Supplement.)

For important information about investment advisory fees, redemption fees, 12b-1 distribution fees and other expenses and disclosures on fund revenue sharing, refer to the Supplement and the applicable fund fact sheets. If you would like more information about these options, you may request a prospectus for each variable fund from your employer or plan administrator.

You should consider the investment objectives, risks, and charges and expenses of the investment options offered through a retirement plan carefully before investing. The information booklets, fund prospectuses and investment option fact sheets contain this and other information and can be obtained by contacting your local representative. Please read the information carefully before investing.

CHANGING YOUR INVESTMENT SELECTION

Changes During the Accumulation Phase: If authorized by your employer, you may change the investment options in your account to which future contributions will be applied. Transfers are also permitted among the variable investment options or between the variable investment options and the Fixed Account and GAA. Transfers are subject to the competing investment option restrictions (described below) and, if applicable, may also be limited as described in ING's "Excessive Trading Policy."

You may make these changes by telephone, electronically via the Internet or, on a limited basis, by completing a written request; details are included in your enrollment material. Transaction requests received in good order by the close of business of the New York Stock Exchange (normally at 4:00 p.m. Eastern Time) are processed that same business day. You will receive confirmation of the requested changes by mail (or by e-Delivery if you have selected this option on ING's website). It is important that you review your changes carefully. Failure to report any discrepancy within 30 days will indicate that you are in agreement with the transactions in your account as reported on the confirmation.

Direct transfers between competing investment options are not allowed. A competing investment option is defined as any investment option that provides a direct or indirect guarantee of investment performance or can be invested primarily in assets other than common or preferred stock. Examples of such investment options would include money market instruments, repurchase agreements, guaranteed interest contracts, investments offering a fixed rate of return, or any investment option having a targeted duration of less than three (3) years. Additionally, the self-directed brokerage account (if available) is considered a competing investment option. Please contact your local representative to determine which investment options are considered competing investment options under the plan's contract.

Once any transfer involving a competing investment option or any surrender has occurred, no subsequent transfers to or from a competing investment option, nor surrenders from the contract may occur during the ensuing 90 days. Any non-enforcement of the competing investment option transfer restrictions is temporary and will not constitute a waiver of these requirements.

Changes During the Income Phase: If you elect to have your account balance applied to one of the annuity payment options, then, if authorized by your employer, amounts allocated to variable investment options may be transferred among the funds. During the income phase, transfer restrictions may apply. At any time during the income phase, we may limit the number of variable investment options available. Transfers into or out of a fixed annuity using the Company's general account are not permitted under any annuity payment option.

Excessive Trading Policy: The Company has an Excessive Trading Policy and monitors transfer activity. See the Supplement for details.

PARTICIPANT CONTRACT CHARGES AND FEES

Premium Tax: If your residency state imposes a premium tax when electing an annuity, we will pay this tax to the taxing authority, although we reserve the right to deduct this tax from your account value.

Annual Maintenance Fees: There is no annual maintenance fee deducted from your account.

Daily Asset Charge on the Variable Investment Options *(This charge applies if variable investment options are in use under the contract for your employer's plan)*: We may assess a Daily Asset Charge (DAC) (sometimes referred to as a Separate Account Charge) on accounts invested in the variable investment options to allow for our expense risk and profit. The DAC also reimburses us for a portion of our marketing and sales expenses and contributes toward the costs of the many services made available to the contract holder and participants.

Expressed as an annual percentage, the DAC is determined by several factors, including the total asset value held in the contract and the service level of enrollment support expected. The variable investment options elected will also determine the amount of DAC deducted. For certain funds that may be available for your employer's plan, the DAC may be increased. Your employer will advise you of the DAC applicable to the plan.

The DAC does not include any applicable redemption fees (see "Redemption Fees" in the Supplement), nor does it include the investment advisory fee paid by each fund to its investment adviser. The investment advisory fees, and any other applicable expenses, are set forth in the applicable fund fact sheets. These separate expenses, in addition to the DAC, will determine the total cost of each variable investment option.

Surrender Charge: There is no surrender charge under this contract.

Transferred Asset Benefit Recovery Percentage: Under specific conditions, when agreed upon by your employer, the Company may credit plan participants up to 4% of the amount transferred to us from outside investment vehicles to compensate for any exit penalty assessed by the other investment vehicle provider. If credited, this may result in a Transferred Asset Benefit Recovery Percentage applied to surrenders over a 5-8 year period based on the number of completed years from the date of the initial plan deposit made to this contract. Minimum asset requirements apply and more complete details can be provided upon request.

Market Value Adjustment - Fixed Account: If your account value is surrendered or withdrawn completely or partially from the Fixed Account, or if you surrender or close your account or transfer outside of the contract, a market value adjustment may apply. Also, your employer may elect to have the surrendered amount paid out over a period of 60 months, with interest paid. More information on the market value adjustment can be found in Appendix B. This market value adjustment would not apply to any distribution made to you proportionately from all investment options as a benefit payment under the plan for reasons of:

- Code 457(b) deferred compensation plans (including Designated Roth accounts): retirement, separation from service with your employer, death, employer-certified unforeseeable emergency, loan, or in-service withdrawals (as permitted under the Code);

- Code 401(a) pension plans: retirement, separation from service with your employer, death, disability, hardship, loan, or in-service withdrawals after age 59½ (as permitted under the Code).

SALES COMPENSATION AND RELATED EXPENSES

Contributions under the contract may also compensate one or more sales professionals for their services which may include installing and servicing the contract by providing product explanations, and periodically reviewing participants' retirement needs and available investment options.

Persons who offer and sell the contract may be paid a commission. Commissions paid on transferred assets range from 0% to 2%; commissions paid on recurring payments made during the first year of the contract or participant account and on increases in deferrals range from 0% to 3%; commissions paid on recurring payments after the first year range from 0% to 1.0%. In addition, the Company may pay an asset based commission of up to 0.50%. In some situations, the Company may pay sales professionals a flat dollar commission that may exceed the commission maximums described above. Sales professionals may receive all or a portion of compensation paid to their distributor, depending upon the firm's practices. The amount of commissions and annual payments paid to the sales professional will be disclosed in the written materials we provide at the point of sale. In some situations, the Company may employ sales professionals to perform enrollment and other services, and may pay these sales professionals a flat salary rather than a commission.

We consider compensation-related expenses, as well as several other factors (such as the services provided, plan characteristics, and non-compensation related expenses), when determining the DAC and Fixed Account and GAA current credited interest rates. No additional deductions are imposed on you or the contract holder for compensation related expenses.

See the Supplement for more information.

Withdrawals

Withdrawals are available upon severance from employment, death, attainment of age 70 1/2 (plan permitting), incurring of an unforeseeable emergency or financial hardship (as applicable to the plan), or for deminimus accounts (not in excess of $5,000), if certain conditions are met. Withdrawal benefits will vary based on plan provisions and applicable Code restrictions and requirements.

REQUIRED PAYMENTS

Distributions for all participants must begin in the form of periodic benefit payments no later than April 1 following the calendar year in which you turn age 70½, or retire, whichever occurs later, or be made in a lump sum by the same date. The plan must direct us to commence periodic payments or make a lump-sum payment.

PAYMENT PROVISIONS

Several different annuity payment options, as allowed under your employer's plan, are generally offered under the contract. All life income options - that is, options that provide payments over your lifetime, or the lifetimes of you and another annuitant - will provide payments determined without regard to the gender of the annuitant. The payments will be based on the adjusted age of the annuitant(s) using the rate for that age under the option elected. A non-lifetime option is also offered. Annuities are subject to any limitations in the plan required by applicable law or regulations.

Fixed, variable and a combination of fixed and variable annuities may be elected, although the types of annuities available to you depend on the types of investment options available under your employer's plan. If a fixed annuity is chosen, we guarantee to credit an annual interest rate at least equal to the minimum guaranteed interest rate as specified in the contract for a fixed annuity. This guarantee is based on the claims-paying ability of the Company. We may credit a higher percentage. If a variable payout is selected, annuity payments will vary with the investment performance of the variable investment options selected. Such variable options will be assessed a Daily Asset Charge at an annual rate of no more than 1.25% during the income phase.

The amount of your variable annuity payments will depend upon three things: (1) the amount that is allocated to the variable investment option(s) upon annuitization, (2) an assumed annual net return rate selected by you, and (3) the performance of the variable investment option(s).

The assumed annual net return rate is the interest rate used to determine the amount of the first and subsequent annuity payments made. To remain level, the variable investment option(s) must earn at least this rate plus enough to recover the daily charge for annuity mortality and expense risk, plus an administrative charge, if any. Either a 3.5% or 5% assumed annual net return rate may be selected.

PAYMENT OPTIONS

While the Company may make other options available, the following payment options are currently offered:

Lump-Sum Payment - We will pay a lump sum equal to all or any vested portion of your account value. Lump-sum payments can be made from all of the contract's investment options, subject to plan provisions. Lump-sum payments can be paid directly to you or to another employer sponsored plan or IRA you own as a direct rollover or transfer, as directed by you. In addition, vested non-Roth amounts otherwise eligible for distribution may be rolled over into a corresponding Roth account within the same plan. This option is described in more detail under “Tax Information” below.

Annuity Payment Options - The following annuity options (if allowed by your employer's plan) are currently offered; unless otherwise specified, you may choose from fixed or variable payments (see “Payment Provisions”, above):

Non-Lifetime Option:

- **Payment for a Stated Period** - periodic payments made for a fixed period of years (no fewer than 5 years, but no more than 30). If you die before receiving all the payments, your beneficiary can choose to either receive the remaining periodic payments or to have the present value of the payments paid in a lump sum.

  Note: If you select the fixed investment option for "Payment for a Stated Period", then this is an irrevocable election (no withdrawals or changes may be made).

Single Lifetime Options:

- **Life Income** - periodic payments made for as long as you live.

- **Life Income with Period Certain** - periodic payments made for as long as you live with a specified minimum number of payments guaranteed (5 through 30 years may be elected). If you die before the end of the guaranteed period, your beneficiary can choose to either receive the remaining periodic payments or to have the present value of the payments paid in a lump sum.

- **Life Income with Cash Refund** - (available on a fixed basis only) - periodic payments made for as long as you live. If you die prior to receiving the full amount applied to the option (less premium taxes, if any), any difference will be paid in a lump sum to your beneficiary.

Joint Lifetime Options:

- **Life Income Based Upon Two Lives** - periodic payments made for as long as you and a second annuitant live. You may further elect from among the following options:

  - 100% of the payment to continue to the survivor;

  - 66⅔% of the payment to continue to the survivor;

  - 50% of the payment to continue to the survivor;

  - 50% of the payment to continue if the primary annuitant predeceases the second annuitant, 100% of the payment to continue if the second annuitant predeceases the primary annuitant.

- **Life Income Based Upon Two Lives with Period Certain** - periodic payments made for as long as you and a second annuitant live with a specified minimum number of payments guaranteed (5 through 30 years may be elected). If both of you die before the end of the guaranteed period, your beneficiary can choose to either receive the remaining periodic payments or to have the present value of the payments paid in a lump sum.

- **Life Income Based Upon Two Lives with Cash Refund** - (available on a fixed basis only) - periodic payments made for as long as you and a second annuitant live. If both of you die prior to receiving the full amount applied to the option (less premium taxes, if any),

any difference will be paid in a lump sum to your beneficiary.

Note: All Single and Joint Lifetime options are irrevocable (no withdrawals or changes may be made) regardless of the investment option selected.

In no event may annuity payments extend beyond (a) your life; (b) the lives of you and your beneficiary; (c) any certain period greater than your life expectancy; or (d) any certain period greater than the joint life expectancies of you and your beneficiary. In addition, when your payments start, your age plus the number of years for which payments are guaranteed cannot exceed that permitted by the Code minimum distribution regulations.

DISTRIBUTION OPTIONS

The Company may offer one or more Systematic Distribution Options (SDO) that allow for scheduled withdrawals from a participant account. SDO payments are available, where allowed by the plan, to participants who meet certain minimum account value requirements under the contract. Age requirements may also apply.

We reserve the right to discontinue SDO, and to change the terms of future elections of these options. Other options may be added in the future. Additional information on the available options can be provided upon request.

Because SDO payments are not annuity options, the participant account remains in the accumulation phase under the contract. This means that transfers among investment options continue to be available, contract charges continue to apply, and the lump-sum payment and other payment options under the plan continue to be available.

Once elected, you may revoke SDO payments by submitting a revocation form to the ING Service Center. Contact your local representative or our customer service center to obtain the form. The revocation will apply only to amounts not yet paid.

You should carefully assess your future income needs when considering the election of SDO payments. You should also consult your tax adviser prior to requesting the election of these options due to the potential for adverse tax consequences.

DEATH BENEFIT DURING THE ACCUMULATION PHASE

If you die before payments begin, any benefits due under the contract are payable to the plan. The plan's authorized representative will direct us to pay a death benefit to your plan beneficiary in a lump sum or in one of the contract periodic payment options as allowed under your employer's plan. Your plan beneficiary may also be permitted under the plan to elect to defer distribution.

DIRECT DEPOSIT

A direct deposit program for distributions paid directly to you is available at no additional charge. Electronic Funds Transfer (EFT) is an electronic deposit of your payment(s) directly into your checking or savings account by an automated clearinghouse. This allows you to receive your payment(s) more quickly than with traditional check processing.

TAX INFORMATION

Your employer's 401(a) or governmental 457(b) plan is eligible for favorable tax treatment. Pre-tax contributions and any applicable investment earnings to such plans are not ordinarily subject to federal income tax until distributed to you (or your beneficiary) for benefits due under the plan. Your employer's plan may also offer a Designated Roth Account, which allows governmental employees to contribute after-tax salary contributions to a Designated Roth Account, providing for tax-free distributions, subject to certain restrictions, as further described below. The contract serves as the vehicle for the plan, providing investment and payment options and other features described in this booklet, but it is not necessary for the plan's favorable tax treatment.

Traditional Governmental 401(a) and 457(b) Plans

- Withholding: Current federal law requires that we withhold federal income taxes from the taxable portion of distributions under the contract made directly to you or to any beneficiaries. Most states also require us to withhold for state income taxes. Withholding does not apply to Traditional Rollover amounts (described below).

- Traditional Rollovers: Federal tax law generally permits eligible distributions to you and your spousal beneficiary to be directly rolled over, without penalty, to another governmental 457(b) plan, a 403(b) program, a 401(a)/(k) plan or a traditional IRA. In addition, non-spousal beneficiaries may rollover to an IRA. Under certain circumstances, however, such rollover amounts may subsequently be subject to an IRS 10% "premature distribution" penalty tax. Unless a statutory exemption applies, the penalty tax currently may be applied to:

- Pre-tax amounts you roll over from a governmental 457(b) plan to a retirement plan that is not another governmental 457(b) plan if the receiving plan later distributes those amounts to you prior to the date you reach age 59½; and

- Pre-tax amounts you roll over from a non-457(b) plan to a governmental 457(b) plan if the receiving plan later distributes those amounts to you prior to the date you reach age 59½.

Note that taxable distributions of non-rollover amounts paid directly from a governmental 457(b) plan currently are not subject to the IRS 10% premature distribution penalty tax.

- Roth In-Plan Rollovers: If permitted under the plan for which the contract is issued and provided the plan offers an applicable Roth 401(k) or Roth 457(b) account (further described below), vested non-Roth amounts otherwise eligible for distribution may be rolled over into a corresponding Roth account within the same plan. The Tax Code provides that, generally, an in-plan rollover to a Roth account is taxable and includable in gross income in the year the rollover occurs, just as if the amount was distributed and not rolled into a qualified account. Amounts rolled-over into an in-plan Roth account cannot subsequently be converted back into a non-Roth account.

457(b) Designated Roth Accounts

The plan may also offer a Designated Roth Account, as described in Tax Code Section 402A, and we may set up accounts for you under the Plan for Designated Roth contributions under which employees can forego the current exclusion from gross income for elective deferrals, in exchange for the future exclusion of the distribution of the deferrals and any earnings thereon. Put another way, participants may elect to make non-excludable contributions to "Designated Roth accounts" instead of making excludable contributions, and to exclude distributions from these accounts from gross income, instead of having distributions included in gross income (if certain conditions are met).

A partial or full withdrawal of purchase payments made by salary deduction to a Designated Roth Account and earnings credited on those purchase payments, or of In-Plan Rollover amounts and earnings credited on those amounts, as described in the "In-Plan Roth Rollover" section above, will be excludable from income if it is a qualified distribution. A qualified distribution from a Designated Roth 457(b) account is one that meets the following requirements:

1. The withdrawal occurs after the 5-year taxable period measured from the earlier of:

   (a) The first taxable year you made a designated Roth 457(b) contribution to any designated Roth 457(b) account established for you under the same applicable retirement plan as defined in Tax Code section 402A;

   (b) The first taxable year for which you made a designated Roth contribution to a designated Roth account previously established for you under another applicable retirement plan, if a rollover contribution was made from such previously established account; or

   (c) The first taxable year in which you made an in-plan Roth rollover of vested non-Roth amounts otherwise eligible for distribution under the same plan; and

2. The withdrawal occurs after you attain age 59½, die (with payment being made to your beneficiary), or become disabled as defined in the Tax Code.

Distributions that do not meet the above requirements are considered nonqualified distributions. A nonqualified distribution from a Designated Roth account is includible in gross income under the Tax Code in proportion to your investment in the contract (basis) and earnings on the contract.

Keep in mind that all distributions from Designated Roth Accounts, including nonqualified distributions, must also meet the requirements for distributions under the applicable plan rules.

Note: Under certain circumstances, an IRS 10% premature distribution penalty tax could apply if you were to roll designated Roth amounts from a 401(k) or 403(b) plan into a Roth 457(b) plan if, when withdrawn, those amounts were considered non-qualified Roth distributions. In-plan Roth rollovers are not subject to the 10% additional tax on early distributions under Code Section 72(t) that would normally apply to distributions from a 401(k) or 403(b) plan (or from a governmental 457(b) plan to the extent such amounts are attributable to rollovers from a 401(a), 401(k), 403(a) or 403(b) plan). However, a special recapture rule applies when a plan distributes any part of the in-plan Roth rollover within a five-taxable-year period, making the distribution subject to the 10% additional tax on early distributions under Code Section 72(t) unless an exception to this tax applies or the distribution is allocable to any nontaxable portion of the in-plan Roth rollover. The five-taxable-year period begins January 1 of the year of the in-plan Roth rollover and ends on the last day of the fifth year of the period. This special recapture rule does not apply when the participant rolls over the distribution to another designated Roth account or to a Roth IRA but does apply to a subsequent distribution from the rolled over account or Roth IRA within the five-taxable-year period.

The tax rules associated with Roth accounts and in-plan Roth rollovers can be complex and you should seek qualified legal and tax advice regarding your particular situation.

IRS Circular 230 Disclosure: These materials are not intended to be used to avoid tax penalties, and were prepared to support the promotion or marketing of the matter addressed in this document. The taxpayer should seek advice from an independent tax adviser.

CHANGES TO THE CONTRACT

The Company and your employer may change the contracts at any time by written mutual agreement.

The Company, through its authorized officers, may change the contract by giving written notice to your employer 30 days prior to the effective date of the change. The contract may also be changed to comply with federal or state law. Changes to certain contract provisions may apply only for new participants and contributions made to accounts after the change is effective. Any change will not affect the amount or terms of any annuity or periodic payment option beginning prior to the effective date of the change unless it is deemed necessary for the plan or contract.

Your employer has the right to surrender the contract for the contract value, subject to any adjustment that may apply under contract terms. In addition, any time after the completion of five contract years and in accordance with the terms of the contract, the Company has the right to terminate the contract by giving your employer a 90-day written notice to pay out the full value without charges.

SUSPENSION OF FINANCIAL TRANSACTIONS OR PAYMENT DELAY

In accordance with applicable federal securities laws and regulations, we reserve the right to suspend financial transactions or postpone payments from accounts during times when the following situations may occur:

1) The New York Stock Exchange (NYSE) is closed or trading on the NYSE is restricted, or

2) The U.S. Securities and Exchange Commission determines that a market emergency exists or restricts trading for the protection of investors.

The Company, under certain emergency conditions, may also defer any payment from the credited interest options (Fixed Account and GAA) for a period of up to 6 months (unless not allowed by state law), or as provided by federal law.

QUESTIONS OR COMPLAINTS

Questions? Please contact us at the toll-free phone number found in your enrollment material.

Complaints? Please contact us at ING Life Insurance and Annuity Company, Contact Center – B2S, PO Box 99065, Hartford, CT 06199-0065, or contact us at the toll-free phone number found in your enrollment material.

APPENDIX A

UNDERSTANDING VARIABLE ANNUITIES

Prior to your purchase of a variable annuity[1], you should carefully read the product's prospectus, prospectus summary, or other disclosure document for complete information about fees and charges, investment risks and other important information. This document reviews in general terms various features of variable annuities of which you should be aware.

What Is a Variable Annuity? Variable annuities offer investment features similar in many respects to mutual funds. However, a typical variable annuity offers certain features not commonly found in mutual funds: i) tax-deferred treatment of earnings; ii) a death benefit; and iii) annuity payout options that can provide guaranteed income for life or a specified period of time.

In a deferred variable annuity, premiums are allocated among investment portfolios (commonly referred to as subaccounts). In the contract's distribution phase, money is withdrawn typically as a lump sum or through various annuity payment options.

How Do Returns Fluctuate? A variable annuity's rate of return is not stable. It varies with the stock, bond, and money market subaccounts that you choose as investment options. There is no guarantee that you will earn any return on your investment and there is a risk that you will lose money.

Liquidity and Early Withdrawals. Deferred variable annuities are long-term investments. Many variable annuities assess sales charges upon surrenders or early withdrawals within a specified period, which can be as long as 10 years. In addition, withdrawals before an investor reaches the age of 59½ are generally subject to an IRS 10% premature distribution penalty tax, in addition to any gain being taxed as ordinary income, unless an exemption applies. *Withdrawals taken from 457(b) deferred compensation plans are not subject to the IRS 10% premature distribution penalty tax.*

Charges. Most variable annuities have a sales charge. Many variable annuities impose front-end, asset-based sales charges and/or surrender or early withdrawal charges. In addition to sales charges, variable annuities typically assess:

- **mortality and expense risk charges or daily asset charges**, for the insurance company to cover guaranteed death benefits and certain annuity payout options;
- **administrative fees**, for record-keeping and other administrative expenses;
- **underlying fund advisory fees and expenses**, charges relating to the investment subaccounts to which you allocate assets; and
- **charges for riders,** such as minimum guaranteed withdrawal benefits.

Taxes. Contributions and earnings in a variable annuity accumulate tax deferred, until the accumulated amounts are withdrawn, distributions commence, or a required withdrawal is not taken.

Variable Annuities Within IRAs and Retirement Accounts. You should be aware that because IRAs and retirement accounts are already tax-advantaged, a variable annuity will provide no additional tax savings. Also, variable annuities may be a more costly alternative than other available investments such as mutual funds.

[1] The term "variable annuity," as used in this document, is intended to cover funding agreements as well.

APPENDIX B

Payment of Surrender Value from Fixed Account

The Company will make an unadjusted lump-sum payment on any Fixed Account surrender if the withdrawal is taken proportionately from all your investment options and where the purpose is to pay a benefit payment under the plan for reasons of:

- Code 457(b) deferred compensation plans: retirement, separation from service with your employer, death, employer-certified unforeseeable emergency, loan, or in-service withdrawals (as permitted under the Code);

- Code 401(a) pension plans: retirement, separation from service with your employer, death, disability, hardship, loan, or in-service withdrawals after age 59½ (as permitted under the Code).

However, on all withdrawals that are classified as surrenders or for any benefit taken disproportionately from the Fixed Account, we will pay the Fixed Account surrender value in one of the following two ways, as elected by your employer:

1. In equal payments, with interest, over a period not to exceed 60 months. The credited interest, as used here, will not be more than two percentage points below any rate determined prospectively by us for this class of contract. In no event will the credited interest rate be less than the minimum guaranteed interest rate applicable to your contract (see details under "Credited Interest Options" in this booklet's Contract Investment Options section).

or

2. As a single payment that has been subjected to a Fixed Account Market Value Adjustment. The payment amount will be equal to the lesser of (1) or (2):

   (1) The value of the following factor multiplied by the amount being withdrawn on the date of the surrender:

   $$\text{Factor} = \frac{(1 + a)^{5.25}}{(1 + b)^{5.25}}$$

   Where: a is the Fixed Account credited rate as of the date of surrender; and

   b is the rate for a 7-year Treasury Bond as published in the Citigroup Bond Market Roundup (if unavailable, a similar service will be utilized) for the week prior to the surrender plus 0.25%.

   (2) The value of the amount being surrendered.

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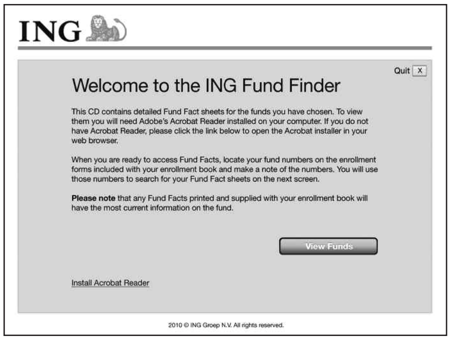
ING
One Orange Way
Windsor, CT 06095-4774

Fund Fact Sheet Reference Document

Fund Number Legend (For use with CD)



This reference document provides you with the fund names and fund numbers of those investment options available to you through your retirement plan. You will use these numbers in the CD's search function to access the Fund Fact Sheets you wish to view.

> **PC users:** Insert CD into your CD drive. Once the ING Fund Finder Welcome screen appears, click "View Funds" to get started.
> **Mac users:** Insert the CD into your CD drive. A new window appears. Double click the ING Fund Facts icon. Once the ING Fund Finder Welcome screen appears, click "View Funds" to get started.

CD not opening on its own? See "TROUBLESHOOTING" on the reverse of this page.

Please note: Any Fund Fact Sheet printed and supplied as part of this enrollment package will contain the most recent fund information.

Fund Name	Fund Number	Fund Name	Fund Number
ING Fixed Account	043	ING TRowePrice Captl Apprec Pt Inst	1257
ING Intm Bond Port I	004	BlackRock Equity Dividend Fund Inst	8518
ING U.S. Bond Index Port I	1554	ING Grw and Inc Port I	001
PIMCO VIT Real Return Port Adm	833	ING U.S. Stock Index Port Inst	829
Prudential HY Fund Z	2482	ING LgCap Grw Port Inst	742
ING Sol 2015 Port Adv	745	ING Russell MdCap Index Port I	1560
ING Sol 2015 Port I	746	ING Russell Sm Cp Index Port I	1563
ING Sol 2025 Port I	790	ING SmComp Port I	042
ING Sol 2035 Port I	761	Principal MidCap Blend Fund R5	3412
ING Sol 2045 Port I	764	American Funds EuroPacific R4	573
ING Sol 2055 Port I	1166	ING Intl Index Port I	1551
ING Sol Inc Port I	767	ING Oppenhmr Gbl Port I	432

TROUBLESHOOTING

For PC Users

If the ING Fund Finder Welcome Screen does not automatically appear when the CD is inserted:

1. Click "Start" to open the start menu.
2. Select "My Computer." If "My Computer" is not listed in the start menu then instead open "My Computer" from your desktop.
3. Select your CD drive.
4. You should now see a new window containing an icon labeled: "ING_Fund_Facts.exe".
5. Double click the icon to launch the ING Fund Finder.

For MAC users

If the window containing the ING Fund Finder icon does not automatically appear when the CD is inserted:

1. The CD will appear on your desktop.
2. Double click to open the CD.
3. You should see a new window containing an icon labeled "ING Fund Facts.app".
4. Double click the icon to launch the ING Fund Finder.

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For Internet access – www.ingretirementplans.com
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Life changes – (888) 681-3153

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Getting Started – Know Your Personal Identification Number (PIN)
Your PIN is initially set as the four-digit month and year of your birth (mmyy). To help protect your privacy, change your PIN the first time you access your account over the phone.

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Automated services are available 24 hours a day, seven days a week. Representatives are available to assist you Monday through Friday, 8:00 a.m. – 9:00 p.m. ET.

For Internet access: www.ingretirementplans.com
Log on by entering your selected login preference (Username or Social Security Number) and password. If this is your first time logging in, you will need to enter your Social Security Number and PIN. Your default PIN is initially set as the four-digit month and year of your birth (mmyy). To ensure the security of your account, select and answer five security questions when prompted. You will then be asked to create a personalized Username and Password for ongoing use. To complete your registration, follow the prompts to provide a few more details, then read the terms and conditions and click on "Submit" to complete your registration.

Disclaimer: This CD should be used in conjunction with this enrollment package. It is intended to provide you with specific information regarding to the fund options available to you through your employer-sponsored retirement plan.

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http://ing.us www.ingretirementplans.com

Para asistencia en español
Si usted necesita asistencia en español sobre su plan de ahorros simplemente marque (888) 277-7017 para comunicarse con uno de nuestros representantes que hablan español. Este servicio está a su disposición de lunes a viernes, de 8:00 a.m. a 9:00 p.m. hora del este.

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