



Multiple Sponsored Retirement Options

403(b), 457, 401(a), 401(k), Roth 403(b), Roth 401(k)

ING Life Insurance and Annuity Company

Variable Annuity Account C of ING Life Insurance and Annuity Company

April 28, 2008 Contract Prospectus Summary

Variable annuity issued by: ING Life Insurance and Annuity Company,
One Orange Way, Windsor, CT 06095-4774



Your future. Made easier.SM

IMPORTANT NOTICE:

Effectively immediately all administrative forms and correspondence should be mailed or faxed to us at the address or fax number below.

Mail administrative forms and correspondence to:

ING

PO Box 990063

Hartford, CT 06199-0063

Fax forms and correspondence to:

1-800-643-8143

Any mail received at 151 Farmington Avenue, Hartford, CT 06156 after July 31, 2008 will be considered not in good order and no transactions will be processed unless and until it is received at the administrative processing address or fax number.

Please see the "Contract Overview – Questions: Contacting the Company" section of this prospectus for more information regarding sending forms and written requests in good order.

ING Life Insurance and Annuity Company
and its
Variable Annuity Account C

Multiple Sponsored Retirement Options

Supplement dated April 28, 2008 to the Contract Prospectus, Contract Prospectus Summary and the Statement of Additional Information each dated April 28, 2008, as amended

This supplement updates and amends certain information contained in your Contract Prospectus, Contract Prospectus Summary and Statement of Additional Information (SAI). Please read it carefully and keep it with your current Contract Prospectus, Contract Prospectus Summary and SAI for future reference.

IMPORTANT INFORMATION REGARDING UPCOMING FUND LIQUIDATION

On January 31, 2008, the Board of Trustees of ING Variable Products Trust approved a proposal to liquidate the ING VP Financial Services Portfolio.

The proposed liquidation is subject to shareholder approval. If shareholder approval is obtained, it is expected that the liquidation will take place on or about September 5, 2008 (the "Closing Date").

Voluntary Transfers Before the Effective Date of the Liquidation. Anytime prior to the Closing Date you may transfer amounts that you have allocated to the subaccount that invests in the ING VP Financial Services Portfolio to any of the other available investment options. There will be no charge for any such transfer, and any such transfer will not count as a transfer when imposing any applicable restriction or limit on transfers.

You may give us alternative allocation instructions at any time by contacting our Customer Service Center at:

ING
USFS Customer Service
Defined Contribution Administration
P.O. Box 990063
Hartford, CT 06199-0063
1-800-262-3862

See also the Transfers section on page 13 of your Contract Prospectus or the Investment Options section of your Contract Prospectus Summary for further information about making allocation changes. More information about the funds available through your contract, including information about the risks associated with investing in these funds, can be found in the current prospectus and SAI for that fund. You may obtain these documents by contacting us at our Customer Service Center noted above.

Automatic Reallocation Upon Liquidation. After the Closing Date and our receipt of the proceeds from the liquidation of the ING VP Financial Services Portfolio, amounts that were allocated to the subaccount that invested in this portfolio will be automatically reallocated to the subaccount that invests in the ING VP Money Market Portfolio. There will be no charge for this automatic reallocation, and this automatic reallocation will not count as a transfer when imposing any applicable restriction or limit on transfers. Furthermore, you will not incur any tax liability because of this automatic reallocation, and your account value immediately before the reallocation will equal your account value immediately after the reallocation.

Future Allocations. After the Closing Date, the subaccount that invested in the ING VP Financial Services Portfolio will no longer be available through your Contract Prospectus or Contract Prospectus Summary. Any future allocations directed to a subaccount that invested in this portfolio will be automatically allocated to the subaccount that invests in the ING VP Money Market Portfolio.

Information about the ING VP Money Market Portfolio. Summary information about the ING VP Money Market Portfolio can be found in Appendix V – Descriptions of Underlying Funds in your Contract Prospectus, and in the fund fact sheet for that fund. More detailed information can be found in the current prospectus and SAI for that fund. You may obtain these documents by contacting our Customer Service Center as noted on the previous page.

There will be no further disclosure regarding the ING VP Financial Services Portfolio in future Contract Prospectuses or Contract Prospectus Summaries.

Insurance products issued by ING Life Insurance and Annuity Company. Securities offered through ING Financial Advisers, LLC (Member SIPC), One Orange Way, Windsor, CT 06095-4774, or through other Broker-Dealers with which it has a selling agreement. These companies are wholly owned, indirect subsidiaries of ING Groep N.V. Insurance obligations are the responsibility of each individual company.

**Summary of Variable Annuity
Account C Contract Prospectus for
Retirement Plans Established by
Eligible Organizations Under
Tax Code Sections 401(a), 401(k),
Roth 401(k), 403(a), 403(b),
Roth 403(b), and 457
(Prospectus Number 01107)**

Offered By:
ING LIFE INSURANCE AND ANNUITY COMPANY
April 28, 2008

This summary is intended to help you (the participant) understand the group deferred variable annuity contract offered by ING Life Insurance and Annuity Company (the Company) to fund your retirement plan. Please read the summary carefully. It explains the important points you should know before participating in the contract and will help you evaluate whether the Company's annuity contract is right for you. Please see Appendix I for additional information concerning the material features of variable annuities in general, including the potential early withdrawal charge period, any applicable early withdrawal charges, tax penalties applicable to withdrawals before age 59½, mortality and expense fees, investment advisory fees, insurance and investment components, and market risk.

Through an annuity you can set aside money — to accumulate for retirement — and then convert what you have set aside, as well as any earnings, into one or more payments at a future time, usually at retirement.

The Company's annuity contract is available through participation in your employer's retirement plan. Contributions to the contract may be directed to one or more of the investment options available under the contract. You should carefully consider the terms of your employer's plan and decide whether the Company's annuity is appropriate for your long range needs and goals.

The materials that accompany this summary of the prospectus for the variable annuity include:

- Summary documents for the funds underlying each variable investment option, including separate account performance for each option; and
- Summaries of each fixed interest option and the Guaranteed Accumulation Account (GAA). (See Appendices II, III and IV).

All investment options may not be available under your contract.

Visit the Company's home page on the Internet at www.ingretirementplans.com. Once you have an account established, you may use the ING Access Online service. This Internet-based service provides you with online account inquiry capabilities and the ability to initiate transactions against your account.

You should consider the investment objectives, risks and charges, and expenses of the variable product and its underlying fund options (funds) carefully before investing. The prospectuses/fund summaries contain this and other information. For a free prospectus and/or a Statement of Additional Information for this annuity contract, or for a GAA prospectus, or a prospectus for any of the underlying funds, please contact your local representative or call USFS Customer Service at 1-800-262-3862 or feel free to write to our Home Office at:

ING
USFS Customer Service
Defined Contribution Administration,
P.O. Box 990063
Hartford, CT 06199-0063

Please read the information carefully before investing.

The following funds may be available as investment options under your contract*:

| | | |
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| <p>AIM V.I. Capital Appreciation Fund (Series I) AIM V.I. Core Equity Fund (Series I) American Century[®] Income & Growth Fund (A Class)⁽¹⁾⁽²⁾ Artisan International Fund (Investor Shares)⁽¹⁾⁽³⁾ Calvert Social Balanced Portfolio (CVS) Capital One Mid Cap Equity Fund (Class A Shares)⁽¹⁾ Columbia Mid Cap Value Fund (Class A)⁽¹⁾⁽³⁾ EuroPacific Growth Fund[®] (Class R-4)⁽¹⁾ Evergreen Special Values Fund (Class A)⁽¹⁾⁽²⁾ Fidelity[®] VIP Contrafund[®] Portfolio (Initial Class) Fidelity[®] VIP Equity-Income Portfolio (Initial Class) Fidelity[®] VIP Growth Portfolio (Initial Class) Fidelity[®] VIP Mid Cap Portfolio (Initial Class)⁽⁴⁾ Fidelity[®] VIP Overseas Portfolio (Initial Class)⁽²⁾ Franklin Small Cap Value Securities Fund (Class 2) Fundamental InvestorsSM (Class R-4)⁽¹⁾⁽³⁾ ING AllianceBernstein Mid Cap Growth Portfolio (Class S) ING American Century Large Company Value Portfolio (S Class) ING American Century Small-Mid Cap Value Portfolio (S Class) ING Baron Asset Portfolio (S Class) ING Baron Small Cap Growth Portfolio (S Class) ING BlackRock Global Science and Technology Portfolio (Class I) ING BlackRock Large Cap Growth Portfolio (Class I) ING Columbia Small Cap Value II Portfolio (S Class) ING Davis New York Venture Portfolio (S Class) ING Evergreen Health Sciences Portfolio (Class S) ING FMRSM Diversified Mid Cap Portfolio (Class S)** ING GET U.S. Core Portfolio⁽⁵⁾ ING Global Resources Portfolio (Class S) ING International Index Portfolio (Class I)⁽³⁾ ING Janus Contrarian Portfolio (Class S)⁽³⁾ ING JPMorgan Emerging Markets Equity Portfolio (Class S) ING JPMorgan Mid Cap Value Portfolio (S Class) ING JPMorgan Small Cap Core Equity Portfolio (Class S) ING JPMorgan Value Opportunities Portfolio (Class S) ING Julius Baer Foreign Portfolio (Class S) ING Legg Mason Partners Aggressive Growth Portfolio (I Class) ING Legg Mason Value Portfolio (Class S) ING Lehman Brothers U.S. Aggregate Bond Index[®] Portfolio (Class I)⁽³⁾ ING Lord Abbett Affiliated Portfolio (Class I)</p> | <p>ING Marsico Growth Portfolio (Class I) ING Marsico International Opportunities Portfolio (Class S) ING MFS Total Return Portfolio (Class S) ING MFS Utilities Portfolio (Class S) ING Neuberger Berman Partners Portfolio (S Class) ING OpCap Balanced Value Portfolio (S Class) ING Oppenheimer Global Portfolio (I Class) ING Oppenheimer Main Street Portfolio[®] (Class S) ING Oppenheimer Strategic Income Portfolio (I Class) ING Opportunistic Large Cap Growth Portfolio (Class I) ING Opportunistic Large Cap Value Portfolio (Class I) ING PIMCO High Yield Portfolio (Class S) ING PIMCO Total Return Portfolio (S Class) ING Pioneer Equity Income Portfolio (Class I) ING Pioneer Fund Portfolio (Class I) ING Pioneer High Yield Portfolio (I Class) ING Pioneer Mid Cap Value Portfolio (Class I) ING RussellTM Large Cap Index Portfolio (Class I)⁽³⁾ ING RussellTM Mid Cap Index Portfolio (Class I)⁽³⁾ ING RussellTM Small Cap Index Portfolio (Class I)⁽³⁾ ING Solution Growth and Income Portfolio (S Class)⁽³⁾⁽⁶⁾ ING Solution Growth Portfolio (S Class)⁽³⁾⁽⁶⁾ ING Solution Income Portfolio (S Class)⁽⁶⁾ ING Solution 2015 Portfolio (S Class)⁽⁶⁾ ING Solution 2025 Portfolio (S Class)⁽⁶⁾ ING Solution 2035 Portfolio (S Class)⁽⁶⁾ ING Solution 2045 Portfolio (S Class)⁽⁶⁾ ING Stock Index Portfolio (Class I) ING T. Rowe Price Capital Appreciation Portfolio (Class S) ING T. Rowe Price Diversified Mid Cap Growth Portfolio (I Class) ING T. Rowe Price Equity Income Portfolio (Class S) ING T. Rowe Price Growth Equity Portfolio (I Class) ING Templeton Foreign Equity Portfolio (I Class) ING Templeton Global Growth Portfolio (Class S) ING Thornburg Value Portfolio (I Class) ING UBS U.S. Large Cap Equity Portfolio (I Class) ING UBS U.S. Small Cap Growth Portfolio (S Class) ING Van Kampen Capital Growth Portfolio (Class I) ING Van Kampen Comstock Portfolio (S Class) ING Van Kampen Equity and Income Portfolio (I Class) ING Van Kampen Growth and Income Portfolio (Class S)</p> | <p>ING Van Kampen Real Estate Portfolio (Class S) ING VP Balanced Portfolio, Inc. (Class I) ING VP Financial Services Portfolio (Class I)⁽⁷⁾ ING VP Growth and Income Portfolio (Class I) ING VP Index Plus International Equity Portfolio (Class I) ING VP Index Plus LargeCap Portfolio (Class I) ING VP Index Plus MidCap Portfolio (Class I) ING VP Index Plus SmallCap Portfolio (Class I) ING VP Intermediate Bond Portfolio (Class I) ING VP International Value Portfolio (Class I) ING VP MidCap Opportunities Portfolio (Class I) ING VP Money Market Portfolio (Class I)⁽⁸⁾ ING VP Real Estate Portfolio (Class I) ING VP Small Company Portfolio (Class I) ING VP SmallCap Opportunities Portfolio (Class I) ING VP Strategic Allocation Conservative Portfolio (Class I)⁽⁶⁾ ING VP Strategic Allocation Growth Portfolio (Class I)⁽⁶⁾ ING VP Strategic Allocation Moderate Portfolio (Class I)⁽⁶⁾ ING Wells Fargo Disciplined Value Portfolio (Class S) ING Wells Fargo Small Cap Disciplined Portfolio (Class S) LKCM Aquinas Growth Fund⁽¹⁾⁽⁴⁾ Lazard Mid Cap Portfolio (Open Shares)⁽¹⁾⁽⁹⁾ Loomis Sayles Small Cap Value Fund (Retail Class)⁽¹⁾⁽³⁾ Lord Abbett Series Fund - Mid-Cap Value Portfolio (Class VC) Neuberger Berman Socially Responsive Fund[®] (Trust Class)⁽¹⁾ New Perspective Fund[®] (Class R-4)⁽¹⁾ OpCap Mid Cap Portfolio Oppenheimer Developing Markets Fund (Class A)⁽¹⁾⁽²⁾ Oppenheimer Main Street Small Cap Fund[®]/VA Pax World Balanced Fund (Individual Investor Class)⁽¹⁾ PIMCO VIT Real Return Portfolio (Administrative Class) Pioneer Emerging Markets VCT Portfolio (Class I) Pioneer High Yield VCT Portfolio (Class I) RiverSource Diversified Equity Income Fund (Class R4)⁽¹⁾⁽³⁾ SMALLCAP World Fund[®] (Class R-4)⁽¹⁾⁽³⁾ Templeton Global Bond Fund (Class A)⁽¹⁾ The Bond Fund of AmericaSM (Class R-4)⁽¹⁾⁽³⁾ The Growth Fund of America[®] (Class R-4)⁽¹⁾ Wanger International Small Cap⁽¹⁰⁾ Wanger Select Wanger U.S. Smaller Companies⁽¹⁰⁾ Washington Mutual Investors FundSM (Class R-4)⁽¹⁾</p> |
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* The following funds are only available to a limited number of participants who did not participate in the fund substitution during July, 2007: Pioneer Equity Income VCT Portfolio and Pioneer Mid Cap Value VCT Portfolio.

** FMRSM is a service mark of Fidelity Management & Research Company.

(1) These funds are available to the general public. See "Taxation - Section 403(b) and Roth 403(b) Tax-Deferred Annuities."

(2) These funds are only available to plans offering the funds prior to certain dates as follows: American Century[®] Income & Growth Fund - prior to May 1, 2002; Evergreen Special Values Fund - prior to September 1, 2005; Fidelity[®] VIP Overseas Portfolio - prior to May 1, 2004; and Oppenheimer Developing Markets Fund - prior to March 6, 2006.

(3) This fund is scheduled to be available May 12, 2008.

(4) This fund is not available for all plans. Availability is subject to Company and/or plan sponsor approval.

Footnotes continued:

- ⁽⁵⁾ The ING GET U.S. Core Portfolio is not currently available for investment.
- ⁽⁶⁾ These funds are structured as fund of funds that invest directly in shares of underlying funds. See “Charges and Deductions - Fund Fees and Expenses” for additional information.
- ⁽⁷⁾ This fund is scheduled to be liquidated into the ING VP Money Market Portfolio (Class I) on or about September 5, 2008.
- ⁽⁸⁾ An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund is a money market fund which does not seek to maintain a stable \$1.00 net asset value. While the fund’s investment objective includes the preservation of capital, it is possible to lose money by investing in the fund.
- ⁽⁹⁾ Effective May 1, 2008, Lazard Mid Cap Portfolio is scheduled to change its name to Lazard U.S. Mid Cap Equity Portfolio.
- ⁽¹⁰⁾ Effective June 1, 2008, Wanger International Small Cap and Wanger U.S. Smaller Companies are scheduled to change their names to Wanger International and Wanger USA, respectively.

1. *The Annuity Contract*

An annuity permits a sum of money, which has been set aside for retirement, to be converted into either one or more larger payments, or ongoing smaller payments that can last your lifetime.

Contract Phases. A deferred annuity has two phases: accumulation and income. The first phase of a deferred annuity is the accumulation phase. During this time, your contributions may be made on an installment basis or in one or more lump sum(s). The Company reserves the right not to accept any contribution. Contribution(s) may accumulate: (a) on a variable basis by allocation to one or more of the available variable investment options; (b) on a fixed basis under a fixed interest option; and (c) in a combination of any of the available investment options. The amounts contributed to variable options accumulate earnings based on the returns of the investment options chosen, less contract and fund-level charges. Amounts contributed to fixed interest options accumulate earnings based on interest rates declared by the Company, less contract level charges.

The second phase of a deferred annuity is the income phase. This is the time income phase payments are made. The income phase can begin no earlier than the time you are eligible to receive a distribution of benefits from plans under sections 401(a), 401(k), 403(a), 403(b) and 457 of the Internal Revenue Code (Tax Code). Generally, distributions must begin by April 1st of the year following the calendar year in which a participant attains age 70½ or retires, whichever is later. The Company must be notified at least 30 days before you start receiving payments.

Tax Deferral. Your contributions and earnings accumulate tax deferred, until the accumulated amounts are withdrawn, income phase payments commence, or a required withdrawal is not taken. Use of an annuity in a retirement plan does not provide any additional tax deferral benefit as tax deferral is provided by the plan. Annuities are subject to additional fees and expenses to which other tax qualified funding vehicles may not be subject. However, the annuity contract does provide other features and benefits which may be valuable to you. If your plan provides you with a choice between an annuity contract and other alternatives, you should discuss your decision with your financial representative, taking into account all fees and expenses in the various options.

Investment Options. The annuity described here is a combination fixed and variable annuity. The terms “fixed” and “variable” refer to how amounts are invested both during the accumulation phase and during the income phase. “Variable” means the earnings generated on invested amounts will vary based on the performance of the selected investment options. “Fixed” means earnings grow at a given rate determined in advance.

The contract includes both variable investment options called subaccounts and fixed interest options. Some investment options listed in this summary may be unavailable through certain contracts and plans, or in some states. Amounts directed to variable options are allocated to subaccounts which, in turn, invest in shares of underlying mutual funds. If you select a variable investment option for investment, you will have a beneficial interest in the underlying mutual funds, but you are not invested directly in and you do not hold shares of the funds. The Company’s separate account, Variable Annuity Account C, owns shares of the underlying funds.

The returns of the variable options fluctuate with market changes. In other words, the value of the amount invested will vary — go up and down — daily, and your account could lose or gain money. Fixed interest options, on the other hand, offer minimum interest rates guaranteed by the Company that do not vary during the period selected. Among other factors, the safety of the interest rate guarantees depends upon the claims-paying ability of the Company. Under the Fixed Account and Fixed Plus Account options (see Appendices III and IV, respectively), the Company may credit interest in excess of the guaranteed minimum.

Withdrawals or transfers of contributions and earnings from the fixed interest options may be limited or restricted. In addition, withdrawals or transfers of contributions allocated to one fixed interest option — GAA — prior to the end of the period for which the rate is guaranteed may be subject to a market value adjustment, which may increase or reduce the amount withdrawn or transferred. See Appendix II.

Account Value. The account value is the total of the amounts allocated on your behalf to the variable and fixed interest options, plus earnings, less charges and any withdrawals.

Contract Information. The terms of the Company's annuity are spelled out in an insurance contract between your employer (the "contract holder") and the Company. The contract contains the specific

details about the annuity and the Company's contractual obligations with respect to the plan. The contract has been filed with and, in many cases, reviewed by the insurance regulator in your state.

2. Income Phase Payments

You receive income phase payments during the income phase. The amount of money that accumulates in your account during the accumulation phase will determine the amount available for income phase payments. Your employer or you, if allowed by your employer, can select how many income phase payments will be made and how the amount of each payment will be determined. To the extent provided by the plan, income phase payments may be made in one of the following ways:

- For a specified period of time, based on the number of years available under the contract;
- For your lifetime without a guaranteed period;
- For your lifetime with a guaranteed period of 5 to 30 years or as otherwise specified in the contract;
- For your lifetime and the lifetime of a second annuitant without a guaranteed period;
- For your lifetime and the lifetime of a second annuitant with a guaranteed period of 5 to 30 years or as otherwise specified in the contract;
- Under some contracts, for your lifetime with a cash refund upon the annuitant's death equal to the amount originally applied to the income phase payment option (less any premium tax) and less the total amount of fixed income phase payments paid; or
- Under some contracts, for your lifetime and the lifetime of a second annuitant with a cash refund upon both annuitants' deaths equal to the amount originally applied to the income phase payment option (less any premium tax) and less the total amount of fixed income phase payments paid.

Income phase payments may be made on a monthly, quarterly, semiannual or annual basis.

Please refer to your certificate or check with your contract holder for details on the income phase

payment options and accompanying death benefits available.

Once income phase payments begin, the choice of income phase payment method cannot be changed. Under some contracts, transfers during the income phase are allowed; however, the Company reserves the right to limit the number of transfers permitted per year.

In addition to choosing a payment method, if variable income phase payments are selected, an investment allocation during the income phase also must be chosen. If a fixed annuity is selected, the amount of each income phase payment is fixed or constant. If a variable annuity is selected, income phase payments will vary — the amounts will go up and down — and will move in the direction of the performance of the investment options selected during the income phase. Only certain variable investment options are currently available during the income phase. A fixed annuity must be used if you choose: (1) an option with a cash refund feature; or (2) under some contracts, income phase payments for a specified period of time for any amounts held in the Fixed Plus Account prior to initiating income phase payments.

If variable income phase payments are chosen for a specified period of time, the annuitant may request that the present value of all or any portion of the remaining variable payments be paid in one lump sum. If a lump sum is elected before a minimum number of years of payments (as specified in the contract) have been made, this election will be treated as a withdrawal during the accumulation period, and any applicable early withdrawal charge will be applied.

3. Choosing the Company's Variable Annuity Contract

The Company contracts are group deferred annuity contracts that the Company offers in connection with plans established by eligible organizations under Tax Code sections 401(a), 401(k), 403(a), 403(b) and 457, including Roth 403(b) and Roth 401(k). Eligible participants in the plan seeking to invest and

accumulate money for retirement can purchase an interest in the group annuity.

Your rights and the contract holder's rights are set forth in each contract purchased by the contract holder. You should consult with your employer to

determine which contract your employer has purchased and you should refer to that contract to determine your rights. Benefits payable to you are subject to the terms and conditions of the plan. The Company is not a party to the plan. Under some contracts the contract holder holds all rights under the contract but may permit you to exercise some of those rights. For additional information relating to employer-controlled contracts, see Appendix V.

If you elect to invest in this annuity, you will be asked to fill out enrollment materials. After accepting your application or enrollment form, the Company will, for some types of plans, issue you a certificate that shows your interest in the group annuity. For all types of plans, the Company will establish one or more individual accounts to track contributions and transactions. If you and your employer make contributions, the Company may establish distinct accounts for employer and employee contributions. Under some contracts, for lump-sum contributions, the Company may establish a distinct individual account for that contribution.

Factors to Consider in Your Decision. The decision to participate in the contract should be discussed with your financial representative. Make sure that you understand the investment options it provides, its other features, the risks and potential benefits you will face, and the fees and expenses you will incur when, together with your local representative, you consider an investment in the contract. You should pay attention to the following issues, among others:

a) **Long-Term Investment.** This contract is a long-term investment, and is typically most useful as part of a personal retirement plan. Early withdrawals may be restricted by the Tax Code or your plan, or may expose you to early withdrawal charges or tax penalties. The value of deferred taxation on earnings grows with the amount of time funds are left in the contract. You should not participate in this contract if you are looking for a short-term investment or expect to need to make withdrawals before you are 59½.

4. Investment Options

There are certain variable and fixed interest options available through the contract. A list of these options (see enclosed “Investment Options”) and summaries of each option are included with this package. To request a complete prospectus for any of the funds underlying the variable options or a GAA prospectus, please contact your local representative or call the

b) **Investment Risk.** The value of investment options available under this contract may fluctuate with the markets and interest rates. You should not participate in this contract in order to invest in these options if you cannot risk getting back less money than you put in.

c) **Features and Fees.** The fees for this contract reflect costs associated with the features and benefits it provides. As you consider this contract, you should determine the value that these various benefits and features have for you, given your particular circumstances, and consider the charges for those features.

d) **Exchanges.** Replacing an existing insurance contract with this contract may not be beneficial to you. If this contract will be a replacement for another annuity contract or mutual fund option under the plan, you should compare the two options carefully, compare the costs associated with each, and identify additional benefits available under this contract. You should consider whether these additional benefits justify incurring a new schedule of early withdrawal charges or any increased charges that might apply under this contract. Also, be sure to talk to your financial professional or tax adviser to make sure that the exchange will be handled so that it is tax-free.

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 have different benefits, fees and charges, and may offer different share classes of the funds offered in this contract that are less expensive. These other products may or may not better match your needs. You should be aware that there are alternative options available, and, if you are interested in learning more about these other products, contact your registered representative. These alternative options may not be available under your plan.

Company at the number listed on the introductory page.

Under some contracts no more than 18 investment options may be elected at any one time unless there is a loan on your account. If there is a loan on your account, the limit applies during the entire

accumulation phase. Each variable option, the Fixed Account, the Fixed Plus Account and each classification of GAA counts as one investment option for the purposes of this limit. Call the number listed on the introductory page to find out if these limits apply to you. Options described in the accompanying materials may not be available in all plans, contracts or jurisdictions. The Company may add, withdraw or substitute investment options or funds underlying the investment options subject to conditions in the contract and in compliance with regulatory requirements. In case of a substitution, the new fund may have different fees and charges than the fund it replaced.

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. We and the other members of the ING family of companies 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 1940 Act.

We actively monitor fund transfer and reallocation activity within our variable insurance 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 Center 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.

5. Charges and Deductions

The amount of the charges and fees that will be assessed under a contract are based on plan characteristics, as allowed by the contract. You should consult with your employer to determine which charges and fees apply to your individual accounts.

a) Contract Charges — These charges are assessed against your individual account's current value.

1. Early Withdrawal Charge — There is no sales charge at the time contributions to the contract are made. If all or a portion of your individual account's current value is withdrawn during the accumulation phase, a percentage of the amount withdrawn may be deducted so that the Company may recover sales and administrative-related expenses. This fee is a deferred sales charge, called an early withdrawal charge. This charge may also be referred to as a surrender charge in your contract or certificate. No early withdrawal charge applies to amounts withdrawn from the Fixed Plus Account. See Appendix IV.

The following charts show the maximum early withdrawal charge schedules under contracts other than voluntary 403(b) contracts for employees of Texas public schools who became participants on or after June 1, 2002 (Texas K-12 contracts) (Schedules I and II) and for Texas K-12 contracts (Schedule III). There is an additional schedule for withdrawals under certain New York contracts (Schedule IV).

Each contract will specify whether a schedule is based on one of the following: (1) a 12-month period measured from the date the Company establishes

your account, or measured from any anniversary of that date (account years); (2) a 12-month period measured from the date the Company establishes the contract, or measured from any anniversary of that date (contract years); or (3) the time it takes to complete the number of installment payments expected to be made to your account over a year (purchase payment periods)*. For example, if your payment frequency is every two weeks, a purchase payment period is completed after 26 payments are made. If only 25 payments are made, the purchase payment period is not completed until the twenty-sixth payment is made. At any given time, the number of purchase payment periods completed cannot exceed the number of account years completed, regardless of the number of purchase payments made.

The total early withdrawal charge will not exceed 8.5% of total purchase payments made or, under some contracts, the maximum permitted by the rules of the Financial Industry Regulatory Authority (FINRA).

Schedule I below shows one of two maximum early withdrawal charge schedules that may apply to contracts other than Texas K-12 contracts. It grades down to zero over a 10-year period. Some contracts have schedules that grade down to zero over fewer than 10 years. You may determine which schedule applies to you by consulting your certificate or the contract (check with your employer). Unless the contract provides otherwise, the same schedule applies to installment payments (ongoing contributions) and to single lump-sum payments

* May also be called Contribution Periods, Deposit Cycles, Purchase Payment Cycles or Installment Payment Periods (depending upon the contract).

(rollovers, exchanges or other one-time contributions).

Schedule I

| Account Years, Contract Years, Purchase Payment Periods, Contribution Periods, Deposit Cycles, Purchase Payment Cycles or Installment Payment Periods (depending upon the contract) | Early Withdrawal Charge |
|---|-------------------------|
| Fewer than 5 | 5.0% |
| 5 or more, but fewer than 7 | 4.0% |
| 7 or more, but fewer than 9 | 3.0% |
| 9 or more, but fewer than 10 | 2.0% |
| 10 or more | 0.0% |

For contracts other than Texas K-12 contracts where the Company establishes distinct accounts for installment payment and single payment accounts: Schedule I above applies to installment payment accounts and Schedule II below applies to single payment accounts. As shown below, Schedule II grades down to zero over a 9-year period as account years are completed.

Schedule II

| Completed Account Years | Early Withdrawal Charge |
|-----------------------------|-------------------------|
| Fewer than 5 | 5.0% |
| 5 or more, but fewer than 6 | 4.0% |
| 6 or more, but fewer than 7 | 3.0% |
| 7 or more, but fewer than 8 | 2.0% |
| 8 or more, but fewer than 9 | 1.0% |
| 9 or more | 0.0% |

Texas K-12 Contracts. Schedule III applies to participants who enroll in Texas K-12 Contracts. These contracts meet the requirements established by the Teachers Retirement System of Texas in support of Senate Bill 273.

Schedule III

| Completed Account Years | Early Withdrawal Charge |
|------------------------------|-------------------------|
| Fewer than 1 | 7.0% |
| 1 or more, but fewer than 2 | 6.5% |
| 2 or more, but fewer than 3 | 6.0% |
| 3 or more, but fewer than 4 | 5.5% |
| 4 or more, but fewer than 5 | 5.0% |
| 5 or more, but fewer than 6 | 4.5% |
| 6 or more, but fewer than 7 | 4.0% |
| 7 or more, but fewer than 8 | 3.5% |
| 8 or more, but fewer than 9 | 3.0% |
| 9 or more, but fewer than 10 | 2.0% |
| 10 or more | 0.0% |

Certain New York Contracts. For master 403(b) plan contracts issued after July 29, 1993 in New York, in addition to waivers or reductions that the Company grants, the state of New York requires a

reduced early withdrawal charge schedule for withdrawals from the Guaranteed Accumulation Account, as shown in Schedule IV below. The same schedule is used for withdrawals from the subaccounts, Fixed Account or the Guaranteed Accumulation Account for contracts issued in New York on or after March 7, 2000 under contract forms G-CDA-99(NY) and G-CDA-01(NY). The schedule grades down over a 7-year period as account years are completed as shown in the table below.

Schedule IV

| Completed Account Years | Early Withdrawal Charge |
|-----------------------------|-------------------------|
| Fewer than 3 | 5.0% |
| 3 or more, but fewer than 4 | 4.0% |
| 4 or more, but fewer than 5 | 3.0% |
| 5 or more, but fewer than 6 | 2.0% |
| 6 or more, but fewer than 7 | 1.0% |
| 7 or more | 0.0% |

The early withdrawal charge will be waived when the withdrawal is:

- Used to provide income payments during the income phase;
- Paid because of your death before income phase payments begin;
- Paid where the individual account current value is \$5,000 or less*, and no part of the account has been taken as a withdrawal, used to provide income payments or taken as a loan within the prior 12 months (36 months for some contracts issued in New York);
- Taken because of the election of a systematic distribution option (see “Withdrawals - Systematic Distribution Options”); or
- Taken on or after the tenth anniversary of the effective date of the individual account.

The early withdrawal charge will be waived under some contracts when the withdrawal is:

- Taken under accounts with an early withdrawal charge schedule based on completed payment periods when you are at least age 59½ and have completed at least nine payment periods;

* Under some contracts this waiver applies to withdrawals paid where your account value is \$3,500 (or for some contracts issued in New York, \$1,999 or when the paid-up annuity benefit is less than \$20 monthly). In addition, under some contracts, we will waive this charge as otherwise allowed by the plan for a lump-sum cashout without a participant’s consent.

- Taken after you have experienced a severance of employment with your employer* (under certain contracts, the employer must provide documentation of severance to the Company);
- Used to purchase a Company single premium immediate annuity or other contracts allowed by the Company, under the condition that you do not cancel the new contract and obtain a refund during the cancellation period (if you cancel the new contract, the Company will reinstate the account under the old contract and the amount returned to the account from the new contract may then be withdrawn, subject to any early withdrawal charge that would have applied at the time the new contract was established);
- Depending upon the plan, due to financial hardship or hardship resulting from an unforeseeable emergency, as defined in the Tax Code and regulations thereunder or an in-service distribution permitted by the plan when certified by the employer;
- Withdrawn from contracts used with 401(a), 401(k), 403(a) or 403(b) plans, if the withdrawal is not more than 10% of the individual account current value and is the first partial withdrawal in a calendar year. The 10% amount will be calculated using the individual account current value on the date the request is received, in good order, in the Company's Home Office. This provision is available to you if you are between the ages of 59½ and 70½. Any loans outstanding on an individual account are excluded from the individual account current value when calculating the 10% amount. This provision is not applicable to a full withdrawal of the individual account, or to partial withdrawals due to loan defaults. This provision may not be exercised if the Systematic Withdrawal Option is elected;
- Due to a transfer of the individual account current value to another retirement product offered by the Company under the contract holder's plan under various conditions as agreed to by the Company and the contract holder in writing;
- Taken for an exchange as provided under Internal Revenue Service Ruling 90-24 to a Tax Code section 403(b)(7) custodial account sponsored by the Company;
- Due to the Company's terminating the account because the account value is \$5,000 or less (\$3,500 under some contracts or \$1,999 for some contracts issued in New York or when the paid-up annuity benefit is less than \$20 monthly) and this value is not due to negative investment performance and no purchase payments have been received within the previous twelve months (thirty-six months under some contracts issued in New York);
- Made for the purposes of taking a loan from the plan, subject to conditions agreed to by the contract holder and the Company in writing;
- Due to your disability as defined by the Tax Code, if the withdrawal is paid directly to you and certified by your employer; and
- Due to a transfer of amounts to a defined benefit governmental plan in connection with the purchase of permissive service credits under such defined benefit plan, or the repayment of a lump sum amount previously withdrawn from such defined benefit plan, in accordance with the terms of the 403(b) plan or 457 plan, the defined benefit plan and applicable IRS guidelines.

2. Annual Maintenance Fee — During the accumulation period this charge is deducted from the sum of the current value of your individual account(s) on the contract anniversary date and, to the extent permitted by state law, upon full withdrawal of the individual account(s). Under some contracts we may also deduct this fee annually on the anniversary of the issue date of the contract, rather than on your account anniversary. This fee may be deducted pro-rata from employer and employee accounts, including Roth 403(b) and Roth 401(k) accounts.

This fee reimburses the Company for some of its administrative expenses relating to the establishment and maintenance of the individual account(s). The annual maintenance fee maximum is \$30, but the fee charged on your account(s) under your plan may be less. Due to factors on which the maintenance fee is based, it is possible that it may increase or decrease from year to year as the characteristics of the contract holder's group change.

3. Redemption Fees — Certain funds may deduct redemption fees as a result of withdrawals, transfers, or other fund transactions you initiate. If applicable, we may deduct the amount of any redemption fees imposed by the underlying mutual funds as a result of withdrawals, transfers or other fund transactions you

* This waiver does not apply if the severance of employment would not have qualified as a separation from service under IRS guidance prior to the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

may initiate. Redemption fees, if any, are separate and distinct from any transaction charges or other charges deducted from your account value. For a more complete description of the funds' fees and expenses, review each fund's prospectus.

b) Separate Account Charges — These charges consist of the mortality and expense risk charge and the administrative expense charge and are applied to the average daily assets of the variable options. During the accumulation phase, the maximum total separate account charges equal 1.75% on an annual basis, and during the income phase, the maximum total separate account charges equal 1.50%. These charges may be reduced for certain plans. The mortality and expense risk charge of up to 1.50% annually of your account value invested in the subaccounts during the accumulation phase, and up to 1.25% during the income phase, covers certain expense and life expectancy risks the Company assumes when issuing an annuity contract. The administrative expense charge of up to 0.25% annually of your account value invested in the subaccounts reimburses the Company for some of the expenses incurred in administering the contract. The administrative expense charge may be applied to you if you become covered under a contract on or after November 5, 1984 and may be deducted during the accumulation phase and/or the income phase. If the Company is currently charging this fee during the income phase under the contract issued in connection with your plan when you enter the income phase, the fee will apply to you during the entire income phase.

c) Fund Fees and Expenses — As shown in the fund prospectuses each fund deducts management 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 holder 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. **For a more complete description of the funds' fees and expenses, review each fund's prospectus.**

The Company or its U.S. affiliates receive substantial revenue from each of the funds or the funds' affiliates, although the amount 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.

In terms of total dollar amounts received, the greatest amount of revenue generally comes from assets allocated to funds managed by Directed Services LLC or other Company affiliates, which funds may or may not also be subadvised by a Company affiliate. Assets allocated to funds managed by a Company affiliate but subadvised by unaffiliated third parties generally generate the next greatest amount of revenue. Finally, assets allocated to unaffiliated funds generate the least amount of revenue. The Company expects to make a profit from this revenue to the extent it exceeds the Company's expenses, including the payment of sales compensation to our distributors.

Types of Revenue Received from Affiliated Funds

Affiliated funds are: (a) funds managed by Directed Services LLC or other Company affiliates, which may or may not also be subadvised by another Company affiliate; and (b) funds managed by a Company affiliate but which are subadvised by unaffiliated third parties.

Revenues received by the Company from affiliated funds may include:

- A share of the management fee deducted from fund assets;
- Service fees that are deducted from fund assets;
- For certain share classes, the Company or its affiliates may also receive compensation paid out of 12b-1 fees that are deducted from fund assets; 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 fund's management fees.

These revenues may be received as cash payments or according to a variety of financial accounting techniques that are used to allocate revenue and profits across the organization. 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.

Types of Revenue Received from Unaffiliated Funds

Revenues 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.

Revenues received by the Company or its affiliates from unaffiliated funds include:

- For certain funds, compensation paid from 12b-1 fees or service fees that are deducted from fund assets; and
- Additional payments for administrative, recordkeeping or other services that 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 do not increase directly or indirectly the fees and expenses shown in each fund prospectus and fund summary. These additional payments may be used by us to finance distribution of the contract.

These revenues are received as cash payments, and if the unaffiliated fund families currently offered through the contract were individually ranked according to the total amount they paid to the Company or its affiliates in 2007, in connection with the registered variable annuity contracts issued by the Company, that ranking would be as follows:

- 1) Fidelity Investments
- 2) American Funds
- 3) Franklin Templeton Investments
- 4) Lord Abbett Funds
- 5) Oppenheimer Funds
- 6) Pioneer Investments
- 7) Evergreen Investments
- 8) Columbia Wanger Asset Management
- 9) AIM Investments
- 10) Pax World Funds
- 11) Calvert Funds
- 12) PIMCO Funds
- 13) American Century Investments
- 14) Janus Funds
- 15) Neuberger Berman, LLC
- 16) LKCM Aquinas Funds
- 17) Lazard Funds, Inc.
- 18) Capital One Mutual Funds
- 19) Premier VIT (OpCap Advisors, LLC)

- 20) Artisan Funds
- 21) Loomis Sayles Funds
- 22) RiverSource Investments

Some fund families listed above may not have paid any such amounts in 2007.

If the revenues received from affiliated funds were included in the table above, payments from Directed Services LLC and other Company affiliates would be first on the list.

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 personnel; and opportunity to host due diligence meetings for representatives and wholesalers.

Certain funds may be structured as "fund of funds" (including the ING Solution and the ING VP Strategic Allocation portfolios). 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 are affiliated funds, and the underlying funds in which they invest may be affiliated as well. The fund prospectuses disclose the aggregate annual operating expenses of each portfolio and its corresponding underlying fund or funds. These funds are identified in the investment option list page of this summary.

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. See "Sales Compensation."

Hypothetical Example

The following example is intended to help you compare the cost of investing in the contract with the cost of investing in other variable annuity contracts. For each type of contract, these costs include maximum contract holder transaction expenses, maximum maintenance fees, maximum separate account annual expenses, and fund fees and expenses applicable to that type of contract.

Example: The following example assumes that you invest \$10,000 in the contract for the time periods indicated. The example also assumes that your investment has a 5% return each year and assumes the **maximum** and **minimum** fees and expenses of any of the funds. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

| | <u>Maximum</u> | | <u>Minimum</u> | |
|---|-------------------------|---------------------------|-------------------------|---------------------------|
| | <u>1</u> <u>Year</u> | <u>10</u> <u>Years</u> | <u>1</u> <u>Year</u> | <u>10</u> <u>Years</u> |
| Applicable to Texas K-12 contracts | \$303 | \$3,318 | \$179 | \$2,073 |
| Applicable to all other contracts | \$345 | \$3,701 | \$217 | \$2,471 |

d) Premium and Other Taxes — Several states and municipalities impose a premium tax on annuities. Currently such taxes range from 0% to 4%. The Company reserves the right to deduct a charge for premium taxes against contributions or current values at any time, but no earlier than when due under state law. For example, we may deduct a charge for premium taxes at the time of a complete withdrawal or we may reflect the cost of premium taxes in our income phase payment rates when you commence income phase payments. We will not deduct a charge for any municipal premium tax of 1% or less, but we reserve the right to reflect such an expense in our annuity purchase rates. In addition, we reserve the right to assess a charge for any federal taxes due against the separate account.

6. Regulatory Matters

Regulatory Developments - the Company and the Industry. As with many financial services companies, the Company and its affiliates have received informal and formal requests for information from various state and federal governmental agencies and self-regulatory organizations in connection with inquiries and investigations of the products and practices of the financial services industry. In each case, the Company and its affiliates have been and are providing full cooperation.

Insurance and Retirement Plan Products and Other Regulatory Matters. Federal and state regulators and self-regulatory agencies are conducting broad inquiries and investigations involving the insurance and retirement industries. These initiatives currently focus on, among other things, compensation, revenue sharing, and other sales incentives; potential conflicts of interest; potential anti-competitive activity; reinsurance; sales and marketing practices (including sales to seniors); specific product types (including group annuities and indexed annuities); and disclosure. It is likely that the scope of these industry investigations will further broaden before they conclude. The Company and

certain of its U.S. affiliates have received formal and informal requests in connection with such investigations, and are cooperating fully with each request for information. Some of these matters could result in regulatory action involving the Company.

These initiatives also may result in new legislation and regulation that could significantly affect the financial services industry, including businesses in which the Company is engaged.

In light of these and other developments, U.S. affiliates of ING, including the Company, periodically review whether modifications to their business practices are appropriate.

Investment Product Regulatory Issues. Since 2002, there has been increased governmental and regulatory activity relating to mutual funds and variable insurance products. This activity has primarily focused on inappropriate trading of fund shares; directed brokerage; compensation; sales practices, suitability, and supervision; arrangements with service providers; pricing; compliance and controls; adequacy of disclosure; and document retention.

In addition to responding to governmental and regulatory requests on fund trading issues, ING management, on its own initiative, conducted, through special counsel and a national accounting firm, an extensive internal review of mutual fund trading in ING insurance, retirement, and mutual fund products. The goal of this review was to identify any instances of inappropriate trading in those products by third parties or by ING investment professionals and other ING personnel.

The internal review identified several isolated arrangements allowing third parties to engage in frequent trading of mutual funds within the variable insurance and mutual fund products of certain affiliates of the Company, and identified other circumstances where frequent trading occurred despite measures taken by ING intended to combat market timing. Each of the arrangements has been terminated and disclosed to regulators, to the independent trustees of ING Funds (U.S.) and in Company reports previously filed with the Securities and Exchange Commission (“SEC”) pursuant to the Securities Exchange Act of 1934, as amended.

Action may be taken by regulators with respect to certain ING affiliates before investigations relating to fund trading are completed. The potential outcome of such action is difficult to predict but could subject certain affiliates to adverse consequences, including, but not limited to, settlement payments, penalties,

and other financial liability. It is not currently anticipated, however, that the actual outcome of any such action will have a material adverse effect on ING or ING’s U.S. based operations, including the Company.

ING has agreed to indemnify and hold harmless the ING Funds from all damages resulting from wrongful conduct by ING or its employees or from ING’s internal investigation, any investigations conducted by any governmental or self-regulatory agencies, litigation or other formal proceedings, including any proceedings by the SEC. Management reported to the ING Funds Board that ING management believes that the total amount of any indemnification obligations will not be material to ING or ING’s U.S. based operations, including the Company.

Product Regulation. Our products are subject to a complex and extensive array of state and federal tax, securities and insurance laws, and regulations, which are administered and enforced by a number of governmental and self-regulatory authorities. In addition, state and federal securities and insurance laws impose requirements relating to insurance and annuity product design, offering and distribution, and administration. Failure to meet any of these complex tax, securities, or insurance requirements could subject the Company to administrative penalties, unanticipated remediation, or other claims and costs.

7. 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 individuals who are registered representatives of ING Financial Advisers, LLC or of other broker-dealers that have entered into a selling arrangement with ING Financial Advisers, LLC. We refer to ING Financial Advisers, LLC and the other broker-dealers selling the contracts as “distributors.” All registered representatives selling the contracts must also be licensed as insurance agents for the Company.

The following is a list of broker-dealers that are affiliated with the Company:

Bancnorth Investment Group, Inc.
Directed Services LLC
Financial Network Investment Corporation
Guaranty Brokerage Services, Inc.
ING America Equities, Inc.
ING DIRECT Securities, Inc.
ING Financial Markets LLC
ING Financial Partners, Inc.
ING Funds Distributor, LLC
ING Investment Management Services LLC
ING Private Wealth Management LLC
Multi-Financial Securities Corporation
PrimeVest Financial Services, Inc.
ShareBuilder Securities Corporation
Systematized Benefits Administrators, Inc.

Registered representatives 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 registered representative. This compensation, as well as other incentives or payments, is not paid directly by contract holders or the separate account. We intend to recoup this compensation and other sales expenses paid to distributors through fees and charges imposed under the contracts.

Commission Payments. Persons who offer and sell the contracts may be paid a commission. The commissions paid on transferred assets and recurring payments made during the first year of the participant account range from 0% to 7%. After the first year of the participant account, renewal commissions up to 3% may be paid on recurring payments up to the amount of the previous year's payments, and commissions of up to 7% may be paid on recurring payments in excess of this amount. In addition, the Company may pay an asset based commission ranging up to 0.50%.

We may also pay ongoing annual compensation of up to 40% of the commissions paid during the year in connection with certain premium received during that year, if the registered representative attains a certain threshold of sales of Company contracts. Individual registered representatives may receive all or a portion of compensation paid to their distributor, depending upon the firm's practices. Commissions and annual payments, when combined, could exceed 7% of total premium payments. 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 distributors, which may require the registered representative to attain a certain threshold of sales of Company products. Under one such program, we may pay additional amounts to distributors in connection with a participant's increased or re-started contributions and/or the number of participant enrollments completed by a registered representative during a specified time period. 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.

We may also enter into special compensation arrangements with certain selling firms based on those firms' aggregate or anticipated 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 note above. These special compensation arrangements will not be offered to all selling firms, and the terms of such arrangements may differ among selling firms based on various factors. These special compensation arrangements may also be limited only to ING Financial Advisers, LLC and other distributors affiliated with the Company. Any such compensation payable to a selling firm will not result any additional direct charge to you by us.

Some sales personnel may receive various types of non-cash compensation as special sales incentives, including trips, and we may also pay for some sales personnel 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 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.

In addition to direct cash compensation for sales of contracts described above, ING Financial Advisers, LLC may also pay distributors additional compensation or reimbursement of expenses for their efforts in selling contracts to you 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 registered representatives 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 selling firms that, during 2007, received the most compensation, in the aggregate, from us in connection with the sale of registered variable annuity contracts issued by the Company, ranked by total dollars received.

- 1) Symetra Investment Services, Inc.
- 2) AIG Financial Advisors Inc.
- 3) Financial Network Investment Corporation
- 4) Linsco/Private Ledger Corp.
- 5) Lincoln Investment Planning, Inc.
- 6) Walnut Street Securities, Inc.[®]
- 7) Valor Insurance Agency, Inc.
- 8) NFP Securities, Inc.
- 9) ING Financial Partners, Inc.
- 10) National Planning Corporation
- 11) Multi-Financial Securities Corporation
- 12) Jefferson Pilot Securities Corporation
- 13) Securities America, Inc.
- 14) Cadaret, Grant & Co., Inc.
- 15) Wachovia Securities, LLC
- 16) First Heartland[®] Capital, Inc.
- 17) Northwestern Mutual Investment Services, LLC
- 18) A.G. Edwards & Sons, Inc.
- 19) Financial Telesis Inc./JHW Financial & Insurance Services

- 20) Tower Square Securities, Inc.
- 21) Mutual Service Corporation
- 22) Morgan Keegan and Company, Inc.
- 23) Ameritas Investment Corp.
- 24) Lincoln Financial Advisors Corp.
- 25) Waterstone Financial Group

If the amounts paid to ING Financial Advisers, LLC were included, ING Financial Advisers, LLC would be first on the list.

This is a general discussion of the types and levels of compensation paid by us for the sale of our variable annuity contracts. It is important for you to know that the payment of volume or sales-based compensation to a distributor or registered representative may provide that registered representative 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 the registered representative responsible for your account are stated in your enrollment materials.

The Agreement between the American Federation of Teachers-CT (“AFT-CT”) and the Company

In the early 1990’s, the AFT-CT endorsed the Company’s variable annuity contract. Following this endorsement, it has permitted the Company to use the AFT-CT logo on Company marketing materials, accepted paid Company advertisements in union publications, and allowed the Company access to certain union functions. During this same period, the Company made payments to AFT-CT for placement of advertising of the Company’s variable annuity in the AFT-CT publications and contributed to the costs of certain AFT-CT sponsored events. Over the past several years, these payments have typically not exceeded \$15,000 per year.

The Agreement between the Oregon Education Association (“OEA”) and the Company

Effective February 16, 2007, the Company and the OEA have entered into an agreement in which the OEA agrees to endorse, and facilitate OEA members’ access to, the Company’s variable annuity.

Pursuant to the Agreement, the Company agrees:

- To reimburse OEA up to \$4,000 per year for the expenses of an outside consultant hired by OEA

to review and monitor the competitiveness and performance of the Company's variable annuity;

- To develop and provide custom marketing materials and seminars, in addition to the normal and customary expenditures associated with the distribution and marketing of its products and services, to support OEA member education;
- To employ a full time OEA educator position on the Company's staff whose primary focus is to develop a statewide program to educate OEA's membership about the Oregon PERS program. While the primary purpose of the OEA Educator position is financial education, it is expected that the efforts of this position would result, indirectly, in additional enrollment in the Company's variable annuity; and
- To pay for the costs of meeting rooms and appropriate refreshments for financial seminars and other presentations that the Company conducts.

The Company may also from time to time contribute to the costs incurred by OEA in sponsoring certain union and OEA Board member functions that Company personnel are permitted to attend, and in past years has paid for Company advertisements in union publications, although the Agreement between

OEA and the Company does not obligate the Company to make any such payments. The Company's payments for such functions and advertisements have typically not exceeded \$25,250 per year in recent years.

Third-Party Compensation Arrangements

- The Company may seek to promote itself and the contracts 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 contracts to their membership. If an endorsement is a factor in your contract purchasing decision, more information on the payment arrangement, if any, is available upon your request.
- At the direction of the contract holder, we may make payments to the contract holder, its representatives or third party service providers intended to defray or cover the costs of plan or program related administration.

8. Taxation

The following general discussion of tax issues is not intended as specific advice about any participant's tax situation. **The rules are complex. You should consult with your tax adviser for specific information and advice on the effect of federal income taxes or any other taxes on amounts held or paid out under the annuity.**

Plan Types. The annuity contract is designed for use in plans that qualify under Tax Code sections 401(a), 401(k), 403(a), 403(b), or 457, including Roth 401(k) and Roth 403(b) plans. It may also be used with nonqualified deferred compensation plans under Tax Code section 457(f), with qualified governmental excess benefit arrangements under Tax Code section 415(m), and with bona fide severance pay plans under Tax Code section 457(e)(11).

Section 403(b) and Roth 403(b) Tax-Deferred Annuities. The contracts are available as Tax Code section 403(b) tax-deferred annuities, and may also be available as a Roth 403(b) contract, and we may set up accounts for you under the contract for Roth 403(b) contributions.

In July 2007, the Treasury Department issued final regulations that are generally effective January 1, 2009. These final regulations may be relied upon prior to that date as long as reliance is on a reasonable and consistent basis. We reserve the right to modify the contracts to comply with these regulations where allowed, or where required by law. The final regulations include: (a) a written plan requirement; (b) the ability to terminate a 403(b) plan, which would entitle a participant to a distribution; (c) the replacement of IRS Revenue Ruling 90-24 with new exchange rules effective September 25, 2007 and requiring information sharing between the 403(b) plan sponsor and/or its delegate and the product provider as well as new plan-to-plan transfer rules (under these new exchange and transfer rules, the 403(b) plan sponsor can elect not to permit exchanges or transfers); and (d) new distribution rules for 403(b)(1) annuities that would impose withdrawal restrictions on non-salary reduction contribution amounts in addition to salary reduction contribution amounts, as well as other changes.

In addition to being offered as an investment option under the contract, shares of the following funds:

- ▷ American Century[®] Income & Growth Fund
- ▷ Artisan International Fund
- ▷ Capital One Mid Cap Equity Fund
- ▷ Columbia Mid Cap Value Fund
- ▷ EuroPacific Growth Fund[®]
- ▷ Evergreen Special Values Fund
- ▷ Fundamental InvestorsSM
- ▷ LKCM Aquinas Growth Fund
- ▷ Lazard Mid Cap Portfolio
- ▷ Loomis Sayles Small Cap Value Fund
- ▷ Neuberger Berman Socially Responsive Fund[®]
- ▷ New Perspective Fund[®]
- ▷ Oppenheimer Developing Markets Fund
- ▷ Pax World Balanced Fund
- ▷ RiverSource Diversified Equity Income Fund
- ▷ SMALLCAP World Fund[®]
- ▷ Templeton Global Bond Fund
- ▷ The Bond Fund of AmericaSM
- ▷ The Growth Fund of America[®]
- ▷ Washington Mutual Investors FundSM

are also offered for sale directly to the general public. In order to qualify for favorable tax treatment under Tax Code section 403(b), a contract must be considered an “annuity.” In Revenue Procedure 99-44, the IRS concluded that it will treat a contract as an annuity for tax purposes under Tax Code section 403(b), notwithstanding that contract premiums are invested at the contract holder’s direction in publicly available securities. This treatment will be available provided no additional tax liability would have been incurred if the contribution was paid into a trust or a custodial account in an arrangement that satisfied the requirements of Tax Code section 401(a) or 403(b)(7)(A). We believe that the contracts satisfy the requirements set forth in Revenue Procedure 99-44 and will therefore be treated as an annuity for tax purposes, notwithstanding the fact that investments may be made in publicly available securities. However, the exact nature of the requirements of Revenue Procedure 99-44 is unclear, and you should consider consulting with a tax adviser before electing to invest in a fund that is offered for sale to the general public.

Revenue Procedure 99-44 does not specially address the use of publicly available securities in annuity contracts designed for use as a Roth 403(b).

However, we believe that under this analysis such investment should not impact the treatment of such contracts as annuity contracts for purposes of Tax Code section 403(b). You should consider consulting with a tax adviser before electing to invest in a fund that is offered for sale to the general public through one of these contracts.

Section 401(a), 401(k), Roth 401(k), and 403(a) Plans. The contracts are also available for use with plans under sections 401(a), 401(k), and 403(a) of the Tax Code, and may also be available as a Roth 401(k) contract, and we may set up accounts for you under the contract for Roth 401(k) contributions.

Section 457(b) and 457(f) Plans. The contracts are also available for use with deferred compensation plans under section 457 of the Tax Code. Section 457 plans may be offered by governmental employers and tax-exempt, non-governmental employers. A 457 plan may be either a 457(b) (eligible) plan or a 457(f) (ineligible) plan. Participation in a 457(b) plan maintained by a non-governmental employer is generally limited to highly compensated employees and select management (other than 457(b) plans maintained by nonqualified, church-controlled organizations).

Under 457(b) plans of non-governmental employers and 457(f) plans, all amounts of deferred compensation, all property and rights purchased with such amounts and all income attributable to such amounts, property and rights remain solely the property and rights of the employer and are subject to the claims of the employer’s general creditors. 457(f) plans must also contain a “substantial risk of forfeiture” in order to defer taxation of contributions and earnings. 457(b) plans of governmental employers, on the other hand, are required to hold all assets and income of the plan in trust for the exclusive benefit of plan participants and their beneficiaries. For purposes of meeting this requirement, an annuity contract is treated as a trust.

Amounts deferred under Tax Code section 457(f) plans on or after January 1, 2005 must meet the requirements of Tax Code section 409A, which includes standards for deferral elections, restrictions on subsequent elections regarding the time and form of payment, and a prohibition on accelerating payment. It also requires distributions only upon the occurrence of the following specified events:

- Separation from service;
- Disability;
- Death;

- Payment upon a specified time (or under a specified schedule) determined at the date that the deferral is made;
- Change in control or ownership of the sponsoring employer; or
- Unforeseeable emergency.

Tax Code section 409A does not affect the application of any other provision of the Tax Code, including section 457(f), or any common law tax doctrines (e.g., constructive receipt).

If the requirements of Tax Code section 409A are not met, affected participants covered by the plan will be subject to:

- Income tax inclusion on the deferred amounts, retroactive to the date of the original deferral (or if later, that date on which the deferred compensation was no longer subject to a substantial risk of forfeiture);
- Interest at the underpayment rate plus one percent on the underpayments; and
- An additional penalty tax equal to 20% of the amount included in income.

Amounts deferred under these plans prior to January 1, 2005 may be eligible for “grandfathering” from the requirements of Tax Code section 409A, if certain requirements are met.

415(m) Arrangements. The contracts may be available through a qualified governmental excess benefit arrangement as defined in Tax Code section 415(m), which may be subject to the same requirements as those applied to Tax Code section 457(b) plans. There is no further information regarding 415(m) arrangements in this summary.

Bona Fide Severance Pay Plans. The contracts may be available through certain bona fide severance pay plans, described in Tax Code section 457(e)(11). Because these plans are not clearly defined in the Tax Code, it may be determined that your plan does not qualify as a bona fide severance pay plan, in which case amounts provided under the contract are taxable in the year in which they are deferred. There is no further information regarding bona fide severance pay plans in this summary.

Contributions - 401(a), 401(k), Roth 401(k), 403(a), 403(b), and Roth 403(b) Plans. Contributions will be excluded from your gross income until you make a withdrawal, start receiving income phase payments, or fail to make a required

withdrawal. Roth 403(b) and 401(k) salary reduction contributions are made on an after-tax basis.

Total annual contributions (including pre-tax and Roth 403(b) and Roth 401(k) after-tax contributions) are excludible from your gross income for federal income tax purposes as described above, as long as they do not exceed, generally, the lesser of 100% of your compensation or \$46,000 (as indexed for 2008). In addition, your salary reduction contributions are generally limited to no more than \$15,500.

457(b) Plans. Contributions are excludible from your gross income until they are paid, or in some circumstances, otherwise made available to you. Total annual contributions made by you and your employer to a 457(b) plan cannot exceed, generally, the lesser of \$15,500 or 100% of your includible compensation. Generally, includible compensation means your compensation for the year from the employer sponsoring the plan, including deferrals to the employer’s Tax Code section 457, 401(k), Roth 401(k), 403(b), Roth 403(b), and 125 cafeteria plans.

Catch-up Contributions. Notwithstanding the contribution limits noted above, a participant in a 401(k), Roth 401(k), 403(b), Roth 403(b), or governmental 457(b) plan (subject to the terms of the plan) who is at least age 50 by the end of the plan year may contribute an additional amount not to exceed the lesser of:

- (a) \$5,000; or
- (b) The participant’s compensation for the year reduced by any other elective deferrals of the participant for the year.

Additional catch-up provisions, including one for certain employees who have completed at least 15 years of service with an eligible employer, may be available. For advice on using a catch-up provision, please consult with your tax adviser.

Distributions. A distribution is any amount taken from a contract including withdrawals, income phase payments, rollovers, exchanges and death benefit proceeds. We report the taxable portion of all distributions to the IRS.

401(a), 401(k), 403(a), 403(b) and Governmental 457(b) Plans. All distributions from these plans are taxed as received unless you transfer that money into another eligible plan or into an individual retirement plan or annuity, where eligible. Because your plan is intended for retirement, you will be assessed a 10%

tax penalty on the taxable amount distributed unless you have attained age 59½ or meet one of the other exceptions to this IRS penalty tax, including payments made on account of your death, disability, or separation of service on or after age 55. Most payments from annuity contracts are subject to withholding for the recipient's federal income tax liability.

401(a) Pension Plans. Subject to the terms of your 401(a) pension plan, distributions may only occur upon your retirement, death, disability, severance from employment, attainment of normal retirement age, attainment of age 62 under a phased retirement provision if available under your plan as described in the Pension Protection Act of 2006, or termination of the plan, in some instances. Such distributions remain subject to other applicable restrictions under the Tax Code.

Roth 401(k) and Roth 403(b) Plans. You may not take partial or full withdrawals of salary reduction contributions or earnings on those contributions unless you have attained age 59½ or meet one of the other exceptions, including payments made on account of your death, disability, severance from employment, or financial hardship.

A partial or full withdrawal of purchase payments made by salary reduction to a Roth 401(k) or Roth 403(b) account and earnings credited on those purchase payments will generally be excludable from income only if it is a qualified distribution. A qualified distribution is a withdrawal that occurs, generally, after the 5-year taxable period measured from the first taxable year you made a designated Roth 403(b) contribution to the account, and which occurs after you attain age 59½, die with payment being made to your beneficiary, or become disabled as defined in the Tax Code.

457(b) Plans. Amounts may not be made available to you earlier than: (1) the calendar year you attain age 70½; (2) when you experience a severance from employment with your employer; or (3) when you experience an unforeseeable emergency. A one-time in-service distribution may also be permitted if the total amount payable to you does not exceed \$5,000, and no amounts have been deferred by you during the 2-year period ending on the date of distribution.

457(f) Plans. Amounts deferred under a section 457(f) plan is includible in gross income in the first year it is no longer subject to a "substantial risk of forfeiture" as defined in Tax Code section 457(f), or required to be includible under Tax Code section 409A.

Special Hurricane-Related Relief. The Katrina Emergency Tax Relief Act and the Gulf Opportunity Zone Act provide tax relief to victims of Hurricanes Katrina, Rita and Wilma, including a waiver of the 10% penalty tax on qualified hurricane distributions from eligible retirement plans, including 401(a), 401(k), 403(a), 403(b), and governmental 457(b) plans, as well as relief regarding the 20% mandatory withholding rules. You should consult a competent tax adviser for further information.

Minimum Distributions. The Tax Code requires that certain minimum distributions be made from annuity contracts funding certain plans. Generally, for all plans, you must begin receiving distributions by April 1st of the calendar year following the calendar year you attain age 70½ or retire, whichever is later. For 5% owners of 401(a), 401(k), and governmental 457(b) plans, distributions must begin by April 1st of the calendar year following the calendar year in which you attain age 70½. Under section 403(b), plans, distributions of amounts held as of December 31, 1986 must generally begin by the end of the calendar year in which you attain age 75 or retire, if later. However, special rules require that some or all of that balance be distributed earlier if any distributions are taken in excess of the minimum required amount.

A 50% excise tax applies to any amount not distributed in accordance with the minimum distribution requirements.

Possible Changes in Taxation. Although the likelihood of legislative change and tax reform is uncertain, there is always the possibility that the tax treatment of the contracts could change by legislation or other means. It is also possible that any change could be retroactive (that is, effective before the date of the change). The Pension Protection Act of 2006 made permanent pension provisions under the Economic Growth and Tax Relief Reconciliation Act of 2001. You should consult a tax adviser with respect to legislative developments and their effect on the contract.

9. Access to Your Money

a) Withdrawals.

Subject to limitations on withdrawals from the fixed investment options and other restrictions described below, all or part of the value of your account may be withdrawn during the accumulation phase. Withdrawals may be subject to an early withdrawal charge, maintenance fee, redemption fees, market value adjustment, tax penalty and tax withholding. In addition, withdrawals may be subject to the following restrictions:

- Section 403(b)(11) of the Tax Code generally prohibits withdrawals under 403(b) contracts prior to your death, disability, attainment of age 59½, severance from employment or financial hardship, of the following:

- (1) salary reduction contributions made after December 31, 1988; and
- (2) earnings on those contributions and earnings on amounts held before December 31, 1988 and credited after December 31, 1988. Income attributable to salary reduction contributions and credited on or after January 1, 1989, may not be distributed in the case of hardship. Other withdrawals may be allowed as provided for under the Tax Code or regulations.

- Effective January 1, 2009, and for any contracts or participant accounts established on or after that date, the new 403(b) regulations prohibit the distribution of attributable to employer contributions before the earlier of your severance from employment or prior to the occurrence of some event as provided under your employer's plan, such as after a fixed number of years, the attainment of a stated age, or a disability.

- If the Company agrees to accept, under any of the contracts covered by this summary, amounts exchanged from a Tax Code section 403(b)(7) custodial account, such amounts will be subject to the withdrawal restrictions set forth in Tax Code section 403(b)(7)(A)(ii).

- 401(k) plans generally prohibit withdrawal of salary reduction contributions and associated earnings prior to your death, disability,

attainment of age 59½, severance from employment, or financial hardship. Income attributable to salary reduction contributions and credited on or after January 1, 1989 may not be distributed in case of hardship.

- Under a 457(b) plan, amounts may not be made available to you earlier than:

- (1) the calendar year you attain age 70½, or
- (2) when you experience severance from employment with the employer, or
- (3) when you are faced with an unforeseeable emergency.

A 457(b) plan may permit a one-time in-service distribution if the total amount payable to you does not exceed \$5,000 and no amounts have been deferred by you during the 2-year period ending on the date of distribution.

- If you are married and are participating in a plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), the contract holder must provide written certification that the applicable Retirement Equity Act requirements have been met.
- The contract may require that the contract holder certify that you are eligible for the distribution.

In addition, certain plans may impose further restrictions on withdrawals. Refer to your certificate or check with the contract holder for further details.

Delivery of Payment. Payments for withdrawal requests will be made in accordance with Securities and Exchange Commission (SEC) requirements and normally not later than seven calendar days from receipt of a completed disbursement form in good order at the address listed on the front page of this summary.

Payment Delay or Suspension. The Company may postpone or suspend the date of payment for any values or benefit: (a) on any day the New York Stock Exchange (NYSE) is closed (other than customary weekend and holiday closings) or when trading on the NYSE is restricted as determined by SEC rules and regulations; (b) when an emergency exists as determined by the SEC; or (c) during such other periods as the SEC may permit by order.

Reinstatement Privilege. Some contracts allow one-time use of a reinstatement privilege. Within 30 days after a full withdrawal, if allowed by law and the contract, you may elect to reinstate all or a portion of the proceeds. The Company must receive reinstated amounts within 60 days of the withdrawal, and reinstated amounts will be reallocated to the applicable investment options (if available) in the same proportion as they were allocated at the time of withdrawal. The Company will credit the account for the amount reinstated based on the subaccount values next computed following the Company's receipt of your request and the amount to be reinstated. The Company will credit the amount reinstated proportionally for maintenance fees and early withdrawal charges imposed at the time of withdrawal, but the Company will deduct from the amounts reinstated any maintenance fee which fell due after the withdrawal and before the reinstatement. See Appendix II for a discussion of amounts withdrawn from GAA and then reinstated. If you are contemplating reinstatement, you should seek advice regarding the tax consequences associated with such a transaction.

b) **Loans** (not available in all products, plans or contracts).

For certain 403(b), 401(a), 401(k), government sponsored 457(b) and 403(a) plans, if allowed by the contract and the plan, you may take out a loan from your account value during the accumulation phase. Loans are not allowed from Roth 403(b) and Roth 401(k) plans. Some contracts restrict loans from your employer account. Loans are only allowed from amounts allocated to certain subaccounts and fixed interest options. Additional restrictions may apply under the Tax Code, your plan or due to our administrative practices, or those of a third party administrator selected by your plan sponsor. Loans may impact your withdrawal value and limit participation in future growth. We reserve the right not to grant a loan request if the participant has an outstanding loan in default.

- **Loan Interest** — Interest will be applied on loan amounts. The difference between the rate applied and the rate credited on the loans under your contract is currently 2.5% (i.e., a 2.5% loan interest rate spread). We reserve the right to apply a loan interest rate spread of up to 3.0%.

c) Systematic Distribution Options.

The following systematic distribution options may be available under your contract. Refer to your certificate or check with the contract holder for further details.

- **Systematic Withdrawal Option (SWO)** — During the accumulation phase a designated amount of money may periodically be withdrawn from your individual account, while keeping the rest of your individual account value invested. This option may not be elected if you have an outstanding loan. One of the payment methods available is the **Life Expectancy Option**, which provides for annual payments for a number of years equal to your life expectancy or the expectancy of you and a designated beneficiary. It is designed to meet the substantially equal periodic payment exception to the 10% premature distribution penalty under Tax Code section 72.
- **Estate Conservation Option (ECO)** — The Tax Code generally requires that distributions from your individual account begin by the later of age 70½ or retirement. The Estate Conservation Option facilitates withdrawals of the minimum amount that the Tax Code requires, while keeping the rest of your individual account value invested.

See your local representative for more information, including details about how to apply for a withdrawal or loan. **Tax penalties may apply to early withdrawals. See "Taxation."**

10. Investment Performance

Standardized performance computed in accordance with SEC rules for the variable investment options

is provided in the Performance Update included in this package.

11. Death Benefit

Payment During the Accumulation Phase. If you die before your income phase payments begin, a death benefit will be payable to the beneficiary named under the contract. Under contracts issued in connection with most types of plans other than voluntary 403(b) or Roth 403(b) plans, the contract holder must be named as the contract beneficiary, but may direct that the Company make payments to the beneficiary you name under the plan (plan beneficiary). Under contracts issued in connection with voluntary 403(b) or Roth 403(b) plans, you may generally designate your own contract beneficiary, who will be the plan beneficiary as well.

a) Death Benefit Calculation. For most contracts, the amount of the benefit is the individual account value next determined after the Company receives acceptable proof of death and a proper request for payment. For amounts held in GAA, any positive aggregate market value adjustment (the sum of all market value adjustments calculated due to a withdrawal) will be included in your account value. A negative aggregate market value adjustment will apply only to death benefits paid more than six months from the date of your death. See Appendix II for further details.

Return of Purchase Payment Death Benefit. Some contracts provide a guaranteed death benefit if the contract beneficiary (on behalf of the plan beneficiary, if applicable) elects a lump-sum distribution or an income phase payment option within six months of your death. The guarantee is based on the claims-paying ability of the Company. This guaranteed death benefit is the greater of:

- Your account value on the day that notice of death and request for payment are received in good order, plus any positive aggregate market value adjustment that applies to amounts allocated to GAA; or
- The sum of payments (minus any applicable premium tax) made to your account, minus withdrawals made from your account and any outstanding loan amount.

In the event that the contract beneficiary does not request payment of the death benefit as a lump sum or as an income phase option within six months of your death, the amount of the death benefit is the account value as of the next valuation following our receipt of acceptable proof of death and the payment

request in good order. See the contract or certificate for treatment of amounts held in GAA.

Adjusted Purchase Payment Guaranteed Death Benefit. The guaranteed death benefit available for certain contracts provides that the death benefit payable under the contract will never be less than the amount of adjusted purchase payments made to your account (as defined below), less a proportional adjustment for amounts withdrawn or borrowed from your account. The charge for this guaranteed death benefit is included within the mortality and expense risk charge applicable under your contract, and is one of the factors we evaluate when determining the mortality and expense risk charge applied to your group contract. See "Charges and Deductions." This guaranteed death benefit is available to you if your contract or certificate was issued with endorsement E- MMPRODB-08.

Calculating the Value of the Death Benefit. The death benefit under these contracts is guaranteed to be the greater of (a) or (b) as calculated as of the next valuation (the date of the next close of the New York Stock Exchange) following our receipt of proof of death and a payment request in good order at the address listed on the front page of this summary, where:

- (a) is the adjusted purchase payment total, which is the sum of all purchase payments to your account, minus a proportional adjustment for withdrawals and amounts taken as a loan, which amount will never be less than zero (see "Calculating Adjusted Purchase Payments," below); and
- (b) is the current account value, excluding amounts taken as a loan, plus any positive aggregate market value adjustment (MVA), as applicable. See Appendix II - Guaranteed Accumulation Account in this summary and the Guaranteed Accumulation Account prospectus for further information regarding the MVA.

If the amount of the death benefit in (a) is greater than the amount in (b), the Company will deposit the difference into your account. The amount, if any, will be credited to the ING VP Money Market Portfolio and deposited as of the next valuation after we receive proof of death acceptable to us and a payment request in good

order at the address listed on the front page of this summary,

If the beneficiary in that situation requests an immediate payment or begins income phase payments, the amount paid will be the current account value, excluding any amounts taken as a loan, plus any aggregate positive MVA, as of the next valuation following our receipt of proof of death acceptable to us and a payment request in good order at the address listed on the front page of this summary,

If the amount of the death benefit in (a) is less than the amount in (b), and the beneficiary requests an immediate payment or begins income phase payments, the amount paid will be the current account value, excluding any amounts taken as a loan, plus any aggregate positive MVA, as of the next valuation following our receipt of proof of death acceptable to us and a payment request in good order at the address listed on the front page of this summary,

In the event a beneficiary elects to defer distribution of the death benefit, the amount paid to the beneficiary when the beneficiary elects to begin distribution of the death benefit will equal the current account value, excluding any amounts taken as a loan, plus or minus any applicable MVA, as of the next valuation following our receipt of the distribution request in good order at the address listed on the front page of this summary. The amount paid may be more or less than the amount of the death benefit determined above on the date notice of death and an election to defer payment was received. No additional death benefit is payable upon the beneficiary's death.

Calculating Adjusted Purchase Payments. The adjusted purchase payment total above is initially equal to the first purchase payment. The adjusted purchase payment total is then adjusted for each subsequent purchase payment, loan repayment, or partial withdrawal. The adjustment for subsequent purchase payments and loan repayments will be dollar for dollar. The adjustment for partial withdrawals, including loans taken, will be proportionate, reducing the adjusted purchase payment total in the same proportion that the current account value, excluding any amounts taken as loans, was reduced on the date of the partial withdrawal. The proportionate adjustment of the adjusted purchase payment total for each partial withdrawal is defined as the adjusted

purchase payment total at that time, multiplied by the fraction A divided by B (A/B), where:

- (a) **A** is the current account value, excluding amounts taken as a loan, immediately after the partial withdrawal; and
- (b) **B** is the current account value, excluding amounts taken as a loan, before the partial withdrawal.

b) Benefit Payment Options. The following options are available, if allowed by the Tax Code:

- Lump-sum payment;
- Payment under an available income phase payment option; and
- Payment under an available systematic distribution option (subject to certain limitations).

The following options are also available under some contracts, however, the Tax Code limits how long the death benefit proceeds may be left in these options:

- Leaving the account value invested in the contract; and
- Under some contracts, leaving your account value on deposit in the Company's general account, and receiving monthly, quarterly, semiannual or annual interest payments at the interest rate currently credited on such deposits. The balance on deposit can be withdrawn at any time or paid in accordance with any of the available income phase payment options.

Payment During the Income Phase. If you die during the income phase and there are remaining income phase payments, a death benefit may be payable in a lump-sum payment or a continuation of all or a portion of the income phase payments in effect at the time of your death, depending upon the terms of the contract and the payment option selected.

Lump-sum Payouts. During both the accumulation and income phase, unless the beneficiary elects otherwise, lump-sum payments will generally be made into an interest bearing account that is backed by our general account. This account can be accessed by the beneficiary through a checkbook feature. The beneficiary may access death benefit proceeds at any time through the checkbook without penalty. Interest credited on this account may be less than under other settlement options under the contract.

12. Other Information

Financial Transactions/Account Valuation.

Financial transaction requests (e.g., payments, transfers, withdrawals) received at the Company's Home Office in good order prior to the close of business of the NYSE are credited at the next determined accumulation unit value. Determination of accumulation unit value and account valuation normally occurs after the close of business each day the NYSE is open for trading.

Free-Look Period. If you decide you do not want to participate in the Company's annuity, and the contract or certificate allows you the right to cancel, you must return your certificate to the Company within 10 days (or a longer period if required by state law) after receiving it. The Company will return your money or account value in accordance with applicable state law and your contract/account with us will be canceled. If you chose to invest your money in a variable option, the amount you receive upon cancellation may be more or less than your original contribution.

Modification of the Contract. The Company may change the contract as required by federal or state law. In addition, the Company may, upon 30 days' written notice to the contract holder, make other changes to group contracts that would apply only to individuals who become participants under that contract after the effective date of such changes. If the group contract holder does not agree to a change, the Company reserves the right to refuse to establish new accounts under the contract, and under some contracts, to discontinue accepting payments to existing accounts. The Company may, under some contracts, change the tables for determining the amount of income phase payments or the income payment options available. Certain changes will require the approval of appropriate state or federal regulatory authorities.

Dollar Cost Averaging Program. Dollar cost averaging, if available under your plan, allows a regular amount of money to be automatically transferred from certain investment options into one or more variable investment options. There is no additional charge for this service. This program of investing regularly does not guarantee a profit or protect against losses in a declining market.

Dollar cost averaging is not available if you elect to participate in the account rebalancing program.

The Account Rebalancing Program. Account rebalancing, if available under your plan, allows you to reallocate your account value to match the investment allocations you originally selected. Only account values invested in the subaccounts may be rebalanced. There is no additional charge for this program. Account rebalancing neither ensures a profit nor guarantees against loss in a declining market.

Account rebalancing is not available if you elect to participate in the dollar cost averaging program.

Intent to Confirm Quarterly. We will provide confirmation of scheduled transactions quarterly rather than immediately to the participant.

Legal Matters. We are not aware of any pending legal proceedings which involve the variable separate account as a party.

The Company is involved in threatened or pending lawsuits/arbitrations arising from the normal conduct of business. Due to the climate in insurance and business litigation/arbitrations, suits against the Company sometimes include claims for substantial compensatory, consequential, or punitive damages and other types of relief. Moreover, certain claims are asserted as class actions, purporting to represent a group of similarly situated individuals. While it is not possible to forecast the outcome of such lawsuits/arbitrations, in light of existing insurance, reinsurance, and established reserves, it is the opinion of management that the disposition of such lawsuits/arbitrations will not have a materially adverse effect on the Company's operations or financial position.

ING Financial Advisers, LLC, the principal underwriter and distributor of the contract, is a party to threatened or pending lawsuits/arbitration that generally arise from the normal conduct of business. Some of these suits may seek class action status and sometimes include claims for substantial compensatory, consequential or punitive damages and other types of relief. ING Financial Advisers, LLC is not involved in any legal proceeding which, in the opinion of management, is likely to have a material adverse effect on its ability to distribute the contract.

Appendix I – Understanding Variable Annuities

Prior to your purchase of a variable annuity, 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 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 early withdrawal charges. In addition to sales charges, variable annuities typically assess:

- **mortality and expense risk 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.

Appendix II – Guaranteed Accumulation Account

The Guaranteed Accumulation Account is a fixed interest option that may be available during the accumulation phase under the contracts. This Appendix is only a summary of certain facts about the Guaranteed Accumulation Account. Please read the Guaranteed Accumulation Account prospectus before investing in this option. You may obtain a copy of the Guaranteed Accumulation Account prospectus by contacting us at the address or telephone number listed on the front page of this summary.

General Disclosure. Amounts that you invest in the Guaranteed Accumulation Account will earn a guaranteed interest rate if amounts are left in the Guaranteed Accumulation Account for the specified period of time. If you withdraw or transfer those amounts before the specified period of time has elapsed, we may apply a “market value adjustment,” which may be positive or negative.

When you decide to invest money in the Guaranteed Accumulation Account, you will want to contact your local representative or the Company to learn:

- ▷ The interest rate we will apply to the amounts that you invest in the Guaranteed Accumulation Account. We change this rate periodically, so be certain you know what rate we guarantee on the day your account dollars are invested into the Guaranteed Accumulation Account.
- ▷ The period of time your account dollars need to remain in the Guaranteed Accumulation Account in order to earn that rate. You are required to leave your account dollars in the Guaranteed Accumulation Account for a specified period of time (guaranteed term), in order to earn the guaranteed interest rate.

Deposit Periods. A deposit period is the time during which we offer a specific interest rate if you deposit dollars for a certain guaranteed term. For a particular interest rate and guaranteed term to apply to your account dollars, you must invest them during the deposit period during which that rate and term are offered.

Interest Rates. We guarantee different interest rates, depending upon when account dollars are invested in the Guaranteed Accumulation Account. The interest rate we guarantee is an annual effective yield; that means that the rate reflects a full year’s interest. We

credit interest daily at a rate that will provide the guaranteed annual effective yield over one year. The guaranteed interest rate will never be less than the rate stated in the contract.

Our guaranteed interest rates are influenced by, but do not necessarily correspond to, interest rates available on fixed income investments we may buy using deposits directed to Guaranteed Accumulation Account. We consider other factors when determining guaranteed interest rates including regulatory and tax requirements, sales commissions and administrative expenses borne by the Company, general economic trends, competitive factors, and whether an interest rate lock is being offered for that guaranteed term under certain contracts. **We make the final determination regarding guaranteed interest rates. We cannot predict the level of future guaranteed interest rates.**

Interest Rate Lock. Certain contracts may provide a 45 day interest rate lock in connection with external transfers into Guaranteed Accumulation Account, which you must elect at the time you initiate the external transfer. Under this rate lock provision, we will deposit external transfers to the deposit period offering the greater of (a) and (b) where:

- (a) is the guaranteed interest rate for the deposit period in effect at the time we receive the rate lock election; and
- (b) is the guaranteed interest rate for the deposit period in effect at the time we receive an external transfer from your prior provider.

This rate lock will be available to all external transfers received for 45 days from the date we receive a rate lock election. In the event we receive an external transfer after this 45 day time period, it will be deposited to the deposit period in effect at the time we receive the external transfer, and will earn the guaranteed interest rate for that guaranteed term. Only one rate lock may be in effect at one time per contract -- once a rate lock has been elected, that rate lock will apply to all external transfers received during that 45 day period, and you may not elect to begin a new rate lock period during that 45 day period.

Fees and Other Deductions. If all or a portion of your account value in the Guaranteed Accumulation Account is withdrawn, you may incur the following:

- ▷ Market Value Adjustment (MVA) as described in this appendix and in the Guaranteed Accumulation Account prospectus;
- ▷ Tax Penalties and/or Tax Withholding. See “Taxation”;
- ▷ Early Withdrawal Charge. See “Fees”; and/or
- ▷ Maintenance Fee. See “Fees.”

We do not make deductions from amounts in the Guaranteed Accumulation Account to cover mortality and expense risks. Rather, we consider these risks when determining the credited rate.

Market Value Adjustment (MVA). If you withdraw or transfer your account value from the Guaranteed Accumulation Account before the guaranteed term is completed, an MVA may apply. The MVA reflects the change in the value of the investment due to changes in interest rates since the date of deposit. The MVA may be positive or negative.

- ▷ If interest rates at the time of withdrawal have increased since the date of deposit, the value of the investment decreases and the MVA will be negative. This could result in your receiving less than the amount you paid into the Guaranteed Accumulation Account.
- ▷ If interest rates at the time of withdrawal have decreased since the date of deposit, the value of the investment increases and the MVA will be positive.

Under some contracts issued in New York, if you have elected ECO as described in “Withdrawals - Systematic Distribution Options,” no MVA applies to amounts withdrawn from the Guaranteed Accumulation Account.

Guaranteed Terms. The guaranteed term is the period of time account dollars must be left in the Guaranteed Accumulation Account in order to earn the interest rate specified for that guaranteed term. We offer different guaranteed terms at different times. Check with your local representative or the Company to learn the details about the guaranteed term(s) currently being offered.

In general we offer the following guaranteed terms:

- ▷ short-term - three years or less; and
- ▷ long-term - ten years or less, but greater than three years.

At the end of a guaranteed term, the contract holder or you if permitted may:

- ▷ transfer dollars to a new guaranteed term;
- ▷ transfer dollars to other available investment options; or
- ▷ withdraw dollars.

Deductions may apply to withdrawals. See “Fees and Other Deductions” in this section.

Transfer of Account Dollars. Generally, account dollars invested in the Guaranteed Accumulation Account may be transferred among guaranteed terms offered through the Guaranteed Accumulation Account, and/or to other investment options offered through the contract. However, transfers may not be made during the deposit period in which your account dollars are invested in the Guaranteed Accumulation Account or for 90 days after the close of that deposit period. We will apply an MVA to transfers made before the end of a guaranteed term.

Income Phase. The Guaranteed Accumulation Account cannot be used as an investment option during the income phase. The contract holder or you, if permitted, may notify us at least 30 days in advance to elect a variable payment option and to transfer your Guaranteed Accumulation Account dollars to any of the subaccounts available during the income phase.

Loans. You cannot take a loan from your account value in the Guaranteed Accumulation Account. However, we include your account value in the Guaranteed Accumulation Account when determining the amount of your account value we may distribute as a loan.

Reinstating Amounts Withdrawn from the Guaranteed Accumulation Account. If amounts are withdrawn from the Guaranteed Accumulation Account and then reinstated in the Guaranteed Accumulation Account, we will apply the reinstated amount to the current deposit period. The guaranteed annual interest rate, and guaranteed terms available on the date of reinstatement will apply. Amounts will be reinstated proportionately in the same way as they were allocated before withdrawal.

Your account value will not be credited for any negative MVA that was deducted at the time of withdrawal.

Appendix III – Fixed Account

The following summarizes material information concerning one of the Company's fixed interest options — the Fixed Account. Material information concerning the Fixed Plus Account is summarized in Appendix IV. Information about the Guaranteed Accumulation Account appears in Appendix II and the GAA prospectus.

Additional information about this option may be found in the contract.

General Disclosure. Interests in the Fixed Account have not been registered with the SEC in reliance on exemptions under the Securities Act of 1933, as amended. Disclosure in this summary regarding the Fixed Account may be subject to certain generally applicable provisions of the federal securities laws relating to the accuracy and completeness of the statements. (Disclosure in this Appendix regarding the Fixed Account has not been reviewed by the SEC.)

Interest Rates. The Fixed Account guarantees that amounts allocated to this option will earn the minimum interest rate specified in the contract. The Company may credit a higher interest rate from time to time, but the rate the Company credits will never fall below the guaranteed minimum specified in the contract. Among other factors, the safety of the interest rate guarantee depends upon the claims-paying ability of the Company. Amounts applied to the Fixed Account will earn the interest rate in effect at the time money is applied. Amounts in the Fixed Account will reflect a compound interest rate as credited by us. The rate we quote is an annual effective yield.

Our determination of credited interest rates reflects a number of factors, including mortality and expense risks, interest rate guarantees, the investment income earned on invested assets and the amortization of any capital gains and/or losses realized on the sale of invested assets.

Under this option, the Company assumes the risk of investment gain or loss by guaranteeing the amounts you allocate to this option and promising a minimum interest rate and income phase payment.

Withdrawals. Under certain emergency conditions, some contracts allow the Company to defer payment of any withdrawal for a period of up to 6 months or as provided by federal and/or applicable state law.

Additionally, if allowed by state law, some contracts provide that the Company may pay withdrawals in equal payments with interest, over a period not to exceed 60 months when:

- a) The Fixed Account withdrawal value exceeds \$250,000 on the day before withdrawal; and
- b) The sum of the current Fixed Account withdrawal and total of all Fixed Account withdrawals within the past 12 calendar months exceeds 20% of the amount in the Fixed Account on the day before the current withdrawal.

The contract describes how the Company will determine the interest rate credited to amounts held in the Fixed Account during the payment period, including the minimum interest rate.

Charges. The Company does not make deductions from amounts in the Fixed Account to cover mortality and expense risks. The Company considers these risks when determining the credited rate.

If you make a withdrawal from amounts in the Fixed Account, an early withdrawal charge may apply. See “Charges and Deductions - Contract Charges.”

Transfers. During the accumulation phase, you may transfer account dollars from the Fixed Account to any other available investment option. The Company may vary the dollar amount that you are allowed to transfer, but it will never be less than 10% of your account value held in the Fixed Account each calendar year or each 12-month period, depending on the contract. The Company determines the amount available for transfer based on your Fixed Account value either: (1) on the January 1st preceding the transfer request or (2) as of the date the Company receives the transfer request in good order at its Home Office. The 10% limit does not apply to amounts being transferred into the Fixed Plus Account (if available under the contract).

By notifying the Home Office at least 30 days before income payments begin you, or the contract holder on your behalf, may elect to have amounts transferred to one or more of the funds available during the income phase to provide variable payments.

Contract Loans. If available under your plan, contract loans may be made from account values held in the Fixed Account.

Appendix IV – Fixed Plus Account

The following summarizes material information concerning one of the Company's fixed interest options — the Fixed Plus Account. Material information concerning the Fixed Account is summarized in Appendix III. Information about the Guaranteed Accumulation Account appears in Appendix II and the GAA prospectus.

Additional information about this option may be found in the contract.

General Disclosure. Interests in the Fixed Plus Account have not been registered with the SEC in reliance on exemptions under the Securities Act of 1933, as amended. Disclosure in this summary regarding the Fixed Plus Account may be subject to certain generally applicable provisions of the federal securities laws relating to the accuracy and completeness of the statements. (Disclosure in this Appendix regarding the Fixed Plus Account has not been reviewed by the SEC.)

Certain Restrictions. This option is not available in the state of New York under some contracts. The Company reserves the right to limit investment in or transfers to the Fixed Plus Account. Under most contracts, you may not elect certain withdrawal options including, under most contracts, the systematic distribution option, if you have requested a Fixed Plus Account transfer or withdrawal in the prior 12-month period. For some contracts, under certain emergency conditions, the Company may defer payment of a withdrawal from the Fixed Plus Account for a period of up to six months or as provided by federal law.

Interest Rates. The Fixed Plus Account guarantees that amounts allocated to this option will earn the minimum interest rate specified in the contract. The Company may credit a higher interest rate from time to time, but the rate the Company credits will never fall below the guaranteed minimum specified in the contract. Among other factors, the safety of the interest rate guarantee depends upon the claims-paying ability of the Company. Under some contracts, the Company credits amounts held in the Fixed Plus Account with a rate 0.25% higher than the then-declared rate beginning in the tenth year after your account was established. Amounts applied to the Fixed Plus Account will earn the interest rate in effect at the time money is applied. Amounts in the Fixed Plus Account will reflect a compound interest

rate as credited by the Company. The rate the Company quotes is an annual effective yield.

The Company's determination of credited interest rates reflects a number of factors, including mortality and expense risks, interest rate guarantees, the investment income earned on invested assets, the amortization of any capital gains and/or losses realized on the sale of invested assets, and whether a transfer credit has been selected. Under this option, the Company assumes the risk of investment gain or loss by guaranteeing the amounts you allocate to this option and promising a minimum interest rate and income phase payment.

Requests for Partial Withdrawals. The contract holder or you, if permitted by the plan, may take up to 20% of the Fixed Plus Account value as a partial withdrawal in each twelve (12) month period, or under some contracts, in each calendar year. The Company determines the amount eligible for partial withdrawal as of the date a request for partial withdrawal is received in good order at its Home Office or as of the January 1st preceding the partial withdrawal request, depending on the terms of the contract. The amount allowed for partial withdrawal is reduced by any Fixed Plus Account withdrawals, transfers, loans or amounts applied to income phase payment options made in the prior 12 months (or, under some contracts, the prior calendar year). Under most contracts, in calculating the 20% limit, the Company reserves the right to include payments made due to the election of a systematic distribution option.

Waiver of Partial Withdrawal Limits. The Company generally waives the 20% limit if the partial withdrawal is due to the election of an income phase payment option (under some contracts, the waiver does not apply to the election of a nonlifetime payment option with variable payments). The Company also waives the 20% limit for withdrawals due to your death. Under most contracts, the waiver upon death may only be exercised once, must occur within six months after your date of death and must be made proportionally from all subaccounts and fixed interest options in which the account was invested.

Also, under some contracts, the 20% limit is waived if the withdrawal is due to financial hardship from an unforeseeable emergency, or an unforeseeable

emergency as defined by the Tax Code, and the following requirements are satisfied:

- The hardship is certified (required under most contracts);
- The partial withdrawal is taken proportionally from each investment option in which the account invests;
- The amount is paid directly to you; and
- The amount paid for all withdrawals due to hardship during the previous 12-month period does not exceed 10% of the average value of your account(s) and all other accounts under the relevant contracts during that same period.

Under some contracts, the percentage limit is also waived if the partial withdrawal is due to separation from service and the following conditions are met:

- The employer certifies you have separated from service (although the Tax Code permits distributions upon a participant's severance from employment, the contracts do not provide for a waiver of the Fixed Plus Account partial withdrawal provisions unless the severance from employment would otherwise have qualified as a separation from service under prior IRS guidance);
- The amount withdrawn is paid directly to you; and
- The amount paid for all partial and full withdrawals due to separation from service during the previous 12-month period does not exceed 20% of the average value of your account(s) and all other accounts under the relevant contracts providing this waiver during that same period.

Under some contracts, the percentage limit may be waived for the purposes of taking a loan from the plan, subject to conditions agreed to by the contract holder and the Company in writing.

Additionally, the Company may allow other waivers of the percentage limit on partial withdrawals to participants in certain plans. You can determine what additional waivers, if any, apply to you by referring to the contract or certificate.

Requests for Full Withdrawals. If the contract holder or you, if allowed by the plan, request a full withdrawal of your account value, the Company will pay any amounts held in the Fixed Plus Account,

with interest, in five annual payments that will be equal to:

- One-fifth of the Fixed Plus Account value on the day the request is received, reduced by any Fixed Plus Account withdrawals, transfers, amounts used to fund income phase payments, or loans made during the prior 12 months (or, under some contracts, during the prior calendar year);
- One-fourth of the remaining Fixed Plus Account value 12 months later;
- One-third of the remaining Fixed Plus Account value 12 months later;
- One-half of the remaining Fixed Plus Account value 12 months later; and
- The balance of the Fixed Plus Account value 12 months later.

Under some contracts, there is a different method of calculating the amount available each year. The full withdrawal will be paid in installments of 20% of your account value held in the Fixed Plus Account, reduced by any Fixed Plus Account withdrawals, transfers, amounts used to fund income phase payments, or loans made during the prior 12 months in each of four consecutive 12-month periods. Under this provision, the remaining Fixed Plus Account balance in the account may be withdrawn any time after the end of the fourth 12-month period.

Once the Company receives a request for a full withdrawal, no further withdrawals, loans or transfers will be permitted from the Fixed Plus Account. A full withdrawal from the Fixed Plus Account may be canceled at any time before the end of the five-payment period.

Waiver of Full Withdrawal Provisions. The Company will waive the Fixed Plus Account five-installment payout for full withdrawals made due to one or more of the following:

- a) Due to the election of an income phase payment option (under some contracts this waiver does not apply to the election of a nonlifetime payment option with variable payments);
- b) Due to your death during the accumulation phase. Some contracts require that we be notified of your death, or that the withdrawal be taken, within six months of the death; and/or
- c) When the Fixed Plus Account value is \$5,000 or less (lower amounts may apply under some contracts). Most contracts also require that no

withdrawals, transfers, loans or elections of income phase payment options have been made from the account within the prior 12 months (or, under some contracts, within the prior calendar year).

Additionally, under certain contracts, the Company will waive the five-payment full withdrawal provision due to one or more of the following:

1. Due to financial hardship resulting from an unforeseeable emergency, as defined by the Tax Code and regulations thereunder, if all of the following conditions are met:

- The hardship is certified by the employer;
- The amount is paid directly to you; and
- The amount paid for all withdrawals due to hardship during the previous 12-month period does not exceed 10% (20% under some contracts) of the average value of your account(s) and all other accounts under the relevant contract during that same period.

2. For any in-service distributions permitted by the plan and the following conditions are met:

- The distribution has been certified by the employer as permitted under plan provisions;
- The amount distributed is paid directly to you; and
- The amount paid for all such distributions during the previous 12-months does not exceed a given percentage (stated in the contract) of the average value of all your accounts and all other accounts under the relevant contract during the same period.

3. Due to your separation from service with the employer, provided that all the following apply*:

* Instead of the provisions under number 3 above, some contracts waive the five-payment full withdrawal provision for separation from service if all of the following apply:

- The employer certifies that you have separated from service;
- We receive the withdrawal request within 60 days of the date of separation; and
- You pay a 3% charge based on the entire Fixed Plus Account Value.

If you instead choose to have your payout in five annual installments as described above, then we will not assess the charge.

- The employer certifies that you have separated from service (although the Tax Code permits distributions upon a participant's severance from employment, the contracts do not provide for a waiver of the Fixed Plus Account full withdrawal provisions unless the severance from employment would otherwise have qualified as a separation from service under prior IRS guidance);
 - The amount withdrawn is paid directly to you (under some contracts it must be paid directly to you only if you withdraw the amounts more than one year after separation); and
 - Under most contracts, if the amount paid for all partial and full withdrawals due to separation from service during the previous 12-month period does not exceed 20% of the average value of all your account(s) and all other accounts under the relevant contract during that same period.
4. If you are at least age 59½ and have completed nine payment periods.
5. If the Company terminates your account based on our right to do so for accounts below a certain value (usually \$5,000 or less; lower amounts may apply under some contracts).
6. For certain contracts issued in the state of New York, due to your disability as described in the Tax Code if all of the following conditions are met:
- The disability is certified by the employer, or you, as applicable; and
 - The amount is paid directly by you.
7. Additionally, the Company may allow other waivers of the five installment payout for full withdrawals to participants in certain plans. You can determine what additional waivers, if any, apply to you by referring to the contract or certificate.

Charges. The Company does not make deductions from amounts in the Fixed Plus Account to cover mortality and expense risks. The Company considers these risks when determining the credited rate.

Transfers. The contract holder or you, if allowed by the plan, may transfer 20% of your account value held in the Fixed Plus Account in each 12-month period or during each calendar year, depending upon the terms of the contract. The Company determines the amount eligible for transfer on the day the

Company receives a transfer request in good order at its Home Office, or under some contracts, as of the January 1st preceding the transfer request. The Company will reduce amounts allowed for transfer by any Fixed Plus Account withdrawals, transfers, loans or amounts applied to income phase payment options during the prior 12 months (or, under some contracts, during the prior calendar year).

Under most contracts, in calculating the percentage limit on transfers, the Company reserves the right to include payments made due to the election of any of the systematic distribution options. The Company will waive the percentage limit on transfers when the value in the Fixed Plus Account is \$1,000 or less (\$2,000 or less under some contracts).

Under some contracts, if you transfer 20% of your account value held in the Fixed Plus Account in each of four consecutive 12-month periods, you may transfer the remaining balance in the succeeding 12-month period provided you do not allocate any amount to or transfer any other amount from the Fixed Plus Account during the five-year period. The 20% amount available to transfer under this provision will be reduced by any amount transferred, taken as a loan or applied to income phase payment options within the 12-month period preceding the first 20% transfer. Also, the Company may reduce it for payments the Company made from your Fixed Plus Account value under any systematic distribution option.

If you instead choose to have your payout in five annual installments as described above, then the Company will not assess the charge.

Income Phase. Amounts accumulating under the Fixed Plus Account can be transferred to subaccounts to fund variable payments during the income phase. Availability of subaccounts may vary during the income phase. Some contracts do not permit Fixed Plus Account values to fund nonlifetime income options with variable payments.

Contract Loans. If permitted under the plan, loans may be made from account values held in the Fixed Plus Account. See the loan agreement for a description of the amount available and possible consequences upon loan default if Fixed Plus Account values are used for a loan.

Transfer Credits. The Company provides a transfer credit in certain circumstances. The transfer credit is a specified percentage of the assets transferred to the Company under a contract that remain in the accounts for the period of time specified by the Company, plus the interest that would have been credited had that amount been deposited in the Fixed Plus Account on the first business day of the calendar month following its calculation. The Company applies the transfer credit to the current value held in the Fixed Plus Account.

Appendix V – Participant Appointment of Employer as Agent Under an Annuity Contract*

For Plans under Section 403(b), 401 or 403(a) of the Tax Code (Except Voluntary Section 403(b) and Roth 403(b) Plans)

The employer has adopted a plan under Internal Revenue Code Sections 403(b), Roth 403(b), 401(a)/401(k), Roth 401(k) or 403(a) (Plan) and has purchased an ING Life Insurance and Annuity Company (Company) group variable annuity contract (Contract) as the funding vehicle. Contributions under this Plan will be made by the participant through salary reduction to an Employee Account, and by the employer to an Employer Account.

By electing to participate in the employer's Plan, the participant voluntarily appoints the employer, who is the Contract Holder, as the participant's agent for the purposes of all transactions under the Contract in accordance with the terms of the Plan. The Company is not a party to the Plan and does not interpret the Plan provisions.

As a participant in the Plan, the participant understands and agrees to the following terms and conditions:

- The participant owns the value of his/her Employee Account subject to the restrictions of Sections 403(b), Roth 403(b), 401(a)/401(k), Roth 401(k) or 403(a) and the terms of the Plan. Subject to the terms of the vesting schedule in the Plan and the restrictions of Section 403(b), 401(a)/401(k), Roth 401(k) or 403(a), the participant has ownership in the value of his/her Employer Account.

- The Company will process transactions only with the employer's written direction to the Company. The participant will be bound by the employer's interpretation of the Plan provisions and its written direction to the Company.
- The employer may permit the participant to make investment selections under the Employee Account and/or the Employer Account directly with the Company under the terms of the Contract. Without the employer's written permission, the participant will be unable to make any investment selections under the Contract.
- On behalf of the participant, the employer may request a loan in accordance with the terms of the Contract and the provisions of the Plan. The Company will make payment of the loan amount directly to the participant. The participant will be responsible for making repayments directly to the Company in a timely manner.
- In the event of the participant's death, the employer is the named Beneficiary under the terms of the Contract. The participant has the right to name a personal Beneficiary as determined under the terms of the Plan and file that Beneficiary election with the employer. It is the employers responsibility to direct the Company to properly pay any death benefits.

* If you participate in a group contract through a voluntary 403(b) or Roth 403(b) plan or other individual contract, you currently hold all rights under the contract and may make elections for your accounts. However, pursuant to Treasury Department regulations that are generally effective on January 1, 2009, the future exercise of certain of these rights may require the consent and approval of the contract holder. We reserve the right to modify the contracts to comply with these regulations where allowed, or where required by law. See "Taxation – Section 403(b) and Roth 403(b) Tax-Deferred Annuities."

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