



STRATEGY BRIEF

GLOBAL

ING Investment Management at a Glance

ING Investment Management is a leading global asset manager with \$462 billion in assets under management. With over 3,500 employees and an investment presence in 33 countries, ING IM provides clients with access to domestic, regional and global investment solutions.

Mission

ING Investment Management's mission is to find unrecognized value ahead of consensus by seeking original insights on markets and companies. Toward that end, we apply our proprietary research and analytics, benchmark awareness and risk management to serve client needs within the guidelines and objectives of each assignment.

Portfolio Manager

Pranay Gupta, CFA

Head of Global Quantitative Strategies

Vincent Costa, CFA

Senior Portfolio Manager, Global Quantitative Strategies

Supported by a team of 22 investment professionals (Analysts, Developers, Portfolio Construction, Database)

For more information please contact your relationship manager or go to www.inginvestment.com.

Quarter ending June 30, 2010.

STRATEGY

Summary

This is an enhanced index strategy that applies a proprietary stock ranking process to every stock in the S&P 500 Index, overweighting the most attractively ranked stocks and underweighting or not owning the stocks with the poorest fundamentals. Size, style, and risk characteristics are close to the benchmark.

Objective

Our objective is to outperform the S&P 500 Index by 0.75-1.25% annualized before management fees over full market cycles with annualized tracking error of 1-2%.

Investment Process

Our stock selection process is based on a proprietary quantitative stock ranking model that uses multiple sources of alpha. Three independent alpha streams are used to rank the stocks—style forecasting, sector allocation and stock selection. Portfolios are rebalanced monthly.

Contribution to Process and Returns

High Security Selection

We add value by overweighting S&P 500 companies that our research identifies as having strong and accelerating business fundamentals and attractive valuations and underweighting or eliminating those that rank poorly.

High Sector Allocation

Sector allocation does not have a significant impact on performance as we maintain sector exposures within $\pm 10\%$ of the S&P 500 Index sector weight.

Low

High Sell Discipline

Sell decisions are inherent to our investment discipline and are implemented as part of a regular monthly rebalancing process. The approach removes emotion from the process, as all buy and sell decisions are strictly based on our quantitative research.

High Market Timing

Market timing is not a part of the investment process and cash is held at minimal levels (0-2%). The specific factors used in our quantitative research are fundamentally driven and do not depend on macroeconomic forecasts.

Low

Competitive Advantages

- Multiple, uncorrelated alpha streams including style forecasting, sector allocation and stock selection to provide more stable and consistent excess returns
- A state-of-the-art technology platform, enables extensive database integration with information from a large number of different sources across asset classes, to develop unique sources of alpha
- The dynamic factor weighting approach adapts to structural changes in the market
- Highly experienced investment team manages over \$14 billion in quantitative assets

PERFORMANCE (%)

Composite		Quarter	YTD	1 Year	Annualized		
					3 Years	5 Years	10 Years
	Gross:	(10.99)	(6.39)	13.61	(10.20)	(1.01)	(1.81)
	Net:	(11.08)	(6.58)	13.16	(10.56)	(1.41)	(2.20)
	S&P 500 Index	(11.43)	(6.65)	14.43	(9.81)	(0.79)	(1.59)
	Excess Return	0.43	0.26	(0.82)	(0.39)	(0.22)	(0.22)

COMMENTARY

Market Review

The equity markets hit a low for the year in the quarter ended June 30, 2010. The period was marked with high volatility caused partly by the worry about the European market putting a sharp end to the risk rally that began in the second quarter of 2009. Other things worrying investors included a range of fiscal, economic and regulatory issues that further hurt the markets. Volatility sent investors fleeing from stocks worldwide, driving them into defensive investments, especially U.S. Treasuries and gold.

As the quarter began, pressures were building that were expected to push longer-term interest rates outside recent ranges. Reminders of the fragile U.S. economic recovery and lack of inflationary forces, however, pointed toward the Federal Reserve maintaining an accommodative interest rate policy. Treasury auctions began to decline in size and demand remained robust. Analysts expected economic growth to remain below levels that would make much headway against the high unemployment rate. Lack of progress in reducing initial claims for unemployment insurance affirmed this view.

Account Performance

Factor performance was relatively flat during the period, with valuation having slight underperformance. Market sentiment factors continued to underperform during the quarter. Quality factor showed some life with slightly positive returns for the period.

Security selection in the health care sector, particularly in equipment and service providers like AmerisourceBergen Corp., was favorable for relative returns. Selection in consumer staples, e.g., stocks such as Sara Lee Corp., also added returns. Selection in the industrials sector, particularly in capital goods companies like L-3 Communications Holdings Inc., was unfavorable for returns. Sector allocation was flat for the period.

The top individual security contributors for the period included an underweight position in Anadarko Petroleum Inc. and Baxter International Inc. and an overweight position in AmerisourceBergen Corp. Among the detractors were overweight positions in L-3 Communications, McDonalds Corp. and Hewlett Packard Co.

Current Strategy and Outlook

This is a quantitatively driven large-cap strategy that applies a proprietary ranking process to detect unrecognized value in stocks of companies that can be expected to outperform the market averages because of their strong business fundamentals. Our analysis positions the portfolio to capitalize on high quality companies with superior business momentum, strong earnings and attractive valuations.

The portfolio is currently slightly overweight in the industrials sector and underweight in the energy and staples sectors.

Manager commentary is for informational purposes only and does not constitute investment advice and is not a recommendation to purchase or sell any of the securities referenced. You can remove the Information should not be construed as investment advice because this covers it. So, the disclosure should appear as such.

Past performance does not guarantee future results. There is no guarantee that any forecasts or opinions in this material will be realized. Manager commentary is for informational purposes only and does not constitute investment advice and is not a recommendation to purchase or sell any of the securities referenced.

Please refer to the Schedule of Composite Performance, attached, for additional performance information.

The Composite performance information represents the investment results of a group of fully discretionary accounts managed with the investment objective of outperforming the benchmark. Information is subject to change at any time. Gross returns are presented after all transaction costs, but before management fees. Returns include the reinvestment of income. Net performance is shown after the deduction of a model management fee equal to the highest fee charged. Benchmark source: Standard and Poor's.

S&P 500 Index is a widely regarded as the best single gauge of the U.S. equities market, including 500 leading companies in major industries of the U.S. economy.

PORTFOLIO HIGHLIGHTS

Sector Weights and Attribution

	Sector Weights			Trailing 1-Year Attribution Analysis		
	% of Portfolio	S&P 500 Index	Overweight/Underweight	Allocation Effect	Selection Effect	Total Effect
Consumer Discretionary	10.15	10.12	0.03	0.04	-0.50	-0.46
Consumer Staples	10.89	11.53	-0.64	0.03	0.21	0.24
Energy	9.93	10.69	-0.75	0.06	0.18	0.24
Financials	16.81	16.31	0.50	-0.02	-0.53	-0.55
Health Care	11.71	12.09	-0.38	0.06	0.22	0.28
Industrials	11.18	10.32	0.87	0.11	-0.60	-0.49
Information Technology	19.39	18.75	0.64	-0.01	0.01	0.01
Materials	3.46	3.44	0.03	-0.02	0.03	0.02
Telecom Services	3.12	3.00	0.12	0.02	-0.04	-0.02
Utilities	3.36	3.76	-0.40	0.04	-0.04	0.01
Cash	NA	NA	NA	0.02	0.00	0.02
Index Futures and ETFs	NA	NA	NA	-0.06	0.00	-0.06
Total	100	100	NA	0.27	-1.04	-0.77

Returns-Based Characteristics

Three years ending 6/30/10

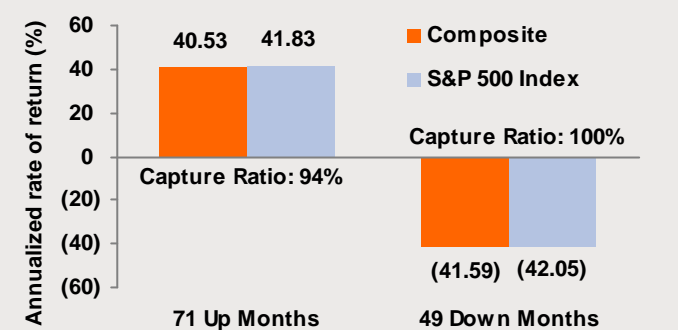
	Composite	S&P 500 Index
Standard Deviation (%)	20.40	20.44
Tracking Error (%)	1.77	NA
Information Ratio	(0.22)	NA
Alpha (annualized %)	(0.45)	NA
Beta	0.99	1.00
R-Squared	0.99	1.00
Sharpe Ratio	(0.57)	(0.55)

Security Characteristics

	Portfolio	S&P 500 Index
Weighted Avg. Cap. (\$ Millions)	74,938	74,436
P/E (next 12 mos.)	11.87	12.40
EPS Growth % (next 12 mos.)	21.67	19.44
P/E ÷ EPS Growth (next 12 mos.)	0.55	0.64
Price to Cash Flow	8.80	9.42
ROA (%)	7.93	7.77
Number of Issues	301	500

Up/Down Capture Ratio

Ten years ending 6/30/10



Top Ten Holdings

	% of Portfolio
Exxon Mobil Corp.	2.90
Apple Inc.	2.42
Microsoft Corp.	2.08
International Business Machines Corp.	2.06
Procter & Gamble Co.	2.00
AT&T Inc.	1.84
General Electric Co.	1.77
JPMorgan Chase & Co.	1.69
Chevron Corp.	1.65
Pfizer Inc.	1.53

Alpha: A measure of risk-adjusted performance; expressed as an annualized rate, it is the return that would have been realized by the manager over a measurement period if the return for the market were zero.

Beta: The sensitivity of a portfolio's returns to changes in the return of the market as measured by the index or benchmark that represents the market. A beta of 1.0 behaves exactly like the index. Beta less than 1.0 suggests lower risk than the index; greater than 1.0 indicates a risk level higher than the index.

Tracking Error: A measure of how closely the returns of a fund tend to follow the returns of the index to which it is benchmarked, specifically, the variability of excess returns around the average.

Information Ratio: The ratio of excess returns above a market index to the variability of those excess returns, in effect, describing the value-added from active management in relation to the risk taken in achieving those returns.

R-square: The proportion of the variation in a portfolio's returns that can be explained by the variability of the returns of an index. High R-square (close to 1.0) is usually consistent with broad diversification.

Upside/Downside Capture: is a graphical depiction of the historical risk and return potential of a portfolio versus its benchmark. Upside capture measures how the manager performed when the market was positive, while the downside capture measures the degree to which the manager went down while markets were negative.

Attribution results over long periods are not guaranteed to be accurate relative to the sum of a series of shorter periods.

The sector, security, and holdings information is based on a sample account in the Composite that we believe best represents this investment management style. It should not be assumed that the adviser continues to hold the securities listed. Other accounts in the Composite might have slightly different portfolio characteristics. Returns-Based Characteristics are based on the Composite returns.

The performance above is offered as Supplemental Information only. Please see next page for other important disclosures.

SCHEDULE OF COMPOSITE PERFORMANCE

Year	Composite Returns (%)		S&P 500 Returns (%)	Number of Portfolios	Composite Dispersion (%)		Assets in this Composite (\$mm)	Percentage of Firm Assets (%)	Total Firm Assets (\$mm)
	Gross	Net			High	Low			
2009	23.99	23.50	26.46	6	25.79	23.75	679	1.10	61,599
2008	(37.06)	(37.32)	(37.00)	6	(36.93)	(37.25)	609	1.09	56,044
2007	5.97	5.54	5.49	7	6.14	5.81	2,283	3.07	74,322
2006	16.06	15.60	15.80	10	16.40	15.97	2,675	4.04	66,276
2005	5.84	5.41	4.91	14	5.93	5.65	5,513	9.35	58,983
2004	10.98	10.54	10.88	21	11.10	10.75	5,694	9.09	62,640
2003	26.38	25.88	28.69	22	26.70	25.89	6,618	10.55	62,704
2002	(21.31)	(21.63)	(22.10)	40	(21.07)	(22.96)	5,539	14.33	38,649
2001	(13.02)	(13.37)	(11.88)	43	(11.47)	(13.49)	6,610	15.78	41,897
2000	(8.96)	(9.33)	(9.10)	34	(8.36)	(10.00)	6,523	11.61	56,169

The Firm has prepared and presented this report in compliance with the Global Investment Performance Standards ("GIPS").

NOTES:

- For GIPS purposes, the Firm is defined as all discretionary accounts managed by ING Investment Management Co. and its subsidiary ING Investment Trust Co., but not including collateralized debt obligation structures, long/short hedge funds, structured mortgage derivative portfolios, or specialized accounts supporting the reinsurance arrangements of affiliated insurance companies.
- Effective July 1, 2008, the Firm for GIPS purposes was redefined to exclude its affiliate ING Ghent Asset Management LLC ("ING Ghent"), as a result of the sale of assets managed by the ING Ghent portfolio management team. Previously, on December 31, 2003 the Firm was redefined for GIPS purposes to reflect the consolidation of ING business units and to provide the public with a more meaningful representation of the various investment strategies the Firm has to offer.
- "Composite Dispersion (%)" for each annual period is based on the gross returns shown (after transaction costs) and is equal to the highest and lowest annual return among the portfolios that are included in the composite for the full year.
- Composite returns are calculated from discretionary Enhanced Core portfolios managed with a view towards outperforming the index over full market cycles while maintaining a market level risk.
- Returns are benchmarked to the S&P 500 Index which does not incur management fees, transaction costs or other expenses associated with a managed account. It is not possible to invest directly in an index. Past performance is no guarantee of future results.
- On July 17, 2006 the portfolio management team changed for this strategy. In January 2009, the lead portfolio manager(s) for this strategy also changed. No substantial changes were made to the strategy's investment objectives or investment process as a result.
- All portfolios have been valued on a monthly basis. The composite has been constructed as a beginning-of-period asset-weighted average of each account's time-weighted return and includes reinvestment of income and capital gains.
- Prior to January 1, 2003, no portfolios were excluded based on size. Effective January 1, 2003, a \$20 million minimum has been set for inclusion in the composite.
- Valuation and returns are computed and stated in U.S. dollars.
- Where permitted, equity index futures may be used to gain market exposure on cash balances. No leverage or options are used.
- Gross performance results are calculated and presented after all trading commissions but before management fees, custody charges, taxes, and other indirect expenses. Net of fee performance results are calculated by subtracting a hypothetical management fee % from the gross return on a monthly basis and geometrically linking the results to produce annual returns shown. As such, the net performance results are net of both trading commissions and management fees, but before custody charges, taxes, and other indirect expenses. The hypothetical management fee is equal to the highest fee % level from any fee schedule currently offered for the strategy shown. While fee schedules can change over time, any amended fee %s resulting from a change will not be retroactively applied to performance history, but will rather be applied on a prospective basis from the point of the change.
- The annual management fee will vary according to the size of the account, and will depend on the type of investment vehicle selected. The fee schedule for an individually managed account for this strategy is: 0.40% on the first \$25 million; 0.35% over \$25 million. However, fee schedules may differ for pooled trusts or other types of investment vehicles. Further information regarding applicable fee schedules is available upon request.
- This composite was created January 1, 1996. A complete list and description of the Firm composites and additional information regarding policies for calculating and reporting returns is available upon request.