Week of August 15, 2005—Tentative

Tuesday, August 16, 2005

10 a.m. Meeting with the Organization of Agreement States (OAS) and the Conference of Radiation Control Program Directors (CRCPD) (Public Meeting). (Contact: Shawn Smith, (303) 415–2620.)

This meeting will be webcast live at the Web address, *http://www.nrc.gov.*

1 p.m. Discussion of Security Issues (closed—ex. 3 & 9).

Week of August 22, 2005—Tentative

There are no meetings scheduled for the week of August 22, 2005.

Week of August 29, 2005—Tentative

There are no meetings scheduled for the week of August 29, 2005.

Week of September 5, 2005—Tentative

Wednesday, September 7, 2005

9 a.m. Discussion of Security Issues (closed—ex. 1).

1:30 p.m. Discussion of Security Issues (closed—ex. 3).

Week of September 12, 2005—Tentative

There are no meetings scheduled for the week of September 12, 2005.

* The schedule for Commission meetings is subject to change on short notice. To verify the status of meetings call (recording)—(301) 415–1292. Contact person for more information: David Gamberoni, (301) 415–1651.

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The NRC Commission Meeting Schedule can be found on the Internet at: *http://www.nrc.gov/what-we-do/policy-making/schedule.html.*

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The NRC provides reasonable accommodation to individuals with disabilities where appropriate. If you need a reasonable accommodation to participate in these public meetings, or need this meeting notice or the transcript or other information from the public meetings in another format (*e.g.,* braille, large print), please notify the NRC's Disability Program Coordinator, August Spector, at (301) 415–7080, TDD: (301) 415–2100, or by e-mail at *aks@nrc.gov.* Determinations on requests for reasonable accommodation will be made on a case-by-case basis.

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This notice is distributed by mail to several hundred subscribers: If you no longer wish to receive it, or would like to be added to the distribution, please contact the Office of the Secretary, Washington, DC 20555 (301) 415–1969. In addition, distribution of this meeting notice over the Internet system is available. If you are interested in receiving this Commission meeting schedule electronically, please send an electronic message to *dkw@nrc.gov.*

Dated: August 4, 2005.

R. Michelle Schroll,

Office of the Secretary.

[FR Doc. 05–15776 Filed 8–5–05; 10:06 am]

BILLING CODE 7590–01–M

POSTAL RATE COMMISSION

Sunshine Act Meetings

NAME OF AGENCY: Postal Rate Commission.

TIME AND DATE: Tuesday, August 9, 2005, at 10:30 a.m.

PLACE: Commission conference room, 1333 H Street, NW., Suite 300, Washington, DC 20268–0001.

STATUS: Open.

MATTERS TO BE CONSIDERED: Consideration of fiscal year 2006 budget; election of vice chairman.

FOR FURTHER INFORMATION CONTACT: Stephen L. Sharfman, General Counsel, at (202) 789–6820.

Dated: August 4, 2005.

Steven W. Williams,

Secretary.

[FR Doc. 05–15769 Filed 8–4–05; 4:27 pm]

BILLING CODE 7710–FW–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC–27024; File No. 812–13148]

ING USA Annuity & Life Insurance Company, et al.

August 1, 2005.

AGENCY: The Securities and Exchange Commission.

ACTION: Notice of application for an order pursuant to Section 26(c) of the Investment Company Act of 1940, as amended (the ''1940 Act''), approving certain substitutions of securities and for an order of exemption pursuant to Section 17(b) of the Act.

Applicants: ING Insurance Company of America, ING Life Insurance and Annuity Company, ING USA Annuity and Life Insurance Company, ReliaStar Life Insurance Company, ReliaStar Life Insurance Company of New York, and Security Life of Denver Insurance Company (each a ''Company'' and together, the ''Companies''), Variable Annuity Account I of ING Insurance Company of America, Variable Annuity Account B of ING Life Insurance and Annuity Company, Separate Account B of ING USA Annuity and Life Insurance Company, Separate Account EQ of ING USA Annuity and Life Insurance Company, Separate Account U of ING USA Annuity and Life Insurance Company, MFS ReliaStar Variable Account of ReliaStar Life Insurance Company, ReliaStar Select Variable Account of ReliaStar Life Insurance Company, Select*Life Variable Account of ReliaStar Life Insurance Company, Separate Account N of ReliaStar Life Insurance Company, ReliaStar Life Insurance Company of New York Separate Account NY–B, ReliaStar Life Insurance Company of New York Variable Annuity Funds M, P & Q, ReliaStar Life Insurance Company of New York Variable Life Separate Account I, Security Life Separate Account A1, Security Life Separate Account L1, Security Life Separate Account S–A1, and Security Life Separate Account S–L1 (each, an ''Account'' and together, the ''Accounts''), ING Investors Trust, ING Partners, Inc. and ING Variable Products Trust. The Companies, the Accounts, ING Investors Trust, ING Partners, Inc. and ING Variable Products Trust are collectively referred to herein as the ''Applicants.''

SUMMARY: The Applicants have submitted an application (the ''Application'') for an order of the Securities and Exchange Commission (the ''Commission''), pursuant to Section 26(c), formerly Section (b), of the 1940 Act, permitting the substitutions of securities issued by certain registered investment companies held by the Accounts to support certain in force variable life insurance policies and variable annuity contracts (collectively, the ''Contracts'') issued by the Companies. More particularly, the Applicants propose to substitute shares of certain series of ING Investors Trust, ING Partners, Inc. and ING Variable Products Trust (the ''Substitute Funds'') for shares of certain registered investment companies currently held by subaccounts of the various Accounts (the ''Replaced Funds'') as follows:

Replaced funds	Substitute funds
AIM V.I. Health Sciences Fund—Series I	ING Evergreen Health Sciences Portfolio—Class S

Replaced funds	Substitute funds
ING Evergreen Health Sciences Portfolio—Class A.	
AIM V.I. Capital Appreciation Fund—Series I	ING Evergreen Omega Portfolio—Class I
Alger American Leveraged AllCap Portfolio—Class O.	
Putnam VT New Opportunities Fund—Class IA.	
Putnam VT New Opportunities Fund—Class IB.	
Putnam VT Voyager Fund—Class IA.	
Putnam VT Voyager Fund—Class IB.	
AIM V.I. Capital Appreciation Fund—Series II	ING Evergreen Omega Portfolio—Class S
Putnam VT Discovery Growth Fund—Class IB.	
AIM V.I. Growth Fund—Series I	ING FMR Earnings Growth Portfolio—Class I
Alger American Growth Portfolio—Class O.	
Alger American Income & Growth Portfolio—Class O.	
AllianceBernstein VPSF Large Cap Growth Portfolio—Class A.	
AIM V.I. Growth Fund—Series II	ING FMR Earnings Growth Portfolio—Class S
AllianceBernstein VPSF Large Cap Growth Portfolio—Class B.	
AIM V.I. Small Company Growth Fund—Series I	ING JP Morgan Small Cap Equity Portfolio—Class I
Alger American Small Capitalization Portfolio—Class O.	
AllianceBernstein VPSF Small Cap Growth Portfolio—Class A.	
Premier VIT OpCap Small Cap Portfolio.	
AllianceBernstein VPSF Growth and Income Portfolio—Class A	ING JP Morgan Value Opportunities Portfolio—Class I
Putnam VT Growth and Income Fund—Class IA.	
AllianceBernstein VPSF Growth and Income Portfolio—Class B	ING JP Morgan Value Opportunities Portfolio—Class S
AllianceBernstein VPSF Value Portfolio—Class B.	
Federated American Leaders Fund II—P Shares.	
Putnam VT Growth and Income Fund—Class IB.	
AIM V.I. Premier Equity Fund—Series I	ING Legg Mason Value Portfolio—Class I
AIM V.I. Premier Equity Fund—Series II	ING Legg Mason Value Portfolio—Class S
Federated Prime Money Fund II—P Shares	ING Liquid Assets Portfolio—Class S
Janus Aspen International Growth Portfolio—Institutional Shares	ING Marsico International Opportunities Portfolio—Class I
Putnam VT International Equity Fund—Class IA.	
AIM V.I. International Growth Fund—Series I	ING Marsico International Opportunities Portfolio—Class S
Janus Aspen International Growth Portfolio—Service Shares.	
Prudential SP William Blair International Growth Portfolio Class II.	
AIM V.I. Dent Demographic Trends Fund—Series II	ING Mercury Large Cap Growth Portfolio—Class S
ING Mercury Large Cap Growth Portfolio—Class A.	
Prudential Jennison Portfolio—Class II Shares.	
MFS VIT Total Return Series—Initial Class	ING MFS Total Return Portfolio—Class I
MFS VIT Utilities Series—Initial Class	ING MFS Utilities Portfolio—Class I
Putnam VT Utilities Growth and Income Fund—Class IA.	
AIM V.I. Utilities Fund—Series I	ING MFS Utilities Portfolio—Class S
Premier VIT OpCap Global Equity Portfolio	ING Oppenheimer Global Portfolio—I Class
AIM V.I. Diversified Income Fund—Series I	ING Oppenheimer Strategic Income Portfolio—S Class
Van Eck Worldwide Bond Fund—Initial Class.	
Federated High Income Bond Fund II—P Shares	ING PIMCO High Yield Portfolio—Class S
Pioneer Mid Cap Value VCT Portfolio—Class I	ING Pioneer Mid Cap Value Portfolio—Class I
Pioneer Mid Cap Value VCT Portfolio—Class II	ING Pioneer Mid Cap Value Portfolio—Class S
AIM V.I. Core Equity Fund—Series I	ING Pioneer Fund Portfolio—Class I
AIM V.I. Core Equity Fund—Series II	ING Pioneer Fund Portfolio—Class S
Pioneer Fund VCT Portfolio—Class II.	
Alger American MidCap Growth Portfolio—Class O	ING T. Rowe Price Diversified Mid Cap Growth Portfolio—I Class
UBS Series Trust U.S. Allocation Portfolio—Class I	ING UBS U.S. Allocation Portfolio—Class S
Premier VIT OpCap Equity Portfolio	ING UBS U.S. Large Cap Equity Portfolio—I Class
Alger American Balanced Portfolio—Class O	ING Van Kampen Equity and Income Portfolio—I Class
Federated Capital Income Fund II—P Shares.	
AIM V.I. Financial Services Fund—Series I	ING VP Financial Services Portfolio—Class S
AIM V.I. High Yield Fund—Series I	ING VP High Yield Bond Portfolio—Class I
Van Eck Worldwide Real Estate Fund—Initial Class	ING VP Real Estate Portfolio—Class S

Applicants also seek an order of exemption pursuant to Section 17(b) of the 1940 Act to permit certain in-kind redemptions and purchases in connection with the substitutions.

Filing Date: The Application was filed on December 27, 2004. The Application was amended and restated on July 19, 2005 and on July 29, 2005.

Hearing or Notification of Hearing: An order granting the Application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Secretary of the Commission and serving Applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on August 26, 2005, and should be accompanied by proof of service on Applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Secretary of the Commission.

ADDRESSES: For the Commission: Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–9303. For Applicants, J. Neil McMurdie, Esquire, ING Americas U.S. Legal Services, 151

Farmington Avenue, TS31, Hartford, CT 06156–8975.

FOR FURTHER INFORMATION CONTACT: Alison White, Senior Counsel, Office of Insurance Products, Division of Investment Management, at (202) 551–6795.

SUPPLEMENTARY INFORMATION: The following is a summary of the Application. The complete Application is available for a fee from the Public Reference Branch of the Commission.

I. The Application

The Applicants have requested that the Commission issue an order to permit the substitution (''Substitution'') of certain shares of certain investment management companies currently held by sub-accounts of the various Accounts for shares of certain series of the Substitute Funds.

II. The Applicants, Funds and Contracts

A. *The Companies.* Each of the Companies is an indirect wholly owned subsidiary of ING Groep, N.V. (''ING''). ING is a global financial services holding company based in The Netherlands which is active in the field of insurance, banking and asset management. As a result, each Company likely would be deemed to be an affiliate the others.

1. ING Insurance Company of America (''ING America''). ING America is a stock life insurance company organized under the laws of the State of Connecticut in 1990 and redomesticated under the insurance laws of the State of Florida in 2000. Prior to May 1, 2002, ING America was known as Aetna Insurance Company of America (''Aetna America''). ING America is principally engaged in the business of issuing life insurance and annuities.

ING America is the depositor of Variable Annuity Account I, a separate account which is registered with the Commission as a unit investment trust.

2. ING Life Insurance and Annuity Company (''ING Life''). ING Life is a stock life insurance company organized under the laws of the State of Connecticut in 1976 as Forward Life Insurance Company. Through a December 31, 1976 merger ING Life's operations include the business of Aetna Variable Annuity Life Insurance Company (formerly known as Participating Annuity Life Insurance Company). Prior to May 1, 2002, ING Life was known as Aetna Life Insurance and Annuity Company (''Aetna''). ING Life is principally engaged in the business of issuing life insurance and annuities.

ING Life also is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the ''Advisers Act''), and is the investment adviser for ING Partners, Inc. ING Life is the depositor of Variable Annuity Account B, a separate account which is registered with the Commission as a unit investment trust.

3. ING USA Annuity and Life Insurance Company (''ING USA''). ING USA is an Iowa stock life insurance company which was originally organized in 1973 under the insurance laws of Minnesota. Through a January 1, 2004 merger ING USA's operations include the business of the former companies, Equitable Life Insurance Company of Iowa (''Equitable Life''), United Life and Annuity Insurance Company (''United Life and Annuity''), and USG Annuity and Life Company. Prior to January 1, 2004, ING USA was known as Golden American Life Insurance Company (''Golden''). ING USA is principally engaged in the business of issuing life insurance and annuities.

ING USA is the depositor of Separate Account B, Separate Account EQ and Separate Account U, separate accounts which are registered with the Commission as unit investment trusts.

4. ReliaStar Life Insurance Company (''ReliaStar''). ReliaStar is a stock life insurance company organized in 1885 and incorporated under the laws of the State of Minnesota. Through an October 1, 2002 merger ReliaStar's operations include the business of Northern Life Insurance Company (''Northern''). ReliaStar is principally engaged in the business of issuing life insurance, annuities, employee benefits and retirement contracts.

ReliaStar is the depositor of MFS ReliaStar Variable Account, ReliaStar Select Variable Account, Select*Life Variable Account and Separate Account N, separate accounts which are registered with the Commission as unit investment trusts.

5. ReliaStar Life Insurance Company of New York (''ReliaStar NY''). ReliaStar NY is a stock life insurance company which was incorporated under the laws of the State of New York in 1917. Through an April 1, 2002 merger ReliaStar NY's operations include the business of First Golden American Life Insurance Company of New York (''First Golden''). ReliaStar NY is principally engaged in the business of issuing life insurance and annuities.

ReliaStar NY is the depositor of Separate Account NY–B, Variable Annuity Funds M, P & Q and Variable Life Separate Account I, separate accounts which are registered with the Commission as unit investment trusts.

6. Security Life of Denver Insurance Company (''Security Life''). Security Life is a stock life insurance company organized under the laws of the State of Colorado in 1929. Through an October 1, 2004, merger Security Life's operations include the business of Southland Life Insurance Company (''Southland''). Security Life is principally engaged in the business of issuing life insurance and annuities.

Security Life is the depositor of Security Life Separate Account A1, Security Life Separate Account L1, Security Life Separate Account S–A1, and Security Life Separate Account S–L1, separate accounts which are registered with the Commission as unit investment trusts.

B. *The Accounts.* Each of the Accounts is a segregated asset account of the applicable Company, and is registered under the 1940 Act as a unit investment trust. Each of the respective Accounts is used by the Company of which it is a part to support the Contracts that it issues.

Each Account is administered and accounted for as part of the general business of the Company of which it is a part. The assets of each Account attributable to the Contracts issued through it are owned by each Company but are held separately from all other assets of that Company for the benefit of the owners of, and persons entitled to benefits under such Contracts. Pursuant to applicable state insurance law and to the extent provided in the Contracts, such assets are not chargeable with liabilities arising out of any other business that each Company may conduct. Income, if any, gains and losses, realized or unrealized, from each Account are credited to or charged against the assets of that Account, without regard to other income, gains or losses of its Company or any of its other segregated asset accounts. Each Account is a ''separate account'' as defined by Rule 0–1(e) under the 1940 Act.

Each Account is divided into subaccounts, each of which invests exclusively in shares of one investment company portfolio of ING Investors Trust, ING Partners, Inc., ING Variable Products Trust, a Replaced Fund or another mutual fund. Each investment company portfolio has its own distinct investment objective(s) and policies. Income, gains and losses, realized or unrealized, of a portfolio are credited to or charged against the corresponding subaccount of each Account without regard to any other income, gains or losses of the applicable Company. To the extent provided in the Contracts,

assets equal to the reserves and other contract liabilities with respect to an Account are not chargeable with liabilities arising out of any other business of the Company that is the depositor of the Account.

Each of the prospectuses for the Contracts discloses that the Companies reserve the right, subject to Commission approval and compliance with applicable law, to substitute shares of another open-end management investment company for shares of an open-end management investment company held by a subaccount of an Account whenever the Company, in its judgment, determines that a portfolio no longer suits the purpose of the Contract.

C. *The Substitute Funds*. Each of the Substitute Funds is a series of ING Investors Trust, ING Partners, Inc., or ING Variable Products Trust.

1. *ING Investors Trust*. ING Investors Trust, formerly known as the GCG Trust, was organized as a Massachusetts business trust on August 3, 1988. ING Investors Trust is registered under the 1940 Act as an open-end management investment company (File No. 811–5629). It is a series investment company as defined by Rule 18f–2 under the 1940 Act, and a separate series of shares of beneficial interest is issued in connection with each series. Each series is currently offered by prospectus dated April 29, 2005. ING Investors Trust has registered these shares under the Securities Act of 1933 on Form N–1A (File No. 033–23512) which was last updated in an amendment to the registration statement filed on January 27, 2005.

Overall management services are provided to ING Investors Trust and to each of its individual portfolios by Directed Services, Inc. (''DSI''). DSI is an investment adviser registered under the Advisers Act, and a broker-dealer registered under the Exchange Act. DSI, an indirect wholly owned subsidiary of ING, maintains its offices at 1475 Dunwoody Drive, West Chester, PA, 19380. Under the terms of an investment advisory agreement between ING Investors Trust and DSI (the ''Trust Management Agreement''), which agreement first became effective on October 24, 1997, DSI manages the business and affairs of each of the several series of the ING Investors Trust, subject to the control and oversight of the ING Investors Trust Board of Trustees (the ''Board''). Under the Trust Management Agreement, DSI is authorized to exercise full investment discretion and make all determinations with respect to the investment of the assets of the respective series, but may, at its own cost and expense, retain portfolio managers for the purpose of making investment decisions and research information available to the ING Investors Trust.

DSI delegates to subadvisers the responsibility for day-to-day management of the investments of each portfolio, subject to DSI's oversight. DSI also recommends the appointment of additional or replacement subadvisers to the Board. The ING Investors Trust and DSI have received exemptive relief from the Commission that permits the ING Investors Trust and DSI to add or terminate a subadviser without shareholder approval.

2. *ING Partners, Inc (''ING Partners'')*. ING Partners, formerly known as Portfolio Partners, Inc., was organized as a Maryland corporation in 1997 and commenced operations on November 28, 1997. ING Partners is registered under the 1940 Act as an open-end management investment company (File No. 811–08319). It is a series investment company as defined by Rule 18f–2 under the 1940 Act, and a separate series of shares of beneficial interest is issued in connection with each series. Each series is currently offered by prospectuses dated April 29, 2005. ING Partners has registered these shares under the Securities Act of 1933 on Form N–1A (File No. 333–32575) which was last updated in an amendment to the registration statement filed on April 1, 2005.

ING Life serves as the investment adviser for each ING Partners portfolio. ING Life is an investment adviser registered under the Advisers Act. ING Life maintains its offices at 151 Farmington Avenue, Hartford, Connecticut 06156.

ING Life delegates to sub-advisers the responsibility for day-to-day management of the investments of each portfolio, subject to the ING Life's oversight. ING Life also recommends the appointment of additional or replacement sub-advisers to the Board. ING Partners and ING Life have received exemptive relief from the Commission that permits ING Life and ING Partners to add or terminate a portfolio's sub-adviser without shareholder approval.

3. *ING Variable Products Trust*. ING Variable Products Trust, formerly known as the Northstar Variable Trust, was organized as a Massachusetts business trust in 1993. ING Variable Product Trust is registered under the 1940 Act as an open-end management investment company (File No. 811–08220). It is a series investment company as defined by Rule 18f–2 under the 1940 Act, and a separate series of shares of beneficial interest is issued in connection with each series. Each series is currently offered by prospectuses dated April 29, 2005. ING Variable Products Trust has registered these shares under the Securities Act of 1933 on Form N–1A (File No. 033–73140) which was last updated in an amendment to the registration statement filed on April 4, 2005.

ING Investments, LLC (''ING Investments''), an Arizona limited liability company and an SEC registered investment adviser, serves as the investment adviser to portfolio of the ING Variable Products Trust. ING Investments, subject to the direction of ING Variable Products Trust Board of Trustees (the ''Board''), has overall responsibility for the management of the portfolios. ING Investments provides or oversees all investment advisory and portfolio management services for each portfolio and assists in managing and supervising all aspects of the general day-to-day business activities and operations of the portfolios, including custodial, transfer agency, dividend disbursing, accounting, auditing, compliance and related services.

ING Investments acts as a ''manager-of-managers'' for certain of the Substitute Funds. ING Investments delegates to the subadvisers of these Substitute Funds the responsibility for investment management, subject to ING Investment's oversight. From time to time ING Investments may recommend the appointment of additional or replacement subadvisers for these Substitute Funds to the portfolios' Board, and in reliance on and in accordance with the conditions of Commission relief granted to affiliates, with the approval of the Board, ING Investments may replace a non-affiliated subadviser as well as change the terms of a contract with a non-affiliated subadviser, without submitting the contract to a vote of the portfolios' shareholders.

D. *The Replaced Funds*. Each fund to be replaced with a Substitute Fund is a portfolio of the AIM Variable Insurance Funds, Alger American Fund, AllianceBernstein Variable Products Series Fund, Inc., Federated Insurance Series, ING Investors Trust, Janus Aspen Series, MFS Variable Insurance Trust, Premier VIT (prior to May 1, 2005 known as PIMCO Advisors VIT), Pioneer Variable Contracts Trust, The Prudential Series Fund, Inc., Putnam Variable Trust, UBS Series Trust, and Van Eck Worldwide Insurance Trust.

E. *The Contracts*. The Contracts are flexible premium variable annuity and variable life insurance contracts. The variable annuity Contracts provide for the accumulation of values on a variable basis, fixed basis, or both, during the

accumulation period, and provide settlement or annuity payment options on a variable or fixed basis. The variable life insurance Contracts provide for the accumulation of values on a variable basis, fixed basis, or both throughout the insured's life and for a death benefit, upon the death of the insured. Under each of the prospectuses for the Contracts, each Company reserves the right to substitute shares of one fund or portfolio for shares of another.

A Contract owner may transfer all or any part of the Contract value from one subaccount to any other subaccount or a fixed account as long as the Contract remains in effect and at any time up to 30 days before the due date of the first annuity payment for variable annuity contracts. For many of the Contracts, the Company issuing the Contract reserves the right to limit the number of transfers during a specified period.

III. The Substitutions

A. *The Funds and the Accounts.* Subject to the approval of the Commission under Section 26(c) of the 1940 Act, Applicants propose, as set forth below, to substitute shares of each Substitute Fund for those of the applicable Replaced Fund and transfer cash or securities held by each Replaced Fund to the applicable Substitute Fund.

Replaced funds	Substitute funds	Accounts holding replaced fund assets
AIM V.I. Health Sciences Fund—Series I	ING Evergreen Health Sciences Portfolio—Class S.	ING USA B; ReliaStar NY B; Security Life L1
ING Evergreen Health Sciences Portfolio—Class A.		ING USA B
AIM V.I. Capital Appreciation Fund—Series I	ING Evergreen Omega Portfolio—Class I	ING LIfe B; ING USA U; Security Life L1
Alger American Leveraged AllCap Portfolio—Class O.		ING America 1; ING Life B; ReliaStar SL; ReliaStar Select VA ReliaStar Separate Account N; ReliaStar NY I; Security Life A1; Security Life L1; Security Life S–A1; Security Life S–L1
Putnam VT New Opportunities Fund—Class IA		ReliaStar SL; ReliaStar Select VA; ReliaStar NY I
Putnam VT New Opportunities Fund—Class IB		Security Life L1; Security Life S–L1
Putnam VT Voyager Fund—Class IA		ReliaStar SL; ReliaStar Select VA; ReliaStar NY I
Putnam VT Voyager Fund—Class IB		Security Life L1; Security Life S–L1
AIM V.I. Capital Appreciation Fund—Series II	ING Evergreen Omega Portfolio—Class S	ING USA B
Putnam VT Discovery Growth Fund—Class IB		ING USA B; ReliaStar NY B
AIM V.I. Growth Fund—Series I	ING FMR Earnings Growth Portfolio—Class I	ING Life B; ING USA U
Alger American Growth Portfolio—Class O		ING USA U; ReliaStar SL; ReliaStar Select VA; ReliaStar Separate Account N; ReliaStar NY I; Security Life A1; Security Life L1; Security Life S–A1; Security Life S–L1
Alger American Income & Growth Portfolio—Class O.		ING America I; ING Life B
AllianceBernstein VPSF Large Cap Growth Portfolio—Class A.		ING Life B
AIM V.I. Growth Fund—Series II	ING FMR Earnings Growth Portfolio—Class S	ING USA B; ReliaStar NY B
AllianceBernstein VPSF Large Cap Growth Portfolio—Class B.		ING USA B; ReliaStar NY B
AIM V.I. Small Company Growth Fund—Series I.	ING JP Morgan Small Cap Equity Portfolio—Class I.	Security Life L1
Alger American Small Capitalization Portfolio—Class O.		ReliaStar SL; ReliaStar Select VA; ReliaStar Separate Account N; ReliaStar NY I; Security Life A1; Security Life S–A1; Security Life S–L1
AllianceBernstein VPSF Small Cap Growth Portfolio—Class A.		ING Life B
Premier VIT OpCap Small Cap Portfolio		ReliaStar SL; ReliaStar Select VA; ReliaStar Separate Account N; ReliaStar NY I
AllianceBernstein VPSF Growth and Income Portfolio—Class A.	ING JP Morgan Value Opportunities Portfolio—Class I.	ING Life B; ReliaStar MP&Q
Putnam VT Growth and Income Fund—Class IA.		ReliaStar SL; ReliaStar Select VA; ReliaStar NY I
AllianceBernstein VPSF Growth and Income Portfolio—Class B.	ING JP Morgan Value Opportunities Portfolio—Class S.	ING USA B; ReliaStar NY B
AllianceBernsteain VPSF Value Portfolio—Class B.		ING USA B; ReliaStar NY B
Federated American Leaders Fund II—P Shares.		ING America I; ING Life B; ING USA U
Putnam VT Growth and Income Fund—Class IB.		ReliaStar NY B; ING USA B; Security Life L1; Security Life S–L1
AIM V.I. Premier Equity Fund—Series I	ING Legg Mason Value Portfolio—Class I	ING Life B
AIM V.I. Premier Equity Fund—Series II	ING Legg Mason Value Portfolio—Class S	ING USA B
Federated Prime Money Fund II—P Shares	ING Liquid Assets Portfolio—Class S	ING America I; ING Life B; ING USA U
Janus Aspen International Growth Portfolio—Institutional Shares.	ING Marsico International Opportunities Portfolio—Class I.	ReliaStar SL; ReliaStar Select VA; ReliaStar Separate Account N; ReliaStar NY I; Security Life S–A1; Security Life S–L1
Putnam VT International Equity Fund—Class IA		ReliaStar SL; ReliaStar Select VA;

Replaced funds	Substitute funds	Accounts holding replaced fund assets
AIM V.I. International Growth Fund—Series I	ING Marsico International Opportunities Portfolio—Class S.	ING USA U
Janus Aspen International Growth Portfolio—Service Shares.		Security Life L1; Security Life S–L1
Prudential SP William Blair International Growth Portfolio—Class II.		ING Life B; ING USA B; ReliaStar NY B
AIM V.I. Dent Demographic Trends Fund—Series II.	ING Mercury Large Cap Growth Portfolio—Class S.	ING USA B; ReliaStar NY B
ING Mercury Large Cap Growth Portfolio—Class A.		ING USA B
Prudential Jennison Portfolio—Class II Shares		ING Life B; ING USA B; ING USA EQ; ReliaStar NY B
MFS VIT Total Return Series—Initial Class	ING MFS Total Return Portfolio—Class I	ING America I; ING Life B; ING USA U
MFS VIT Utilities Series—Initial Class	ING MFS Utilities Portfolio—Class I	ING USA U
Putnam VT Utilities Growth and Income Fund—Class IA.		ReliaStar SL; ReliaStar Select VA
AIM V.I. Utilities Fund—Series I	ING MFS Utilities Portfolio—Class S	ING USA B; ReliaStar NY B; Security Life A1; Security Life L1; Security Life S–A1; Security Life S–L1
Premier VIT OpCap Global Equity Portfolio	ING Oppenheimer Global Portfolio—I Class	ReliaStar SL; ReliaStar Select VA; ReliaStar Separate Account N; ReliaStar NY I
AIM V.I. Diversified Income Fund—Series I	ING Oppenheimer Strategic Income Portfolio—S Class.	ING USA U
Van Eck Worldwide Bond Fund—Initial Class		Security Life L1
Federated High Income Bond Fund II—P Shares.	ING PIMCO High Yield Portfolio—Class S	ING America I; ING Life B; ING USA U
Pioneer Mid Cap Value VCT Portfolio—Class I	ING Pioneer Mid Cap Value Portfolio—Class I	ReliaStar SL; ReliaStar NY I; Security Life L1; Security Life S–L1
Pioneer Mid Cap Value VCT Portfolio—Class II	ING Pioneer Mid Cap Value Portfolio—Class S.	ING USA B
AIM V.I. Core Equity Fund—Series I	ING Pioneer Fund Portfolio—Class I	ING Life B; ING USA U
AIM V.I. Core Equity Fund—Series II	ING Pioneer Fund Portfolio—Class S	ING USA B
Pioneer Fund VCT Portfolio—Class II		ING USA B; ReliaStar NY B
Alger American MidCap Growth Portfolio—Class O.	ING T. Rowe Price Diversified Mid Cap Growth Portfolio—I Class.	ReliaStar SL; ReliaStar Select VA; ReliaStar Separate Account N; ReliaStar NY I; Security Life A1; Security Life L1; Security Life S–A1; Security Life S–L1
UBS Series Trust U.S. Allocation Portfolio—Class I.	ING UBS U.S. Allocation Portfolio—Class S	ING USA B; ReliaStar NY B
Premier VIT OpCap Equity Portfolio	ING UBS U.S. Large Cap Equity Portfolio—I Class.	ReliaStar SL; ReliaStar Select VA; ReliaStar Separate Account N; ReliaStar NY I
Alger American Balanced Portfolio—Class O	ING Van Kampen Equity and Income Portfolio—I Class.	ING America I; ING Life B
Federated Capital Income Fund II—P Shares		ING America I; ING Life B; ING USA U
AIM V.I. Financial Services Fund—Series I	ING VP Financial Services Portfolio—Class S	ING USA B; ReliaStar NY B
AIM V.I. High Yield Fund—Series I	ING VP High Yield Bond Portfolio—Class I	Security Life A1; Security Life L1
Van Eck Worldwide Real Estate Fund—Initial Class.	ING VP Real Estate Portfolio—Class S	Security Life L1

Each Substitute Fund and Replaced Fund is registered as an open-end management investment company under the 1940 Act. Further, each is a series investment company as defined by Rule 18f–2 under the 1940 Act and issues separate series of shares of stock (for corporations) or of beneficial interest (for business trusts) in connection with each portfolio. The shares of each fund are registered under the 1933 Act on Form N–1A

B. *Investment Objectives and Policies.* With respect to each Replaced Fund, the Applicants have determined that the investment objective and the investment policies of the corresponding Substitute Fund are the same as, similar to or consistent with those of the Replaced Fund and therefore the essential objectives and risk expectations of those Contract owners with interests in subaccounts of each Replaced Fund will continue to be met after the Substitutions.

1. *The ING Evergreen Health Sciences Portfolio for the AIM V.I. Health Sciences Fund.* The primary investment objective of both the ING Evergreen Health Sciences Portfolio and the AIM V.I. Health Sciences Fund is capital growth. Each seeks to achieve this objective through substantially similar investment strategies focused on the healthcare sector.

Each fund normally invests at least 80% of its assets in equity securities of healthcare companies. Healthcare companies are similarly defined for each fund as companies deriving at least 50% of sales revenue from healthcare products and services, or comparable measures indicating that the primary business of the company is within the health sciences sector. Additionally, each of these funds is included in the same fund category by Morningstar, namely, Specialty—Health. Furthermore, each fund uses a similar index consistent with its primary investment objective as a benchmark.

2. *The ING Evergreen Health Sciences Portfolio—Class S for the ING Evergreen Health Sciences Portfolio—A Class.* This Substitute Fund is the same as the corresponding Replaced Fund with the exact same investment objective and policies and managed by the exact same investment adviser/sub-adviser, but with lower overall fees. This substitution is necessary to prevent

Contracts from offering two classes of shares of the same Substitute Fund and to ensure that no affected Contract Owner will have Contract values allocated to two different classes of shares of the same Substitute Fund after the effective date of the Substitutions (''Effective Date'').

3. *The ING Evergreen Omega Portfolio for the AIM V.I. Capital Appreciation Fund.* The investment objective for the ING Evergreen Omega Portfolio is long-term capital growth. The investment objective for the AIM V.I. Capital Appreciation Fund is growth of capital. These investment objectives are essentially the same.

Additionally, the investment policies of these funds are the same as, similar to or consistent with each other. Each fund employs a growth style of equity management and looks for stocks with above-average, long-term growth in earnings and excellent growth prospects. Each fund has the same limit with respect to investments in foreign securities (25% of its assets at the time of purchase). Additionally, each fund may invest up to 100% of its assets in quality money market instruments in order to protect the fund from adverse economic, political or market conditions. Furthermore, each of these funds is included in the same fund category by Morningstar, namely, Large Cap Growth.

4. *The ING Evergreen Omega Portfolio for the Alger American Leveraged AllCap Portfolio.* The investment objective for the ING Evergreen Omega Portfolio is long-term capital growth. The investment objective for the Alger American Leveraged AllCap Portfolio is long-term capital appreciation. Although not articulated in exactly the same way, these investment objectives are essentially the same.

Additionally, the investment policies of the funds are the same as, similar to or consistent with each other. Both funds employ a growth style of equity management and look for stocks with excellent growth prospects and can invest in securities across all market capitalizations. Each fund has a similar limit on its investment in foreign securities (20% of its assets at the time of purchase for the Alger American Leveraged AllCap Portfolio and 25% for the ING Evergreen Omega Portfolio). Furthermore, each of these funds is included in the same fund category by Morningstar, namely, Large Cap Growth.

5. *The ING Evergreen Omega Portfolio for the Putnam VT Discovery Growth Fund.* The investment objective of the ING Evergreen Omega Portfolio is long-term capital growth. The investment objective of the Putnam VT Discovery Growth Fund is to seek long-term growth of capital. The investment objectives of the ING Evergreen Omega Portfolio and Putnam Discovery Growth Portfolio are essentially the same.

The investment policies of each of these funds are consistent with each other. Each fund invests primarily in stocks of U.S companies across all market capitalizations with a focus on a ''growth'' style of equity management. While each fund may invest in foreign securities (the ING Evergreen Omega Portfolio limits such investments to 25% of its assets at the time of purchase and the Putnam VT Discovery Growth Fund has no such limit), the amount of each fund's actual investment in foreign securities has been quite small. As of September 30, 2004, the ING Evergreen Omega Portfolio had 4% of its assets invested in foreign securities and the Putnam VT Discovery Growth Fund had 1% it assets invested in foreign securities. Furthermore, for both funds all investments in foreign securities as of September 30, 2004, were in securities listed on U.S. exchanges. Each of these funds is included in the same fund category by Morningstar, namely, Large Cap Growth.

6. *The ING Evergreen Omega Portfolio for the Putnam VT New Opportunities Fund.* The investment objective of the ING Evergreen Omega Portfolio is long-term capital growth. The investment objective of the Putnam VT New Opportunities Fund is long-term capital appreciation. Although not articulated in exactly the same way, these investment objectives are essentially the same.

Additionally the investment policies of each of these funds are the same as, similar to or consistent with each other. Each fund invests primarily in common stocks of U.S. companies across all market capitalizations. Each fund focuses on growth stocks in sectors of the economy that are believed to have high growth potential. While each fund may invest in foreign securities (the ING Evergreen Omega Portfolio limits such investments to 25% of its assets at the time of purchase and the Putnam VT New Opportunities Fund has no such limit), the amount of each fund's actual investment in foreign securities has been quite small. As of September 30, 2004, the ING Evergreen Omega Portfolio had 4% of its assets invested in foreign securities and the Putnam VT New Opportunities Fund had 2% of its assets invested in foreign securities. Furthermore, for both funds all investments in foreign securities as of September 30, 2004, were in securities listed on U.S. exchanges. Each fund is diversified and is included in the same fund category by Morningstar, namely, Large Cap Growth.

7. *The ING Evergreen Omega Portfolio for the Putnam VT Voyager Fund.* The investment objective of the ING Evergreen Omega Portfolio is long-term capital growth. The investment objective of the Putnam VT Voyager Fund is capital appreciation. Although not articulated in exactly the same way, these investment objectives are essentially the same.

Additionally the investment policies of each of these funds are the same as, similar to or consistent with each other. Each fund invests primarily in common stocks of U.S. companies across all market capitalizations. Each fund focuses on growth stocks. While each fund may invest in foreign securities (the ING Evergreen Omega Portfolio limits such investments to 25% of its assets at the time of purchase and the Putnam VT Voyager Fund has no such limit), the amount of each fund's actual investment in foreign securities has been quite small. As of September 30, 2004, the ING Evergreen Omega Portfolio had 4% of its assets invested in foreign securities and the Putnam VT Voyager Fund had 0% of its assets invested in foreign securities. Furthermore, each fund is diversified and is included in the same fund category by Morningstar, namely, Large Cap Growth.

8. *The ING FMR Earnings Growth Portfolio for the AIM V.I. Growth Fund.* The ING FMR Earnings Growth Portfolio is a large-cap stock fund with a growth emphasis that has as its investment objective to seek long-term capital appreciation. The investment objective of the AIM V.I. Growth Fund-Series I is to seek growth of capital. The investment objectives of the ING FMR Earnings Growth Portfolio and AIM V.I. Growth Fund are essentially the same.

Each of these funds is included in the same fund category by Morningstar, namely, Large Cap Growth. Additionally, the investment policies of each of these funds are consistent with each other. Each fund invests primarily in stocks of U.S companies who have a combination of growth, earnings momentum and attractive stock price.

9. *The ING FMR Earnings Growth Portfolio for the Alger American Growth Portfolio.* The ING FMR Earnings Growth Portfolio is a large-cap stock fund with a growth emphasis that has as its investment objective to seek long-term capital appreciation. The investment objective of the Alger American Growth Portfolio is to seek long-term capital appreciation. The investment objectives of the ING FMR Earnings Growth Portfolio and Alger

American Growth Portfolio are the same.

Each of these funds is included in the same fund category by Morningstar, namely, Large Cap Growth. Additionally, the investment policies of each of these funds are similar to each other. Each fund invests in large-cap stocks using a growth approach to investing.

10. *The ING FMR Earnings Growth Portfolio for the Alger American Income & Growth Portfolio.* The ING FMR Earnings Growth Portfolio has as its investment objective to seek long-term capital appreciation. The investment objective of the Alger American Income & Growth Portfolio is to seek to provide a high level of dividend income; its secondary goal is to provide capital appreciation. Although not articulated in exactly the same way, the investment objectives and practices of the ING FMR Earnings Growth Portfolio and Alger American Income & Growth Portfolio are similar to and consistent with each other.

Notwithstanding the fact that the Alger American Income & Growth Fund's name and investment objective allude to a significant income component of the fund, the way in which the fund has been managed is more oriented towards growth and is consistent with the way the ING FMR Earnings Growth Portfolio is managed. Both funds invest in large capitalization stocks, and both funds use a growth approach to investing stocks. Additionally, both funds use the Russell 1000 Growth Index as their performance benchmark. Consequently, both of these funds are included in the Large Cap Growth fund category by Morningstar.

Finally, the ING FMR Earnings Growth Portfolio has a significant income component to it. As of December 31, 2004, the FMR Earnings Growth composite (after which the ING FMR Earnings Growth Portfolio is patterned) held 72% of income producing assets. As of the same date, 83% of the Alger American Income & Growth Portfolio's assets were invested in income producing assets.

11. *The ING FMR Earnings Growth Portfolio for the AllianceBernstein VPSF Large Cap Growth Portfolio.* The ING FMR Earnings Growth Portfolio is a large-cap stock fund with a growth emphasis that has as its investment objective to seek long-term capital appreciation. The investment objective of the Alliance Bernstein Premier Growth Portfolio is to seek growth of capital by pursuing aggressive investment policies.

Each of these funds is included in the same fund category by Morningstar, namely, Large Cap Growth. Additionally, the investment policies of each of these funds are consistent with each other. Each fund invests primarily in stocks of U.S companies who have a combination of growth, earnings momentum and attractive stock price.

12. *The ING JP Morgan Small Cap Equity Portfolio for the AIM V.I. Small Company Growth Fund.* The ING JP Morgan Small Cap Equity Portfolio and the AIM V.I. Small Company Growth Fund seek long-term capital growth.

Each fund invests, under normal market conditions, at least 80% of its assets in small-cap companies. Each fund may also invest in securities of non-U.S. issuers (with a limit of 20% for the ING JP Morgan Small Cap Equity Portfolio and a limit of 25% for the AIM V.I. Small Company Growth Fund). The ING JP Morgan Small Cap Equity Portfolio combines growth and value investing styles by focusing on identifying attractively valued companies with positive business fundamentals. The AIM V.I. Small Company Growth Fund focuses on growth stocks, seeking investments in companies that have strong prospects for future earnings growth.

Each of these funds is included in the same fund category by Morningstar, namely, Small Cap Growth.

13. *The ING JP Morgan Small Cap Equity Portfolio for the Alger American Small Capitalization Portfolio.* The investment objective of the ING JP Morgan Small Cap Equity Portfolio is capital growth over the long term. The investment objective of the Alger American Small Capitalization Portfolio is long-term capital appreciation. Although not articulated in exactly the same way, both funds seek to achieve capital growth over the long term.

Furthermore, each fund pursues a primary investment strategy of investing in equity securities of small-cap companies. For each fund small-cap companies include those companies with market capitalizations equal to those within the universe of the S&P SmallCap 600 Index. The ING JP Morgan Small Cap Equity Portfolio combines growth and value investing styles by focusing on identifying attractively valued companies with positive business fundamentals. The Alger American Small Capitalization Portfolio focuses on growth stocks, seeking investments in companies that have strong prospects for future earnings growth.

14. *The ING JP Morgan Small Cap Equity Portfolio for the AllianceBernstein VPSF Small Cap Growth Portfolio.* Growth of capital is the common investment objective of each of these funds. The ING JP Morgan Small Cap Equity Portfolio seeks capital growth over the long term. The AllianceBernstein VPSF Small Cap Growth Portfolio seeks growth of capital by pursuing aggressive investment policies.

Each fund pursues a primary investment strategy of investing in equity securities of small-cap companies. For the ING JP Morgan Small Cap Equity Portfolio, small-cap companies include those companies with market capitalizations equal to those within the universe of the S&P SmallCap 600 Index. For the AllianceBernstein VPSF Small Cap Growth Portfolio small-cap companies are those at the time of investment fall within the lowest 20% of the total U.S. equity market capitalization (excluding companies with market capitalizations less than $410 million). The ING JP Morgan Small Cap Equity Portfolio combines growth and value investing styles by focusing on identifying attractively valued companies with positive business fundamentals. The AllianceBernstein VPSF Small Cap Growth Portfolio focuses on growth stocks, seeking investments in companies that have strong prospects for future earnings growth.

Both the ING JP Morgan Small Cap Equity Portfolio and the AllianceBernstein VPSF Small Cap Growth Portfolio may invest in foreign securities. Each fund is included in the same fund category by Morningstar, namely, Small Cap Growth.

15. *The ING JP Morgan Small Cap Equity Portfolio for the Premier VIT OpCap Small Cap Portfolio.* The ING JP Morgan Small Cap Equity Portfolio seeks capital growth over the long term. The PIMCO Advisers VIT Op Cap Small Cap Portfolio seeks capital appreciation. Although not articulated in exactly the same way, the objectives of these funds are essentially the same.

Each fund pursues a primary investment strategy of investing in equity securities of small-cap companies. The ING JP Morgan Small Cap Equity Portfolio combines growth and value investing styles by focusing on identifying attractively valued companies with positive business fundamentals. The PIMCO Advisers VIT OpCap Small Cap Portfolio applies the principles of value investing, employing an emphasis on companies that generate high returns on assets and free cash flow.

The funds may invest in foreign securities. The ING JP Morgan Small Cap Equity Portfolio may invest up to 20% of its total assets in foreign securities in the form of depositary

receipts. The PIMCO Advisers VIT Op Cap Small Cap Portfolio may also invest in foreign securities.

16. *The ING JP Morgan Value Opportunities Portfolio for the AllianceBernstein VPSF Growth and Income Fund.* The investment objective of the ING JP Morgan Value Opportunities Portfolio is to provide long-term capital appreciation. The investment objective of the AllianceBernstein VPSF Growth and Income Portfolio is to seek reasonable current income and reasonable opportunity for appreciation through investments primarily in dividend-paying common stocks of good quality companies. Although not articulated in exactly the same way, the investment objectives and practices of the ING JP Morgan Value Opportunities Portfolio and AllianceBernstein VPSF Growth and Income Portfolio are consistent with and similar to each other.

Notwithstanding the fact that the AllianceBernstein VPFS Growth and Income Fund's name and investment objective allude to a significant income component of the fund, the way in which the fund has been managed is more oriented towards growth and is consistent with the way the ING JP Morgan Value Opportunities Portfolio is managed. Both funds invest primarily in equity securities of mid- to large-sized U.S. companies which are judged to be undervalued or otherwise have the potential for capital growth. Both funds may also invest in foreign securities, debt securities and derivatives including options and futures. Furthermore, both funds use a similar value index consistent with their primary investment objective as a benchmark, and both funds are diversified and are included in the same fund category by Morningstar, namely, Large Cap Value.

Finally, the ING JP Morgan Value Opportunities Portfolio has a significant income component to it. As of December 31, 2004, the JP Morgan Value Opportunities Fund, the retail fund equivalent of the ING JP Morgan Value Opportunities Portfolio, held 95% of income producing assets. As of the same date, 85% of the AllianceBernstein VPFS Growth and Income Fund's assets were invested in income producing assets.

17. *The ING JP Morgan Value Opportunities Portfolio for the AllianceBernstein VPSF Value Portfolio.* The investment objective of the ING JP Morgan Value Opportunities Portfolio and the AllianceBernstein VPSF Value Portfolio are essentially the same. Specifically, the investment objective of the ING JP Morgan Value Opportunities Portfolio is to provide long-term capital appreciation and the investment objective of AllianceBernstein VPSF Value Portfolio is long-term growth of capital.

In addition, the investment policies of each of these funds are the same as, similar to or consistent with each other. The ING JP Morgan Value Opportunities Portfolio invests primarily in mid- to large-sized U.S. companies with potential for capital growth, but may also invest in foreign securities, debt securities and derivatives including options and futures. The AllianceBernstein VPSF Value Portfolio invests primarily in a diversified portfolio of equity securities of companies with relatively large market capitalizations that Alliance believes are undervalued. The AllianceBernstein VPSF Value Portfolio may invest up to 15% of its total assets in foreign securities. This is similar to the ING JP Morgan Value Opportunities Portfolio which limits the total investment in foreign securities to 20% of its assets. Both funds may use derivatives to achieve their investment objectives. Both funds may invest in the four principal types of derivatives: options; futures; forwards; and swaps. Furthermore, each of these funds is diversified, and both are included in the same fund category by Morningstar, namely Large Cap Value.

18. *The ING JP Morgan Value Opportunities Portfolio for the Federated American Leaders Fund II.* The investment objective of the ING JP Morgan Value Opportunities Portfolio is to provide long-term capital appreciation. The investment objective of the Federated American Leaders Fund is to seek long-term growth of capital. Although not articulated in the same way, each of these funds seeks to achieve long-term growth by investing primarily in equity securities of mid- and large-sized U.S. companies that are judged to be undervalued or otherwise have potential for capital growth.

Each fund invests primarily in mid- to large-sized U.S. companies with potential for capital growth, but may also invest in foreign securities, debt securities and derivatives including options and futures. Furthermore, each of these funds is diversified, and both are included in the same fund category by Morningstar, namely Large Cap Value.

19. *The ING JP Morgan Value Opportunities Portfolio for the Putnam VT Growth and Income Fund.* The investment objective of the ING JP Morgan Value Opportunities Portfolio is to provide long-term capital appreciation. The investment objective for Putnam VT Growth and Income Fund is to seek capital growth and current income. Although not articulated in exactly the same way, the investment objectives and practices of the ING JP Morgan Value Opportunities Portfolio and Putnam VT Growth and Income Fund are consistent with and similar to each other.

Notwithstanding the fact that the Putnam VT Growth and Income Fund's name and investment objective allude to an income component of the fund, the way in which the fund has been managed is more oriented towards growth and is consistent with the way the ING JP Morgan Value Opportunities Portfolio is managed. Each fund seeks to achieve long-term growth by investing primarily in equity securities of mid- to large-sized U.S. companies that are judged to be undervalued or otherwise have potential for capital growth. Each fund may also invest in foreign securities, debt securities and derivatives including options and futures. Each fund uses a similar value index consistent with its primary investment objective as a benchmark. Furthermore, each of these funds is diversified, and both are included in the same fund category by Morningstar, namely Large Cap Value.

Finally, the ING JP Morgan Value Opportunities Portfolio has a significant income component to it. As of December 31, 2004, the JP Morgan Value Opportunities Fund, the retail fund equivalent of the ING JP Morgan Value Opportunities Portfolio, held 95% of income producing assets. As of the same date, 96% of the Putnam VT Growth and Income Portfolio's assets were invested in income producing assets.

20. *The ING Legg Mason Value Portfolio for the AIM V.I. Premier Equity Fund.* The investment objectives of the ING Legg Mason Value Portfolio and the AIM V.I. Premier Equity Fund are essentially the same. Specifically, the investment objective of the ING Legg Mason Value Portfolio is long-term growth of capital. The investment objective of the AIM V.I. Premier Equity Fund is long-term growth of capital with income as a secondary objective.

Additionally, the investment policies of each of these funds are the same as, similar to or consistent with each other. Each fund seeks to meets it investment objective by investing primarily in equity securities. The ING Legg Mason Value Portfolio follows a value discipline in selecting securities, and therefore seeks to purchase securities at large discounts to the portfolio manager's assessment of their intrinsic value. The AIM V.I. Premier Equity Fund investment policies also focus on

undervalued equity securities. Furthermore, each of these funds is included in the same fund category by Morningstar, namely, Large Cap Blend.

21. *The ING Liquid Assets Portfolio for the Federated Prime Money Fund II.* The investment objective of the ING Liquid Assets Portfolio is a high level of current income consistent with preservation of capital and liquidity. The investment objective of the Federated Prime Money Fund II is to provide current income consistent with stability of principal and liquidity. Each of these money market funds strives to maintain a stable net asset value of $1.00 per share by investing in high quality fixed income securities issued by banks, corporations and the U.S. government.

22. *The ING Marsico International Opportunities Portfolio for the AIM V.I. International Growth Fund.* Long-term growth of capital is the common investment objective of each of these funds.

Additionally, each fund pursues its investment objective by following a strategy of investing in equity securities of foreign companies. Each fund seeks to invest in more than one foreign country. The AIM V.I. International Growth Fund may invest up to 20% of its total assets in securities of issuers located in developing (emerging) countries. The ING Marsico International Growth Portfolio does not have a stated limit on emerging market investments, but states in the prospectus that ''[f]rom time to time the fund may invest in common stocks of companies operating in emerging markets.'' As of September 30, 2004 the AIM V.I. Fund and the Marsico International Opportunities (the retail fund after which this Substitute Fund is patterned) had 11% and 9%, respectively invested in emerging market countries. Each of the funds is diversified. Furthermore, each fund is included in the same fund category by Morningstar, namely, Foreign Large Cap Growth.

23. *The ING Marsico International Opportunities Portfolio for the Janus Aspen International Growth Portfolio.* The investment objectives of these two funds are the same; each fund seeks long-term growth of capital.

Additionally, each fund has the principal investment strategy of investing the majority of its assets (at least 80% for the Janus Aspen International Growth Portfolio and at least 65% for the ING Marsico International Opportunities Portfolio) in common stocks of foreign companies. Each fund may invest in common stocks of companies operating in emerging markets.

The funds are included in similar fund categories by Morningstar (Foreign Large Cap Growth category for the ING Marsico International Opportunities Portfolio and the Foreign Stock category for the Janus Aspen Series International Growth Portfolio). Each of the funds is diversified.

24. *The ING Marsico International Opportunities Portfolio for the Prudential SP William Blair International Growth Portfolio.* Long-term growth of capital is the common investment objective of each of these funds.

Each fund pursues its investment objective by following a strategy of investing in equity securities of foreign companies. Each fund requires a minimum level of foreign investment (at least 65%). Each fund seeks to invest in more than one foreign country (generally at least five in the case of the Prudential SP William Blair International Growth Portfolio and at least three in the case of the ING Marsico International Opportunities Portfolio). Neither fund restricts the amount of its assets that may be invested in emerging market countries. However, as of September 30, 2004, the Prudential SP William Blair International Growth Portfolio and the Marsico International Opportunities Fund (the retail fund after which this Substitute Fund is patterned) had 8% and 9%, respectively invested in emerging market countries.

Additionally, each of the funds is diversified. Furthermore, each of these funds is included in the same fund category by Morningstar, namely, Foreign Large Cap Growth category.

25. *The ING Marsico International Opportunities Portfolio for the Putnam VT International Equity Fund.* The investment objectives of these funds are substantially similar, with the ING Marsico International Opportunities Portfolio seeking long-term growth of capital and the Putnam VT International Equity Fund seeking capital appreciation.

Each fund has the principal investment strategy of investing the majority of its assets (at least 80% for the Putnam VT International Equity Fund, and at least 65% for the ING Marsico International Opportunities Portfolio) in common stocks of foreign companies. Each fund may invest in common stocks of companies operating in emerging markets. Each of these funds is diversified and each is included in the same fund category by Morningstar, namely, Foreign Large Cap Growth.

26. *The ING Mercury Large Cap Growth Portfolio for the AIM V.I. Dent Demographic Trends Fund.* The investment objective of each of these funds is identical. Specifically, the investment objective of the ING Mercury Large Cap Growth Portfolio and the AIM V.I. Dent Demographics Fund is long-term growth of capital.

Additionally, the investment policies of each of these funds are the same as, similar to or consistent with each other. Each fund employs a growth style of equity management and looks for stocks of companies that it believes have the potential for above-average, long-term growth in earnings. Each fund can also invest in foreign securities. Furthermore, each of these funds is included in the same fund category by Morningstar, namely, Large Cap Growth.

27. *The ING Mercury Large Cap Growth Portfolio—Class S for the ING Mercury Large Cap Growth Portfolio—A Class.* This Substitute Fund is the same as the corresponding Replaced Fund with the exact same investment objective and policies and managed by the exact same investment adviser/sub-adviser, but with lower overall fees. This substitution is necessary to prevent Contracts from offering two classes of shares of the same Substitute Fund, and to ensure that no affected Contract Owner will have Contract values allocated to two different classes of shares of the same Substitute Fund after the Effective Date.

28. *The ING Mercury Large Cap Growth Portfolio for the Prudential Jennison Portfolio.* The investment objective of each of these funds is identical. Specifically, the investment objective of the ING Mercury Large Cap Growth Portfolio and the Prudential Jennison Portfolio is long-term growth of capital.

Additionally, the investment policies of each of these funds are the same as, similar to or consistent with each other. Each fund employs a growth style of equity management and looks for stocks of companies that it believes have the potential for above-average, long-term growth. Each fund can also invest in foreign securities. Furthermore, each of these funds is included in the same fund category by Morningstar, namely, Large Cap Growth.

29. *The ING MFS Total Return Portfolio for the MFS VIT Total Return Series.* The ING MFS Total Return Portfolio is patterned after the MFS Total Return Fund which in turn is patterned after the MFS VIT Total Return Fund. Each of these funds has the same investment objective, namely, above-average income (compared to a portfolio entirely invested in equity securities) consistent with the prudent employment of capital. The secondary

investment objective of each fund is the reasonable opportunity for growth of capital and income. Additionally, the investment adviser for the MFS VIT Total Return Fund is the sub-adviser to the ING MFS Total Return Portfolio and will manage each fund similarly.

Additionally, both funds are ''balanced funds,'' and each invests in a combination of equity and fixed income securities. Under normal market conditions, each fund invests at least 40%, but not more than 75%, of its net assets in equity securities and at least 25% but no more than 60% in the case of the ING MFS VIT Total Return Series, of their respective assets in non-convertible fixed income securities. Furthermore, each of these funds is diversified and each is included in the same fund category by Morningstar, namely, Moderate Allocation.

30. *The ING MFS Utilities Portfolio for the AIM V.I. Utilities Fund.* The investment objectives of each of these funds are essentially the same. Specifically, the investment objective of the ING MFS Utilities Portfolio is capital growth and current income above that available from a portfolio invested entirely in equity securities. The investment objective of the AIM V.I. Utilities Fund is to seek capital growth and current income.

Under normal conditions, each fund invests at least 80% of its assets in stocks and bonds of companies in the utilities industry. The ING MFS Utilities Portfolio considers a company to be in the utilities industry if a substantial portion of the company's assets or revenues is derived from one or more utilities. The AIM V.I. Utilities Fund considers a company to be in the utilities industry if it meets one of the following tests: (a) At least 50% of the company's gross income or its net sales come from activities in the utilities sector; (b) at least 50% of its assets are devoted to producing revenues from the utilities sector; or (c) based on other information, the adviser determines that the company's primary business is within the utilities sector. Both funds use a ''bottom-up'' approach to investment, and both funds may depart from their principal investment strategy by temporarily investing for defensive purposes when necessary.

Each of these funds is non-diversified and each is included in the same fund category by Morningstar, namely, Specialty-Utilities. Furthermore, each fund uses the S&P 500 Utilities Index as one of its benchmark indices.

31. *The ING MFS Utilities Portfolio for the MFS VIT Utilities Series.* The ING MFS Utilities Portfolio is patterned after the MFS VIT Utilities Portfolio and these two funds have the same investment objective and policies. Specifically, the investment objective for each of these funds is capital growth and current income above that available from a portfolio invested entirely in equity securities. Additionally, the investment adviser for the MFS VIT Utilities Series is the sub-adviser to the ING MFS Utilities Portfolio and will manage the two funds in the same way.

32. *The ING MFS Utilities Portfolio for the Putnam VT Utilities Growth and Income Fund.* The investment objective of each of these funds is essentially the same. Specifically, the investment objective of the ING MFS Utilities Portfolio is capital growth and current income above that available from a portfolio invested entirely in equity securities. The investment objective of the Putnam VT Utilities Growth and Income Fund is capital growth and current income.

Under normal conditions, each fund invests at least 80% of its assets in stocks and bonds of companies in the utilities industry. The ING MFS Utilities Portfolio considers a company to be in the utilities industry if a substantial portion of the company's assets or revenues are derived from one or more utilities. The Putnam VT Utilities Growth and Income Fund considers a company to be in the utilities industry if it derives at least 50% of its assets, revenues or profits from producing or distributing utilities.

Additionally, each of these funds is non-diversified and each is included in the same fund category by Morningstar, namely, Specialty-Utilities. Furthermore, each fund uses the S&P 500 Utilities Index as one of its benchmark indices.

33. *The ING Oppenheimer Global Portfolio for the Premier VIT OpCap Global Equity Portfolio.* The investment objective of the ING Oppenheimer Global Portfolio and the Premier VIT OpCap Global Equity Portfolio is essentially the same. Specifically, the investment objective of the ING Oppenheimer Global Portfolio is capital appreciation. The investment objective of the Premier VIT OpCap Global Equity Portfolio is long-term capital appreciation through the pursuit of a global investment strategy primarily involving equity securities.

The investment policies of the ING Oppenheimer Global Portfolio and the Premier VIT OpCap Global Equity Portfolio are the same as, similar to or consistent with each other. The ING Oppenheimer Global Portfolio invests primarily in common stocks and related equity securities such as preferred stock, convertible securities and depositary receipts. It seeks to achieve its investment objectives by investing in securities of companies worldwide growing at rates expected to be well above the growth rate of the overall U.S. economy. Normally, the ING Oppenheimer Global Portfolio invests in equity securities derived from three distinct market sectors: (a) U.S. emerging growth companies; (b) foreign growth companies; and (c) emerging market securities. The Premier VIT OpCap Global Equity Portfolio invests primarily in equity securities of companies located throughout the world which it believes are undervalued in the marketplace. The Premier VIT OpCap Global Equity Portfolio applies principles of value investing, although the individual portfolio managers may implement these principles differently. Neither fund has any restrictions on the amount of its assets that can be invested in emerging market securities. As of September 30, 2004, the Premier VIT OpCap Global Equity Portfolio held approximately 2% of its assets in emerging market securities. The ING Oppenheimer Global Portfolio began operations in November 2004, so no similar figures are available for this fund. Likewise, neither fund has a restriction on the amount of investment in emerging growth companies. Furthermore, each of these funds is diversified, and each is included in the same fund category by Morningstar, namely, World Stock.

34. *The ING Oppenheimer Strategic Income Portfolio for the AIM V.I. Diversified Income Fund.* The investment objective of the ING Oppenheimer Strategic Income Portfolio is to seek a high level of current income principally from interest on debt securities. The investment objective of the AIM V.I. Diversified Income Fund is to seek a high a level of current income. These objectives are substantially identical, in that both funds seek primarily to achieve a high level of current income, and each fund's investment strategy focuses on investing in income-producing debt securities.

The ING Oppenheimer Strategic Income Portfolio seeks to meet its objective by investing primarily in: (a) Domestic and foreign corporate debt securities; (b) U.S. Government securities, including U.S. Government agency mortgage-backed securities; (c) securities issued by foreign governments, their agencies or instrumentalities, and (d) low-quality debt securities (''junk bonds'') of U.S. and foreign companies. The AIM V.I. Diversified Income fund seeks to meet its objective by investing primarily in debt securities of issuers in three market

sectors: (a) Foreign governments and companies; (b) U.S. Government securities; and (c) lower grade high-yield securities of U.S. and foreign companies. Neither fund has any restrictions on the amount of assets that can be invested in one sector (*i.e.* ''junk bonds''). Accordingly, each fund may invest up to 100% of its assets in ''junk bonds,'' but as stated in both prospectuses ''under normal market conditions'' the funds will invest in three or four fixed income sectors. Although not identical, there is significant overlap between the types of securities invested in by each fund.

Both funds are also diversified, and both funds use the Lehman Brothers U.S. Aggregate Bond Index as one of their benchmark indices.

35. *The ING Oppenheimer Strategic Income Portfolio for the Van Eck Worldwide Bond Fund.* The investment objective of the ING Oppenheimer Strategic Income Portfolio is to seek a high level of current income principally from interest on debt securities. The investment objective of the Van Eck Worldwide Bond Fund is to seek high total return—income plus capital appreciation—by investing globally, primarily in a variety of debt securities.

The ING Oppenheimer Strategic Income Portfolio seeks to meet its objective by investing primarily in: (a) Domestic and foreign corporate debt securities; (b) U.S. Government securities, including U.S. Government agency mortgage-backed securities; (c) securities issued by foreign governments, their agencies or instrumentalities, and (d) low-quality debt securities (''junk bonds'') of U.S. and foreign companies. The Van Eck Worldwide Bond Fund seeks to meet its objective by investing at least 80% of its assets in debt securities rated B or better by Standard & Poor's or Moody's Investors Service, or unrated securities that are of comparable quality in the adviser's opinion. The fund intends to invest no more than 20% of assets in lower-rated ''junk bonds'', and then only in lower-rated debt issued by governments or government agencies.

Both the ING Oppenheimer Strategic Income Portfolio and the Van Eck Worldwide Bond Fund invest in similar fixed income sectors: (a) Foreign government and companies; (b) U.S. Government securities; and (c) lower grade high-yield securities. The primary difference in the investment strategies of the funds is that the Van Eck Worldwide Bond Fund intends to invest no more than 20% of assets in lower rated debt (''junk bonds'') while the ING Oppenheimer Strategic Income Portfolio may invest all of its assets in ''junk bonds'', but intends to reduce risk by diversifying the portfolio's investments in three or four fixed income sectors.

Both funds use the Citigroup World Government Bond Index as one of their benchmark indices.

36. *The ING PIMCO High Yield Portfolio for the Federated High Income Bond Fund II.* The primary investment objective of the ING PIMCO High Yield Portfolio is to obtain maximum total return consistent with preservation of capital and prudent investment management. The investment objective of the Federated High Income Bond Fund II is to achieve a high level of current income. While not articulated in exactly the same way, each of these funds seeks to achieve high returns by investing in a diversified portfolio of high yield debt securities.

The investment policies of each of these funds are substantially the same. Each invests the substantial majority of its assets in non-investment grade debt securities, *i.e.*, ''junk bonds.'' Each of the funds may also invest in derivative instruments. Each fund uses a similar index consistent with its primary investment objective as a benchmark. Each of these funds is diversified and is included in the same fund category by Morningstar, namely, High Yield Bond.

37. *The ING Pioneer Mid Cap Value Portfolio for the Pioneer Mid Cap Value VCT Portfolio.* The ING Pioneer MidCap Value Portfolio is patterned after the Pioneer Mid Cap Value VCT Portfolio and these two funds have the same investment objectives and policies. The investment objective of both funds is capital appreciation by investing in a diversified portfolio of securities consisting primarily of common stocks. Additionally, the investment adviser for the Pioneer Mid Cap Value VCT Portfolio will be the sub-adviser to the ING Pioneer MidCap Value Portfolio and will manage the two funds in the same way.

38. *The ING Pioneer Fund Portfolio for the AIM V.I. Core Equity Fund.* The investment objective for the ING Pioneer Fund Portfolio is reasonable income and capital growth. The investment objective for the AIM V.I. Core Equity Fund is growth of capital.

Each fund seeks to achieve its goals through substantially similar policies. Each fund seeks to meet its objectives by investing the major portion of its assets in equity securities, including convertible securities, of U.S. issuers that are undervalued by the market or otherwise have potential for growth in value. Each fund uses a similar index consistent with its primary investment objective as a benchmark, namely the S&P 500 index. Each fund is diversified, and each is included in the same fund category by Morningstar, namely, Large Cap Blend.

39. *The ING Pioneer Fund Portfolio for the Pioneer Fund VCT Portfolio.* The ING Pioneer Fund Portfolio is patterned after the Pioneer Fund VCT Portfolio, and these two funds have the same investment objectives and policies. The investment objective of both funds is reasonable income and capital growth. Additionally, the investment adviser for the Pioneer Fund VCT Portfolio is the sub-adviser to the ING Pioneer Fund Portfolio and will manage the two funds in the same way.

40. *The ING T. Rowe Price Diversified Mid Cap Growth Portfolio for the Alger American MidCap Growth Portfolio.* The investment objectives of the ING T. Rowe Price Diversified Mid Cap Growth Portfolio and the Alger American Mid Cap Growth Portfolio are identical. Long-term capital appreciation is the objective of each fund. Both funds pursue their objectives through a primary investment strategy focused on investing in U.S. equity securities.

Each of these funds invests primarily in the equity securities of companies having a market capitalization within the range of companies in the Russell Mid Cap Growth Index or the S&P Small Cap 600 Index. Each of the funds is diversified, and each is included in the same fund category by Morningstar, namely, Mid Cap Growth.

41. *The ING UBS U.S. Allocation Portfolio for the UBS Series Trust U.S. Allocation Portfolio.* The investment objective of the ING UBS U.S. Allocation Portfolio is to maximize total return over the long term by allocating its assets among stocks, bonds, short-term instruments and other investments. The investment objective of the UBS Series Trust U.S. Allocation Portfolio is to seek total return, consisting of long-term capital appreciation and current income. Although not articulated in exactly the same way, the investment objectives of each of these two funds are essentially the same.

Furthermore, the investment policies of each of these funds are similar. Both funds invest in a combination of high quality bonds, short-term fixed income securities and stocks of any capitalization class. Each of these funds is included in the same fund category by Morningstar, namely, Large Cap Blend.

42. *The ING UBS U.S. Large Cap Equity Portfolio for the Premier VIT OpCap Equity Portfolio.* The investment objectives of the ING UBS U.S. Large Cap Equity Portfolio and the Premier VIT OpCap Equity Portfolio are essentially the same. Specifically, the investment objective of the ING UBS

U.S. Large Cap Equity Portfolio is long-term growth of capital and future income. The investment objective of the Premier VIT OpCap Equity Portfolio is long-term capital appreciation through investment in a diversified portfolio of equity securities selected on the basis of a value approach to investing.

Both funds invest at least 80% of their net assets (plus the amount of any borrowings for investment purposes) in equity securities. The ING UBS U.S. Large Cap Equity Portfolio invests the majority of its assets in equity securities of U.S. large-cap companies and investments may include dividend-paying securities, common stock and preferred stock. It may also hold small- and intermediate-cap stocks and may use options, futures and other derivatives as part of its investment strategy or to help manage portfolio risks. The Premier VIT OpCap Equity Portfolio invests the majority of it assets in equity securities of companies it believes are undervalued in the marketplace. Normally, the Premier VIT OpCap Equity Portfolio invests in equity securities listed on the New York Stock Exchange and on other U.S. or foreign securities exchanges or traded in the U.S. or foreign over-the-counter markets. The Premier VIT OpCap Equity Portfolio applies principles of value investing, although the individual portfolio managers may implement these principles differently. OpCap Advisors uses fundamental analysis to select securities. The Premier VIT OpCap Equity Portfolio may also use derivatives including futures contracts, options on futures, forward foreign currency contracts, covered calls, uncovered calls and puts, option on stock indices, and swaps as part of its investment strategy.

Each of these funds is diversified. The ING UBS U.S. Large Cap Equity Portfolio is categorized as a Large Cap Blend fund by Morningstar. The Premier VIT OpCap Equity Portfolio is categorized by Morningstar as a Large Cap Value fund. Even though these funds currently fall in different Morningstar categories, their investment styles are similar.

43. *The ING Van Kampen Equity and Income Portfolio for the Alger American Balanced Portfolio.* The investment objective of the ING Van Kampen Equity and Income Portfolio is total return consisting of long-term capital appreciation and current income. The investment objective of the Alger American Balanced Portfolio is to seek current income and long-term capital appreciation. Although not stated in the same way, both funds seek to achieve a balance of income and long-term growth.

The ING Van Kampen Equity and Income Portfolio invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity and income securities at the time of investment. It seeks to achieve its investment objective by investing primarily in income-producing equity instruments (including common stocks, preferred stocks and convertible securities) and investment grade quality debt instruments. Under normal market conditions, the ING Van Kampen Equity and Income Portfolio invests at least 65% of its total assets in income-producing equity securities. It may also invest up to 25% of its total assets in securities of foreign issuers.

The Alger American Balanced Portfolio also invests primarily in equity securities, such as common or preferred stock. It focuses on securities of companies with growth potential and on fixed income securities, especially those with the potential for capital appreciation. Ordinarily, at least 25% of its assets are invested in fixed income securities.

The investment strategies of the ING Van Kampen Equity and Income Portfolio and the Alger American Balanced Portfolio are the same as, similar to or consistent with each other. Furthermore, each fund is included in the same fund category by Morningstar, namely, Moderate Allocation.

44. *The ING Van Kampen Equity and Income Portfolio for the Federated Capital Income Fund II.* The investment objective of the ING Van Kampen Equity and Income Portfolio is total return consisting of long-term capital appreciation and current income. The investment objective of the Federated Capital Income Fund II is to achieve high current income and moderate capital appreciation. Although not articulated in exactly the same way, each fund seeks to achieve current income and capital appreciation.

The ING Van Kampen Equity and Income Portfolio invests at least 80% of its net ssets (plus any borrowings for investment purposes) in equity and income securities at the time of investment. It seeks to achieve its investment objective by investing primarily in income-producing equity instruments (including common stocks, preferred stocks and convertible securities) and investment grade quality debt instruments. Under normal market conditions, the ING Van Kampen Equity and Income Portfolio invests at least 65% of its total assets in income-producing equity securities. It may also invest up to 25% of its total assets in securities of foreign issuers.

The Federated Capital Income Fund II invests in both equity and fixed income securities that have high relative income potential. The Federated Capital Income Fund II investment adviser pursues the Fund's investment objectives by attempting to identify mature, high-quality mid- to large-cap companies with high relative dividend yields that are likely to maintain or increase their dividends. The investment adviser elects fixed income investments that offer high current yields.

Each of these funds is diversified. Morningstar categorizes the ING Van Kampen Equity and Income Portfolio as Moderate Allocation and the Federated Capital Income Fund II as Conservative Allocation. Notwithstanding the differences in Morningstar's categorization of the two funds, the investment policies of each of these funds are the same as, similar to or consistent with each other. In categorizing mutual funds Morningstar looks back to see how a fund has been managed over an extended period of time, and Morningstar can change a categorization at any time. Currently the ING Van Kampen Equity and Income Portfolio is more conservative due to the credit quality of the fund's bond holdings. The Van Kampen Equity and Income Portfolio generally invests in only investment grade bonds, although it may invest up to 5% of its assets in medium quality bonds or unrated bonds determined by Van Kampen to be of comparable quality. As of December 31, 2003 and June 30, 2004, the Van Kampen Equity and Income Portfolio held only investment grade bonds. If the ING Van Kampen Equity and Income Portfolio's manager continues to hold a more conservative allocation of bonds, it can be expected that Morningstar will change the categorization of this funds to ''conservative.''

45. *The ING VP Financial Services Portfolio for the AIM V.I. Financial Services Fund.* The investment objectives of these funds are substantially similar, with the ING VP Financial Services Portfolio seeking long-term capital appreciation and the AIM V.I. Financial Services Fund seeking capital growth.

Additionally, the investment strategies of each of these funds is the same in as much as each fund invests, under normal market conditions, at least 80% of its net assets in equity securities and equity related instruments of companies engaged in the financial services industry. Furthermore, each fund is included in the same fund

category by Morningstar, namely, Specialized Financial Services.

46. *The ING VP High Yield Bond Portfolio for the AIM V.I. High Yield Fund.* The investment objective of the ING VP High Yield Bond Portfolio is to provide investors with a high level of current income and total return. The investment objective of the AIM VI High Yield Fund is to achieve a high level of current income. While not articulated in exactly the same way, each of these funds seeks to achieve high returns by investing in a diversified portfolio of high yield debt securities.

Each of these funds seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its net assets in non-investment grade debt securities, *i.e.*, ''junk bonds.'' Each of the funds may also invest in derivative instruments. Each also uses the Lehman Brothers High Yield Bond Index as one of its performance benchmarks. Furthermore, each fund is included in the same fund category by Morningstar, namely, High Yield Bond.

47. *The ING VP Real Estate Portfolio for the Van Eck Worldwide Real Estate Fund.* The investment objectives of each of these two funds are essentially the same. The ING VP Real Estate Portfolio seeks total return by investing, under normal market conditions, at least 80% of its assets in common and preferred stocks of U.S. real estate investment trusts (REITs) and real estate companies. The Van Eck Worldwide Real Estate Fund seeks to maximize return by investing, under normal market conditions, at least 80% of its assets in equity securities of domestic and foreign companies that own significant real estate assets or that are principally engaged in the real estate industry.

The investment policies of each of these funds are the same as, similar to or consistent with each other. Additionally, each of these funds is non-diversified and each is included in the same fund category by Morningstar, namely, Specialized—Real Estate.

The primary difference between the funds is that the Van Eck Worldwide Real Estate Portfolio will normally invest in companies from at least three countries, including the United States, while the ING VP Real Estate Portfolio will normally invest only in United States companies. The ING VP Real Estate Portfolio may hold foreign investments if the fund's advisor deems them to be attractive for the fund. As of December 31, 2004, the Van Eck Portfolio was about 55% invested in United States companies and 37% in companies located outside the United States. The ING VP Portfolio was 96% invested in companies in the United States and 0% in foreign investments.

C. Fees and Expenses. As is detailed below, the overall expenses of the Substitute Funds are lower than or equal to those of the Replaced Funds. Applicants believe that, because each Substitute Fund will be offered over a substantially larger asset base than the applicable Replaced Fund, there is a potential that Contract owners will, over time, realize the benefits from additional economies of scale with respect to the advisory fees. The fees and expenses for each Substitute Fund are those which will be in effect before the Effective Date of the Substitutions. The fees and expenses of the Replaced Funds are as of December 31, 2004, but have been updated to reflect any subsequent fee reductions and/or expense waiver or reimbursement arrangements.

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	Management Fees	Distribution (12b-1) Fees	Other Expenses	Total Annual Expenses	Expense Waivers	Net Annual Expenses
Substitute Fund • ING Evergreen Health Sciences Portfolio – Class S [1, 2]	0.75%	--	0.25%	1.00%	--	1.00%
Replaced Fund • AIM V.I. Health Sciences Fund – Series I	0.75%	--	0.36%	1.11%	0.01%	1.10%
Replaced Fund • ING Evergreen Health Sciences Portfolio – Class A	0.75%	0.25%	0.25%	1.25%	--	1.25%
Substitute Fund • ING Evergreen Omega Portfolio – Class I [1]	0.60%	--	--	0.60%	--	0.60%
Replaced Fund • AIM V.I. Capital Appreciation Fund – Series I	0.61%	--	0.30%	0.91%	--	0.91%
Replaced Fund • Alger American Leveraged AllCap Portfolio – Class O	0.85%	--	0.12%	0.97%	--	0.97%
Replaced Fund • Putnam VT New Opportunities Fund – Class IA	0.60%	--	0.09%	0.69%	--	0.69%
Replaced Fund • Putnam VT New Opportunities Fund – Class IB	0.60%	0.25%	0.09%	0.94%	--	0.94%
Replaced Fund • Putnam VT Voyager Fund – Class IA	0.56%	--	0.08%	0.64%	--	0.64%
Replaced Fund • Putnam VT Voyager Fund – Class IB	0.56%	0.25%	0.08%	0.89%	--	0.89%
Substitute Fund • ING Evergreen Omega Portfolio – Class S [1, 2]	0.60%	--	0.25%	0.85%	--	0.85%
Replaced Fund • AIM V.I. Capital Appreciation Fund – Series II	0.61%	0.25%	0.30%	1.16%	--	1.16%
Replaced Fund • Putnam VT Discovery Growth – Class IB	0.70%	0.25%	0.38%	1.33%	--	1.33%
Substitute Fund • ING FMR Earnings Growth Portfolio – Class I	0.62%	--	0.15%	0.77%	0.02%	0.75%
Replaced Fund • AIM V.I. Growth Fund – Series I	0.63%	--	0.28%	0.91%	--	0.91%
Replaced Fund • Alger American Growth Portfolio – Class O	0.75%	--	0.10%	0.85%	--	0.85%
Replaced Fund • Alger American Income & Growth Port. – Class O	0.625%	--	0.155%	0.78%	--	0.78%
Replaced Fund • AllianceBernstein VPSF Large Cap Growth Portfolio – Class A	0.75%	--	0.06%	0.81%	--	0.81%
Substitute Fund • ING FMR Earnings Growth Portfolio – Class S [2]	0.62%	--	0.40%	1.02%	0.02%	1.00%
Replaced Fund • AIM V.I. Growth Fund – Series II	0.63%	0.25%	0.28%	1.16%	--	1.16%
Replaced Fund • AllianceBernstein VPSF Large Cap Growth Portfolio – Class B	0.75%	0.25%	0.06%	1.06%	--	1.06%

[1] This Substitute Fund is subject to a unified fee arrangement.
[2] The "Other Expenses" of this portfolio includes a Shareholder Services Fee of 0.25%.

	Management Fees	Distribution (12b-1) Fees	Other Expenses	Total Annual Expenses	Expense Waivers	Net Annual Expenses
Substitute Fund • ING JP Morgan Small Cap Equity Portfolio – Class I [1]	0.90%	--	--	0.90%	--	0.90%
Replaced Fund • AIM V.I. Small Company Growth Fund – Series I	0.75%	--	0.61%	1.36%	0.16%	1.20%
Replaced Fund • Alger American Small Capitalization Portfolio – Class O	0.85%	--	0.12%	0.97%	--	0.97%
Replaced Fund • AllianceBernstein VPSF Small Cap Growth Port. – Class A	0.75%	--	0.39%	1.14%	--	1.14%
Replaced Fund • Premier VIT OpCap Small Cap Portfolio	0.80%	--	0.11%	0.91%	--	0.91%
Substitute Fund • ING JP Morgan Value Opportunities Port. – Class I	0.40%	--	0.15%	0.55%	0.02%	0.53%
Replaced Fund • AllianceBernstein VPSF Growth and Income Portfolio – Class A	0.55%	--	0.05%	0.60%	--	0.60%
Replaced Fund • Putnam VT Growth and Income Fund – Class IA	0.48%	--	0.06%	0.54%	--	0.54%
Substitute Fund • ING JP Morgan Value Opportunities Port. – Class S [2]	0.40%	--	0.40%	0.80%	0.02%	0.78%
Replaced Fund • AllianceBernstein VPSF Growth and Income Portfolio – Class B	0.55%	0.25%	0.05%	0.85%	--	0.85%
Replaced Fund • AllianceBernstein VPSF Value Portfolio – Class B	0.55%	0.25%	0.17%	0.97%	--	0.97%
Replaced Fund • Federated American Leaders Fund II – P Shares	0.75%	--	0.40%	1.15%	--	1.15%
Replaced Fund • Putnam VT Growth and Income Fund – Class IB	0.48%	0.25%	0.06%	0.79%	--	0.79%
Substitute Fund • ING Legg Mason Value Portfolio – Class I[1]	0.80%	--	0.01%	0.81%	--	0.81%
Replaced Fund • AIM V.I. Premier Equity Fund – Series I	0.61%	--	0.30%	0.91%	0.02%	0.89%
Substitute Fund • ING Legg Mason Value Portfolio – Class S [1, 2, 3]	0.80%	--	0.26%	1.06%	--	1.06%
Replaced Fund • AIM V.I. Premier Equity Fund – Series II	0.61%	0.25%	0.30%	1.16%	0.02%	1.14%
Substitute Fund • ING Liquid Assets Portfolio – Class S [1, 2]	0.27%	--	0.27%	0.54%	--	0.54%
Replaced Fund • Federated Prime Money Fund II – P Shares	0.50%	--	0.55%	1.05%	--	1.05%
Substitute Fund • ING Marsico International Opportunities Port. – Class I	0.54%	--	0.17%	0.71%	0.03%	0.68%
Replaced Fund • Janus Aspen International Growth Port. – Institutional Shares	0.64%	--	0.04%	0.68%	--	0.68%

[3] The Shareholder Services Fee that is included in the "Other Expenses" of this portfolio is permanently capped at 0.25%. Other expenses in excess of this Shareholder Services Fee, if any, cover operating expenses such as the cost of the Trustees who are not interested persons of Directed Services, Inc. (including the cost of the Trustees and Officers Errors and Omissions Liability Insurance coverage) and any taxes paid by the portfolios. The portfolios also bear any extraordinary expenses.

	Management Fees	Distribution (12b-1) Fees	Other Expenses	Total Annual Expenses	Expense Waivers	Net Annual Expenses
Replaced Fund • Putnam VT International Equity Fund – Class IA	0.75%	--	0.19%	0.94%	--	0.94%
Substitute Fund • ING Marsico International Opportunities Port. – Class S [2]	0.54%	--	0.42%	0.96%	0.03%	0.93%
Replaced Fund • AIM V.I. International Growth Fund – Series I	0.74%	--	0.40%	1.14%	--	1.14%
Replaced Fund • Janus Aspen International Growth Portfolio – Service Shares	0.64%	0.25%	0.04%	0.93%	--	0.93%
Replaced Fund • Prudential SP William Blair International Growth Portfolio – Class II	0.85%	0.25%	0.32%	1.42%	--	1.42%
Substitute Fund • ING Mercury Large Cap Growth Port. – Class S [1, 2, 3, 4]	0.80%	--	0.25%	1.05%	0.05%	1.00%
Replaced Fund • AIM V.I. Dent Demographic Trends Fund – Series II	0.77%	0.25%	0.37%	1.39%	0.13%	1.26%
Replaced Fund • ING Mercury Large Cap Growth Portfolio – Class A	0.80%	0.25%	0.26%	1.31%	--	1.31%
Replaced Fund • Prudential Jennison Portfolio – Class II Shares	0.60%	0.25%	0.19%	1.04%	--	1.04%
Substitute Fund • ING MFS Total Return Portfolio – Class I [1]	0.64%	--	--	0.64%	--	0.64%
Replaced Fund • MFS VIT Total Return Series – Initial Class	0.75%	--	0.08%	0.83%	--	0.83%
Substitute Fund • ING MFS Utilities Portfolio - Class I	0.60%	--	0.15%	0.75%	--	0.75%
Replaced Fund • MFS VIT Utilities Series – Initial Class	0.75%	--	0.14%	0.89%	--	0.89%
Replaced Fund • Putnam VT Utilities Growth and Income Fund – Class IA	0.70%	--	0.15%	0.85%	--	0.85%
Substitute Fund • ING MFS Utilities Portfolio – Class S [2]	0.60%	--	0.40%	1.00%	--	1.00%
Replaced Fund • AIM V.I. Utilities Fund – Series I	0.60%	--	0.41%	1.01%	--	1.01%
Substitute Fund • ING Oppenheimer Global Portfolio – I Class	0.60%	--	0.06%	0.66%	--	0.66%
Replaced Fund • Premier VIT OpCap Global Equity Portfolio	0.80%	--	0.46%	1.26%	--	1.26%

[4] Fund management has agreed to a permanent expense cap so that beginning on the Effective Date of the Substitutions the total Net Annual Expenses for the Class S shares of the ING Mercury Large Cap Growth Portfolio will never exceed 1.04%.

	Management Fees	Distribution (12b-1) Fees	Other Expenses	Total Annual Expenses	Expense Waivers	Net Annual Expenses
Substitute Fund • ING Oppenheimer Strategic Income Port. – S Class	0.50%	--	0.29%	0.79%	0.04%	0.75%
Replaced Fund • AIM V.I. Diversified Income Fund – Series I	0.60%	--	0.41%	1.01%	0.26%	0.75%
Replaced Fund • Van Eck Worldwide Bond Fund – Initial Class	1.00%	--	0.27%	1.27%	--	1.27%
Substitute Fund • ING PIMCO High Yield Portfolio – Class S [1, 2]	0.49%	--	0.25%	0.74%	--	0.74%
Replaced Fund • Federated High Income Bond Fund II – P Shares	0.60%	--	0.39%	0.99%	--	0.99%
Substitute Fund • ING Pioneer Mid Cap Value Portfolio – Class I [1]	0.64%	--	0.01%	0.65%	--	0.65%
Replaced Fund • Pioneer Mid Cap Value VCT Portfolio – Class I	0.65%	--	0.07%	0.72%	--	0.72%
Substitute Fund • ING Pioneer Mid Cap Value Portfolio – Class S [1, 2, 3]	0.64%	--	0.26%	0.90%	--	0.90%
Replaced Fund • Pioneer Mid Cap Value VCT Portfolio – Class II	0.65%	0.25%	0.07%	0.97%	--	0.97%
Substitute Fund • ING Pioneer Fund Portfolio – Class I [1]	0.75%	--	0.01%	0.76%	0.05%	0.71%
Replaced Fund • AIM V.I. Core Equity Fund – Series I	0.61%	--	0.30%	0.91%	--	0.91%
Substitute Fund • ING Pioneer Fund Portfolio – Class S [1, 2, 3]	0.75%	--	0.26%	1.01%	0.05%	0.96%
Replaced Fund • AIM V.I. Core Equity Fund – Series II	0.61%	0.25%	0.30%	1.16%	--	1.16%
Replaced Fund • Pioneer Fund VCT Portfolio – Class II	0.65%	0.25%	0.06%	0.96%	--	0.96%
Substitute Fund • ING T. Rowe Price Diversified Mid Cap Growth Port. – I Class	0.64%	--	0.02%	0.66%	--	0.66%
Replaced Fund • Alger American MidCap Growth Portfolio – Class O	0.80%	--	0.12%	0.92%	--	0.92%
Substitute Fund • ING UBS U.S. Allocation Portfolio – Class S [1, 2, 3]	0.75%	--	0.26%	1.01%	0.02%	0.99%
Replaced Fund • UBS Series Trust U.S. Allocation Portfolio – Class I	0.50%	0.25%	0.30%	1.05%	--	1.05%

	Management Fees	Distribution (12b-1) Fees	Other Expenses	Total Annual Expenses	Expense Waivers	Net Annual Expenses
Substitute Fund • ING UBS U.S. Large Cap Equity Portfolio – I Class	0.70%	--	0.15%	0.85%	--	0.85%
Replaced Fund • Premier VIT OpCap Equity Portfolio	0.80%	--	0.23%	1.03%	0.02%	1.01%
Substitute Fund • ING Van Kampen Equity and Income Portfolio – I Class	0.55%	--	0.02%	0.57%	--	0.57%
Replaced Fund • Alger American Balanced Portfolio – Class O	0.75%	--	0.12%	0.87%	--	0.87%
Replaced Fund • Federated Capital Income Fund II – P Shares	0.75%	--	0.67%	1.42%	--	1.42%
Substitute Fund • ING VP Financial Services Portfolio – Class S	0.75%	--	0.40%	1.15%	0.10%	1.05%
Replaced Fund • AIM V.I. Financial Services Fund – Series I	0.75%	--	0.37%	1.12%	--	1.12%
Substitute Fund • ING VP High Yield Bond Portfolio – Class I	0.62%	--	0.25%	0.87%	0.07%	0.80%
Replaced Fund • AIM V.I. High Yield Fund – Series I	0.62%	--	0.42%	1.04%	0.09%	0.95%
Substitute Fund • ING VP Real Estate Portfolio – Class S	0.80%	--	0.70%	1.50%	0.20%	1.30%
Replaced Fund • Van Eck Worldwide Real Estate Fund – Initial Class	1.00%	--	0.45%	1.45%	--	1.45%

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No brokerage commissions, fees or other remuneration will be paid by any Replaced Fund or any Substitute Fund or Contract owner in connection with the Substitutions.

D. *Expense Ratios and Total Returns.* The following chart shows the expense ratio (ratio of operating expenses as a percentage of average net assets) for each Substitute Fund and Corresponding Replaced Fund. It also shows the total return figures for each Substitute Fund, the corresponding Replaced Fund and a Comparable Fund as of December 31, 2004. The expense ratios for the Substitute Funds in the table are based on the fees and expenses which will be in place before the Effective Date of the Substitutions. For the Replaced Funds the expense ratios are based on net assets as of December 31, 2004. Expense ratios reflect all applicable contractual expense limitations. Expenses since inception are only shown if the inception date is more recent than the applicable 3, 5 or 10 year period.

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	Expense Ratio	1 Year	3 Years	5 Years	10 Years	Since Inception
Substitute Fund • ING Evergreen Health Sciences Portfolio – Class S	1.00%	--	--	--	--	--
Replaced Fund • AIM V.I. Health Sciences Fund – Series I	1.10%	7.57%	1.27%	3.45%	--	9.24%
Replaced Fund • ING Evergreen Health Sciences Portfolio – Class A	1.25%	--	--	--	--	--
Comparable Fund • Evergreen Health Care Fund – Class A	--	8.20%	7.04%	22.37%	--	23.37%
Substitute Fund • ING Evergreen Omega Portfolio – Class I	0.60%	--	--	--	--	--
Replaced Fund • AIM V.I. Capital Appreciation Fund – Series I	0.91%	6.63%	1.47%	(6.51%)	8.35%	--
Replaced Fund • Alger American Leveraged AllCap Portfolio – Class O	0.97%	8.19%	(1.24%)	(9.45%)	14.98%	--
Replaced Fund • Putnam VT New Opportunities Fund – Class IA	0.69%	10.57%	0.75%	(11.95%)	8.17%	--
Replaced Fund • Putnam VT New Opportunities Fund – Class IB	0.94%	10.31%	(0.50%)	(12.15%)	7.99%	--
Replaced Fund • Putnam VT Voyager Fund – Class IA	0.64%	5.34%	(0.97%)	(8.79%)	9.58%	--
Replaced Fund • Putnam VT Voyager Fund – Class IB	0.89%	5.03%	(1.22%)	(8.99%)	9.38%	--
Comparable Fund • Evergreen Omega Fund – Class A	--	6.35%	2.71%	(4.60%)	10.65%	--
Substitute Fund • ING Evergreen Omega Portfolio – Class S	0.85%	--	--	--	--	--
Replaced Fund • AIM V.I. Capital Appreciation Fund – Series II	1.16%	6.33%	1.21%	--	--	1.66%
Replaced Fund • Putnam VT Discovery Growth Fund – Class IB	1.33%	7.58%	0.00%	--	--	(15.25%)
Comparable Fund • Evergreen Omega Fund – Class A	--	6.35%	2.71%	(4.60%)	10.65%	--
Substitute Fund • ING FMR Earnings Growth Portfolio – Class I	0.75%	--	--	--	--	--
Replaced Fund • AIM V.I. Growth Fund – Series I	0.91%	8.23%	(0.66%)	(12.41%)	6.56%	--
Replaced Fund • Alger American Growth Portfolio – Class O	0.85%	5.50%	(1.51%)	(6.41%)	10.70%	--
Replaced Fund • Alger American Income & Growth Portfolio– Class O	0.78%	7.85%	(1.19%)	(3.98%)	12.99%	--
Replaced Fund • AllianceBernstein VPSF Large Cap Growth Port. – Class A	0.81%	8.19%	(3.54%)	(11.36%)	9.81%	--
Comparable Fund • FMR Earnings Growth Composite	--	3.48%	(0.47%)	(4.96%)	10.53%	--

	Expense Ratio	1 Year	3 Years	5 Years	10 Years	Since Inception
Substitute Fund • ING FMR Earnings Growth Portfolio – Class S	1.00%	--	--	--	--	--
Replaced Fund • AIM V.I. Growth Fund – Series II	1.16%	8.00%	(0.88%)	--	--	2.62%
Replaced Fund • AllianceBernstein VPSF Large Cap Growth Port. – Class B	1.06%	7.41%	(4.27%)	(12.02%)	9.20%	--
Comparable Fund • FMR Earnings Growth Fund Composite	--	3.48%	(0.47%)	(4.96%)	10.53%	--
Substitute Fund • ING JP Morgan Small Cap Equity Portfolio – Class I	0.90%	26.09%	--	--	--	11.60%
Replaced Fund • AIM V.I. Small Company Growth Fund – Series I	1.20%	13.90%	1.54%	(6.23%)	--	6.58%
Replaced Fund • Alger American Small Capitalization Portfolio – Class O	0.97%	16.57%	6.97%	(8.88%)	5.71%	--
Replaced Fund • AllianceBernstein VPSF Small Cap Growth Port. – Class A	1.14%	14.55%	10.36%	0.69%	--	3.60%
Replaced Fund • Premier VIT OpCap Small Cap Portfolio	0.91%	17.88%	9.63%	15.53%	11.88%	--
Comparable Fund • JP Morgan Small Cap Equity Fund – Class A	--	26.16%	12.47%	8.78%	15.39%	--
Substitute Fund • ING JP Morgan Value Opportunities Portfolio – Class I	0.53%	--	--	--	--	--
Replaced Fund • AllianceBernstein VPSF Growth and Income Portfolio – Class A	0.60%	11.46%	4.81%	5.64%	14.41%	--
Replaced Fund • Putnam VT Growth and Income Fund – Class IA	0.54%	11.37%	4.92%	3.22%	11.01%	--
Comparable Fund • JP Morgan Value Opportunities Fund – Class A	--	17.14%	10.76%	--	--	10.75%
Substitute Fund • ING JP Morgan Value Opportunities Portfolio – Class S	0.78%	--	--	--	--	--
Replaced Fund • AllianceBernstein VPSF Growth and Income Port. – Class B	0.85%	11.22%	4.55%	5.39%	--	5.15%
Replaced Fund • AllianceBernstein VPSF Value Portfolio – Class B	0.97%	13.37%	8.23%	--	--	6.88%
Replaced Fund • Federated American Leaders Fund II – P Shares	1.15%	9.78%	3.80%	1.87%	11.46%	--
Replaced Fund • Putnam VT Growth and Income Fund – Class IB	0.79%	11.11%	4.67%	2.98%	10.81%	--
Comparable Fund • JP Morgan Value Opportunities Fund – Class A	--	17.14%	10.76%	--	--	10.75%
Substitute Fund • ING Legg Mason Value Portfolio – Class I	0.81%	14.03%	4.03%	--	--	0.39%
Replaced Fund • AIM V.I. Premier Equity Fund – Series I	0.89%	5.77%	(2.65%)	(7.19%)	8.67%	--
Comparable Fund • Legg Mason Value Trust	--	11.96%	9.22%	1.88%	18.58%	--
Substitute Fund • ING Legg Mason Value Portfolio – Class S	1.06%	13.87%	3.99%	--	--	0.36%
Replaced Fund • AIM V.I. Premier Equity Fund – Series II	1.14%	5.49%	(2.88%)	--	--	1.24%
Comparable Fund • Legg Mason Value Trust	--	11.96%	9.22%	1.88%	18.58%	--
Substitute Fund • ING Liquid Assets Portfolio – Class S	0.54%	0.92%	1.04%	2.59%	3.83%	--
Replaced Fund • Federated Prime Money Fund II – P Shares	1.05%	0.82%	0.97%	2.50%	3.69%	--

	Expense Ratio	1 Year	3 Years	5 Years	10 Years	Since Inception
Substitute Fund • ING Marsico International Opportunities Port. – Class I	0.68%	--	--	--	--	--
Replaced Fund • Janus Aspen International Growth Port. – Institutional Shares	0.68%	18.95%	6.10%	(5.08%)	12.47%	--
Replaced Fund • Putnam VT International Equity Fund – Class IA	0.94%	16.23%	7.31%	(2.05%)	10.39%	10.21%
Comparable Fund • Marsico International Opportunities Fund – Class A	--	17.51%	15.33%	--	--	5.04%
Substitute Fund • ING Marsico International Opportunities Port. – Class S	0.93%	--	--	--	--	--
Replaced Fund • AIM V.I. International Growth Fund – Series I	1.14%	24.00%	10.51%	(5.35%)	7.43%	--
Replaced Fund • Janus Aspen International Growth Portfolio – Service Shares	0.93%	18.69%	5.83%	(5.31%)	12.29%	--
Replaced Fund • Prudential SP William Blair International Growth Portfolio – Class II	1.42%	16.12%	7.63%	--	--	(8.29%)
Comparable Fund • Marsico International Opportunities Fund – Class A	--	17.51%	15.33%	--	--	5.04%
Substitute Fund • ING Mercury Large Cap Growth Portfolio – Class S	1.00%	11.10%	--	--	--	4.88%
Replaced Fund • AIM V.I. Dent Demographic Trends Fund – Series II	1.26%	7.90%	0.12%	--	--	1.58%
Replaced Fund • ING Mercury Large Cap Growth Portfolio – Class A	1.31%	10.93%	--	--	--	4.72%
Replaced Fund • Prudential Jennison Portfolio – Class II Shares	1.04%	9.22%	(0.86%)	--	--	(9.40%)
Comparable Fund • Merrill Lynch Large Cap Growth – Class A	--	10.21%	3.08%	(2.58%)	--	--
Substitute Fund • ING MFS Total Return Portfolio – Class I	0.64%	11.45%	7.35%	7.69%	11.07%	--
Replaced Fund • MFS VIT Total Return Series – Initial Class	0.83%	11.32%	7.09%	7.39%	--	11.33%
Comparable Fund • MFS VIT Total Return Series – Initial Class	--	11.32%	7.09%	7.39%	--	11.33%
Substitute Fund • ING MFS Utilities Portfolio - Class I	0.75%	--	--	--	--	--
Replaced Fund • MFS VIT Utilities Series – Initial Class	0.89%	30.20%	10.10%	1.61%	--	13.35%
Replaced Fund • Putnam VT Utilities Growth and Income Fund – Class IA	0.85%	21.87%	5.08%	1.23%	8.88%	--
Comparable Fund • MFS VIT Utilities Series – Initial Class	--	30.20%	10.10%	1.61%	--	13.35%
Substitute Fund • ING MFS Utilities Portfolio – Class S	1.00%	--	--	--	--	--
Replaced Fund • AIM V.I. Utilities Fund – Series I	1.01%	23.56%	4.96%	(3.82%)	--	6.45%
Comparable Fund • MFS VIT Utilities Series – Initial Class	--	30.20%	10.10%	1.61%	--	13.35%

	Expense Ratio	1 Year	3 Years	5 Years	10 Years	Since Inception
Substitute Fund • ING Oppenheimer Global Portfolio – I Class	0.66%	14.13%	--	--	--	9.74%
Replaced Fund • Premier VIT OpCap Global Equity Portfolio	1.26%	12.53%	6.93%	1.98%	--	9.61%
Comparable Fund • Oppenheimer Global Fund – Class A	--	18.67%	9.61%	3.86%	13.68%	--
Substitute Fund • ING Oppenheimer Strategic Income Portfolio – S Class	0.75%	--	--	--	--	--
Replaced Fund • AIM V.I. Diversified Income Fund – Series I	0.75%	5.03%	5.49%	4.13%	5.96%	--
Replaced Fund • Van Eck Worldwide Bond Fund – Initial Class	1.27%	9.15%	16.20%	8.69%	6.86%	--
Comparable Fund • Oppenheimer Strategic Income Fund – A Shares	--	9.62%	11.89%	8.19%	8.24%	--
Substitute Fund • ING PIMCO High Yield Portfolio – Class S	0.74%	--	--	--	--	--
Replaced Fund • Federated High Income Bond Fund II – P Shares	0.99%	10.46%	11.03%	4.77%	7.59%	--
Comparable Fund • Premier VIT High Yield Fund – Admin Class	--	9.17%	10.04	6.74%	8.63%	--
Substitute Fund • ING Pioneer Mid Cap Value Portfolio – Class I	0.65%	--	--	--	--	--
Replaced Fund • Pioneer Mid Cap Value VCT Portfolio – Class I	0.72%	22.12%	14.23%	13.37%	--	13.31%
Comparable Fund • Pioneer Mid Cap Value VCT Portfolio – Class I	--	22.12%	14.23%	13.37%	--	13.31%
Substitute Fund • ING Pioneer Mid Cap Value Portfolio – Class S	0.90%	--	--	--	--	--
Replaced Fund • Pioneer Mid Cap Value VCT Portfolio – Class II	0.97%	21.77%	13.94%	13.37%	--	12.50%
Comparable Fund • Pioneer Mid Cap Value VCT Portfolio – Class II	--	21.77%	13.94%	13.37%	--	12.50%
Substitute Fund • ING Pioneer Fund Portfolio – Class I	0.71%	--	--	--	--	--
Replaced Fund • AIM V.I. Core Equity Fund – Series I	0.91%	8.97%	4.60%	(5.47%)	10.07%	--
Comparable Fund • Pioneer Fund VCT Portfolio – Class I	--	11.25%	3.69%	0.12%	--	6.31%
Substitute Fund • ING Pioneer Fund Portfolio – Class S	0.96%	--	--	--	--	--
Replaced Fund • AIM V.I. Core Equity Fund – Series II	1.16%	8.67%	4.35%	--	--	6.16%
Replaced Fund • Pioneer Fund VCT Portfolio – Class II	0.96%	10.93%	3.40%	(0.02%)	--	6.13%
Comparable Fund • Pioneer Fund VCT Portfolio – Class II	--	10.93%	3.40%	(0.02%)	--	6.13%

	Expense Ratio	1 Year	3 Years	5 Years	10 Years	Since Inception
Substitute Fund • ING T. Rowe Price Diversified Mid Cap Growth Portfolio – I Class [5]	0.66%	9.05%	3.45%	--	--	3.66%
Replaced Fund • Alger American MidCap Growth Portfolio – Class O	0.92%	13.04%	5.59%	3.74%	14.39%	--
Comparable Fund • Advance Capital I Equity Growth Fund – Class I	--	14.45%	6.77%	1.98%	13.89%	--
Substitute Fund • ING UBS U.S. Allocation Portfolio – Class S	1.01%	10.93%	3.72%	--	--	(0.44%)
Replaced Fund • UBS Series Trust U.S. Allocation Portfolio – Class I	1.05%	10.38%	2.70%	(1.50%)	--	1.59%
Comparable Fund • UBS U.S. Allocation Fund – Class A	--	10.70%	9.18%	7.29%	--	8.12%
Substitute Fund • ING UBS U.S. Large Cap Equity Portfolio – I Class [6]	0.85%	14.76%	2.50%	(4.03%)	--	2.83%
Replaced Fund • Premier VIT OpCap Equity Portfolio	1.01%	11.93%	4.18%	2.94%	11.13%	--
Comparable Fund • UBS U.S. Large Cap Equity Fund – Class A	--	13.06%	6.93%	5.04%	--	5.94%
Substitute Fund • ING Van Kampen Equity and Income Portfolio – I Class	0.57%	10.25%	2.67%	--	--	2.31%
Replaced Fund • Alger American Balanced Portfolio – Class O	0.87%	4.57%	2.97%	0.81%	11.63%	--
Replaced Fund • Federated Capital Income Fund II – P Shares	1.42%	9.92%	0.29%	(4.55%)	4.88%	--
Comparable Fund • Van Kampen Equity and Income Fund – Class A	--	11.77%	7.77%	8.03%	13.66%	--
Substitute Fund • ING VP Financial Services Portfolio – Class S	1.05%	--	--	--	--	--
Replaced Fund • AIM V.I. Financial Services Fund – Series I	1.12%	8.68%	6.22%	6.15%	--	7.93%
Comparable Fund • ING Financial Services Fund – Class A	--	13.06%	8.94%	13.00%	17.72%	--
Substitute Fund • ING VP High Yield Bond Portfolio – Class I [7]	0.80%	7.96%	8.60%	2.37%	5.00%	--
Replaced Fund • AIM V.I. High Yield Fund – Series I	0.95%	11.25%	10.28%	0.63%	--	0.79%
Substitute Fund • ING VP Real Estate Portfolio – Class S	1.30%	--	--	--	--	--
Replaced Fund • Van Eck Worldwide Real Estate Fund – Initial Class	1.45%	36.21%	20.51%	16.95%	--	11.53%
Comparable Fund • ING Real Estate Fund – Class A	--	33.38%	23.66%	21.86%	--	--

[5] Prior to November 8, 2004, the T. Rowe Price Diversified Mid Cap Growth Portfolio was known as the ING Alger Aggressive Growth Portfolio and was managed by Fred Alger Management, Inc. Accordingly, the performance shown for this substitute fund reflects the efforts of the prior manager. The comparable fund, the Advance Capital I Equity Growth Fund, has been managed throughout the periods by the current manager of the ING T. Rowe Price Diversified Mid Cap Growth Portfolio.

[6] UBS took over management of the ING UBS U.S. Large Cap Equity Portfolio on May 1, 2003. Prior to that the portfolio was sub-advised by a different manager and performance prior to May 1, 2003, is attributable to that former manager. The comparable fund, the UBS U.S. Large Cap Equity Fund has been managed throughout the periods by the current manager of the ING UBS U.S. Large Cap Equity Portfolio.

[7] The investment style of the ING VP High Yield Portfolio focuses on a higher credit quality spectrum of the non-investment grade bond universe than does the AIM V.I. High Yield Fund. However, the most distressed end of the high yield market has delivered higher returns recently, leading to the 1 and 3 year out-performance by the AIM V.I. High Yield Fund. Focusing on the most distressed end of the high yield bond market is riskier over the long term, as evidenced by the AIM V.I. High Yield Fund's standard deviation of 8.43. The standard deviation for the ING VP High Yield Portfolio is 6.69.

E. Estimated Net Assets after the Substitutions. The following chart shows the estimated size (in net assets) for each Substitute Fund immediately following the Effective Date.

Substitute Funds	Estimated Total Net Assets
ING Evergreen Health Sciences Portfolio – Class S	$122,895,264
ING Evergreen Omega Portfolio – Class I	$266,053,684
ING Evergreen Omega Portfolio – Class S	$6,162,570
ING FMR Earnings Growth Portfolio – Class I	$211,853,823
ING FMR Earnings Growth Portfolio – Class S	$9,211,602
ING JP Morgan Small Cap Equity Portfolio – Class I	$148,491,797
ING JP Morgan Value Opportunities Portfolio – Class I	$122,304,845
ING JP Morgan Value Opportunities Portfolio – Class S	$151,910,976
ING Legg Mason Value Portfolio – Class I	$40,457,487
ING Legg Mason Value Portfolio – Class S	$324,897,426
ING Liquid Assets Portfolio – Class S	$664,588,312
ING Marsico International Opportunities Portfolio – Class I	$60,498,167
ING Marsico International Opportunities Portfolio – Class S	$123,637,836
ING Mercury Large Cap Growth Portfolio – Class S	$157,917,913
ING MFS Total Return Portfolio – Class I	$5,126,920
ING MFS Utilities Portfolio - Class I	$4,801,037
ING MFS Utilities Portfolio – Class S	$90,942,808
ING Oppenheimer Global Portfolio – I Class	$856,070,535
ING Oppenheimer Strategic Income Portfolio – S Class	$31,134,218
ING PIMCO High Yield Portfolio – Class S	$689,609,971
ING Pioneer Mid Cap Value Portfolio – Class I	$22,591,151
ING Pioneer Mid Cap Value Portfolio – Class S	$485,775,947
ING Pioneer Fund Portfolio – Class I	$31,305,665
ING Pioneer Fund Portfolio – Class S	$83,712,657
ING T. Rowe Price Diversified Mid Cap Growth Portfolio – I Class	$622,198,731
ING UBS U.S. Allocation Portfolio – Class S	$117,162,230
ING UBS U.S. Large Cap Equity Portfolio – I Class	$273,846,208
ING Van Kampen Equity and Income Portfolio – I Class	$566,216,620
ING VP Financial Services Portfolio – Class S	$69,860,388
ING VP High Yield Bond Portfolio – Class I	$51,247,162
ING VP Real Estate Portfolio – Class S	$42,645,898

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IV. Implementation

A. Applicants will effect the Substitutions as soon as practicable following the issuance of the requested order. As of the Effective Date of the Substitutions, shares of each Replaced Fund will be redeemed for cash or in-kind. The Companies, on behalf of each Replaced Fund subaccount of each relevant Account, will simultaneously place a redemption request with the Replaced Fund and a purchase order with the corresponding Substitute Fund so that the purchase of Substitute Fund shares will be for the exact amount of the redemption proceeds. Thus, Contract values will remain fully invested at all times. The proceeds of such redemptions will then be used to purchase the appropriate number of shares of the applicable Substitute Fund.

B. The Substitutions will take place at relative net asset value (in accordance with Rule 22c–1 under the 1940 Act) with no change in the amount of any affected Contract owner's account value or death benefit, or in the dollar value of his or her investment in the applicable Account. Any in-kind redemption of shares of a Replaced Fund or in-kind purchase of shares of the corresponding Substitute Fund will, except as noted below, take place in substantial compliance with the conditions of Rule 17a–7 under the 1940 Act. No brokerage commissions, fees or other remuneration will be paid by either the Replaced Fund or the corresponding Substitute Fund or by affected Contract owners in connection with the Substitutions. The transactions comprising the Substitutions will be consistent with the policies of each investment company involved and with the general purposes of the 1940 Act.

C. Affected Contract owners will not incur any fees or charges as a result of the Substitutions nor will their rights or the Companies' obligations under the

Contracts be altered in any way. The Companies or their affiliates will pay all expenses and transaction costs of the Substitutions, including legal and accounting expenses, any applicable brokerage expenses, and other fees and expenses. In addition, the Substitutions will not impose any tax liability on affected Contract owners. The Substitutions will not cause the Contract fees and charges currently being paid by affected Contract owners to be greater after the Substitutions than before the Substitutions. Also, as described more fully below, after notification of the Substitutions and for 30 days after the Substitutions, affected Contract owners may reallocate to any other investment options available under their Contract the subaccount value of the Replaced Fund without incurring any administrative costs or allocation (transfer) charges.

D. Before the Effective Date of the Substitutions, all affected Contract owners will be notified of the Substitutions by means of supplements to the Contract prospectuses. Among other information regarding the Substitutions, the supplements will inform affected Contract owners that beginning on the date of the first supplement the Companies will not exercise any rights reserved by them under the Contracts to impose restrictions or fees on transfers from the Replaced Funds (other than restrictions related to frequent or disruptive transfers) until at least 30 days after the Effective Date of the Substitutions. Following the date the order requested by the Application is issued, but before the Effective Date, affected Contract owners will receive a second supplement to the Contract prospectus or prospectus summary, as applicable, setting forth the Effective Date and advising affected Contract owners of their right, if they so choose, at any time prior to the Effective Date, to reallocate or withdraw accumulated value in the relevant Replaced Fund subaccounts under their Contracts or otherwise terminate their interest therein in accordance with the terms and conditions of their Contracts. If affected Contract Owners reallocate account value prior to the Effective Date or within 30 days after the Effective Date, there will be no charge for the reallocation of accumulated value from each Replaced Fund subaccount and the reallocation will not count as a transfer when imposing any applicable restriction or limit under the Contract on transfers. The Companies will not exercise any right they may have under the Contracts to impose additional restrictions or fees on transfers from the Replaced Funds under the Contracts (other than restrictions related to frequent or disruptive transfers) for a period of at least 30 days following the Effective Date of the Substitutions. Additionally, all current Contract Owners will be sent prospectuses of the Substitute Funds before the Effective Date. Alternatively, ING America and ING Life may determine to send to Participants summaries of the prospectuses of the Substitute Funds.

E. Within five (5) business days after the Effective Date, affected Contract Owners will be sent a written confirmation (''Post-Substitution Confirmation'') indicating that shares of the Replaced Funds have been redeemed and that the shares of Substitute Funds have been substituted. The Post-Substitution Confirmation will show how the allocation of the Contract Owner's account value before and immediately following the Substitutions have changed as a result of the Substitutions and detail the transactions effected on behalf of the respective affected Contract Owner because of the Substitutions.

V. Applicant's Legal Analysis

A. Section 26(c) of the 1940 Act requires the depositor of a registered unit investment trust holding the securities of a single issuer to receive Commission approval before substituting the securities held by the trust. Prior to the enactment of this provision in 1970, a depositor of a unit investment trust could substitute new securities for those held by the trust by notifying the trust's security holders of the substitution within five days of the substitution. In 1966, the Commission, concerned with the high sales charges then common to most unit investment trusts and the disadvantageous position in which such charges placed investors who did not want to remain invested in the substituted fund, recommended that the 1940 Act be amended to require that a proposed substitution of the underlying investments of a trust receive prior Commission approval.

B. Each of the prospectuses for the Contracts expressly disclose the reservation of the Companies the right, subject to compliance with applicable law, to substitute shares of another open-end management investment company for shares of an open-end management investment company held by a subaccount of an Account.

C. The Companies reserved this right of substitution both to protect themselves and their Contract owners in situations where either might be harmed or disadvantaged by circumstances surrounding the issuer of the shares held by one or more of its separate accounts and to afford the opportunity to replace such shares where to do so could benefit the Contract owners and Companies.

D. Applicants maintain that Contract owners will be better served by the proposed Substitutions. Applicants anticipate that the replacement of certain Replaced Funds will result in a Contract that is administered and managed more efficiently, and one that is more competitive with other variable products in both wholesale and retail markets. For all of the proposed substitutions, each Substitute Fund (or sub-adviser managing a similar fund for those Substitute Funds without a performance history) generally has had comparable or more consistent investment performance than the corresponding Replaced Fund that it would replace. Moreover, each Substitute Fund has fees that are the same as or less than the corresponding Replaced Fund. Applicants state that for all of the proposed substitutions, the investment objective and policies of each Substitute Fund are the same as, similar to, or consistent with the investment objective and policies of the corresponding Replaced Fund.

E. In addition to the foregoing, Applicants generally submit that the proposed Substitutions meet the standards that the Commission and its staff have applied to similar substitutions that have been approved in the past.

F. Applicants anticipate that Contract owners will be at least as well off with the proposed array of subaccounts to be offered after the proposed substitutions as they have been with the array of subaccounts offered before the substitutions. The proposed substitutions retain for Contract owners the investment flexibility which is a central feature of the Contracts. If the proposed substitutions are carried out, all Contract owners will be permitted to allocate purchase payments and transfer accumulated values and contract values between and among the remaining subaccounts as they could before the proposed substitutions.

G. Applicants assert that each of the proposed substitutions is not the type of substitution which Section 26(c) was designed to prevent. Unlike traditional unit investment trusts where a depositor could only substitute an investment security in a manner which permanently affected all the investors in the trust, the Contracts provide each Contract owner with the right to exercise his or her own judgment and transfer contract values into other

subaccounts. Moreover, the Contracts will offer Contract owners the opportunity to transfer amounts out of the subaccounts which invest in the Replaced Funds into any of the remaining subaccounts without cost or other disadvantage. The proposed substitutions, therefore, will not result in the type of costly forced redemption which Section 26(c) was designed to prevent.

H. Applicants maintain that the proposed substitutions also are unlike the type of substitution which Section 26(c) was designed to prevent in that by purchasing a Contract, Contract owners select much more than a particular investment company in which to invest their account values. They also select the specific types of insurance coverages offered by the various Companies under the Contracts as well as numerous other rights and privileges set forth in each Contract. Contract owners may also have considered the size, financial condition, type, and reputation of ING and the various Companies. These factors will not change because of the proposed substitutions.

I. Applicants submit that, for all the reasons stated above, the proposed substitutions are consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

J. Section 17(a)(1) of the 1940 Act, in relevant part, prohibits any affiliated person of a registered investment company, or any affiliated person of such person, acting as principal, from knowingly selling any security or other property to that company. Section 17(a)(2) of the 1940 Act generally prohibits the persons described above, acting as principals, from knowingly purchasing any security or other property from the registered investment company. Section 17(b) of the 1940 Act provides that the Commission may, upon application, grant an order exempting any transaction from the prohibitions of Section 17(a) if the evidence establishes that: (1) The terms of the proposed transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned; (2) the proposed transaction is consistent with the policy of each registered investment company concerned, as recited in its registration statement and records filed under the 1940 Act; and (3) the proposed transaction is consistent with the general purposes of the 1940 Act.

K. Applicants maintain that the terms of the Substitutions, including the consideration to be paid and received by each Replaced Fund or Substitute Fund, are reasonable, fair and do not involve overreaching principally because the transactions do not cause owners' interests under a Contract to be diluted, and because the transactions will conform with the principal conditions enumerated in Rule 17a–7. The proposed transactions will take place at relative net asset value with no change in the amount of any Contract owner's Contract or cash value, accumulation value or death benefit or in the dollar value of his or her investment in any of the Accounts.

L. Applicants submit that the Substitutions by the Companies are consistent with the policies of each Substitute Fund and each Replaced Fund, as recited in the current registration statements and reports filed by each under the 1940 Act. Applicants also submit that the proposed substitutions are consistent with the general purposes of the Act.

M. Applicants submit that, to the extent that the Substitutions are deemed to involve principal transactions between affiliates, the procedures and terms and descriptions described in the Application demonstrate that neither the Replaced Funds, the Substitute Funds, the Accounts nor any other Applicant will be participating in the Substitutions on a basis less advantageous than that of any other participant. Even though the Applicants may not rely on Rule 17a–7, Applicants believe that the Rule's conditions outline the type of safeguards that result in transactions that are fair and reasonable to registered investment company participants and preclude overreaching in connection with an investment company by its affiliated persons.

N. The boards of trustees or directors, as applicable of each Replaced Fund and ING Investors Trust, ING Partners, Inc. and ING Variable Products Trust have adopted procedures, as required by paragraph (e)(1) of Rule 17a–7, pursuant to which the portfolios or funds of each may purchase and sell securities to and from their affiliates. The Companies and the investment advisers will carry out the Substitutions in conformity with the principal conditions of Rule l7a–7 and each Replaced Fund's and the Substitute Fund's procedures thereunder. Nevertheless, the circumstances surrounding the Substitutions will be such as to offer the same degree of protection to each Substitute Fund and each Replaced Fund from overreaching that Rule 17a–7 provides to them generally in connection with their purchase and sale of securities under that Rule in the ordinary course of their business. In particular, because of the circumstances surrounding the Substitutions, no investment manager to a replaced Portfolio could ''dump'' undesirable securities on the corresponding Substitute Fund or retain its desirable securities for other portfolios or have them transferred to its other advisory clients. Nor can the Companies (or any of the affiliates of each) effect the proposed transactions at a price that is disadvantageous to any Substitute Fund or Replaced Fund. Although the transaction may not be entirely for cash, it will be effected based upon: (1) The independent market price of the portfolio securities valued as specified in paragraph (b) of Rule 17a–7; and (2) the net asset value per share of each Substitute Fund and the corresponding Replaced Fund valued in accordance with the procedures disclosed in the registration statements for each Substitute Fund and as required by Rule 22c–1 under the 1940 Act. No brokerage commission, fee, or other remuneration will be paid to any party in connection with the proposed transactions. In addition, the applicable ING Investors Trust, ING Partners, Inc. and ING Variable Products Trust Board will subsequently review the Substitutions and make the determinations required by paragraph (e)(3) of Rule 17a–7.

O. Except as noted below, applicants state that the Substitutions will take place in accordance with the requirements enumerated in Rule 17a–7 under the 1940 Act and with the approval of the applicable Board of ING Investors Trust, ING Partners, Inc. and ING Variable Products Trust, except that the Substitutions may be effected in cash or in-kind. Among other things, Rule 17a–7 requires, in relevant part, that:

(a) The transaction is a purchase or sale, for no consideration other than cash payment against prompt delivery of a security for which market quotations are readily available;

(b) The transaction is effected at the independent current market price of the security. For purposes of this paragraph the ''current market price'' shall be: * * * (4) * * * the average of the highest current independent bid and lowest current independent offer determined on the basis of reasonable inquiry;

(c) The transaction is consistent with the policy of each registered investment company and separate series of a registered investment company participating in the transaction, as recited in its registration statement and reports filed under the [1940] Act;

(d) No brokerage commission, fee (except for customary transfer fees), or other remuneration is paid in connection with the transaction;

(e) The board of directors of the investment company, including a majority of the directors who are not interested persons of such investment company, (1) adopts procedures pursuant to which such purchase or sales transactions may be effected for the company, which are reasonably designed to provide that all of the conditions of this section in paragraphs (a) through (d) have been complied with, (2) makes and approves such changes as the board deems necessary, and (3) determines no less frequently than quarterly that all such purchases or sales made during the preceding quarter were effected in compliance with such procedures;

(f) The board of directors of the investment company satisfies the fund governance standards defined in Section 270.0–1(a)(7); [and]

(g) The investment company (1) maintains and preserves permanently in an easily accessible place a written copy of the procedures (and modifications thereto) described in paragraph (e) of this section, and (2) maintains and preserves for a period of not less than six years from the end of the fiscal year in which any transaction occurred, the first two years in a readily accessible place, a written record of each such transaction setting forth a description of the security purchased or sold, the identity of the person on the other side of the transaction, the terms of the purchase or sale transaction, and the information or materials upon which the determination described in paragraph (e)(3) of this section were made.

In addition, Applicants further submit that the Substitutions are consistent with the investment policy of each Replaced Fund and each Substitute Fund, as recited in the current prospectuses relating to each.

P. With regard to the Substitutions involving in-kind transfers, the investment adviser of each Substitute Fund and the investment adviser to the corresponding Replaced Fund intend to value securities selected for transfer between the two funds in a manner that is consistent with the current methodology used to calculate the daily net asset value of the Replaced Fund. Where a Replaced Fund's investment adviser employs certain third party, independent pricing services to value securities held by the Replaced Fund (''Vendor Pricing''), the investment adviser of each Substitute Fund and the corresponding Replaced Fund's investment adviser intend to employ Vendor Pricing to value securities held by the Replaced Fund that are selected for transfer to the Substitute Fund. Vendor Pricing may be used in each of the Substitutions. Generally, the redemption of securities from the Replaced Fund and subsequent transfer to the Substitute Fund will be done on a pro-rata basis. In the event that a Replaced Fund holds illiquid or restricted securities or assets that are not otherwise readily distributable or if a pro-rata transfer of securities would result in the parties holding odd lots, the investment advisers may agree to have a Replaced Fund transfer to the Substitute Fund an equivalent amount of cash instead of securities.

Q. After the assets have been contributed to the Substitute Fund, responsibility for valuation of the securities held by the Substitute Fund will shift to the valuation committee of the applicable Board of ING Investors Trust, ING Partners, Inc., or ING Variable Products Trust. At the end of the first trading following the transfer, the applicable valuation agent and custodian for ING Investors Trust, ING Partners, Inc., or ING Variable Products Trust will value the securities held by the Substitute Fund. The foregoing notwithstanding, the applicable Board of ING Investors Trust, ING Partners, Inc., and ING Variable Products Trust will retain ultimate responsibility for valuation decisions.

R. The Applicants believe that the use of neutral, third party vendor prices will ensure that both portfolios utilize unbiased evaluations in determining respective security and, ultimately, portfolio market values. In the event that independent pricing services do not provide valuations for a specific security selected for transfer, the Substitute Fund's investment adviser and the corresponding Replaced Fund's investment adviser, in accordance with paragraph (b)(4) of Rule 17a–7 under the 1940 Act, will rely on the ''average of the highest current independent bid and lowest current independent offer determined on the basis of reasonable inquiry * * *'' in valuing any such security.

S. The Substitutions are consistent with the general purposes of the 1940 Act, as enunciated in the Findings and Declaration of Policy in Section 1 of the 1940 Act. The proposed transactions do not present any of the issues or abuses that the 1940 Act is designed to prevent. Moreover, the proposed transactions will be effected in a manner consistent with the public interest and the protection of investors, as required by Section 6(c) of the 1940 Act. Contract owners will be fully informed of the terms of the Substitutions through the supplements and the Post-Substitution Confirmation and will have an opportunity to withdraw from the Replaced Fund through reallocation to another subaccount or otherwise terminate their interest thereof in accordance with the terms and conditions of their Contract prior to the Effective Date.

VI. Applicant's Conditions

For purposes of the approval sought pursuant to Section 26(c) of the 1940 Act, the substitutions described in the application will not be completed unless all of the following conditions are met:

A. The Commission shall have issued an order: (1) Approving the Substitutions under Section 26(c) of the 1940 Act; and (2) exempting the in-kind redemptions from the provisions of Section 17(a) of the 1940 Act as necessary to carry out the transactions described in this Application.

B. A registration statement for each Substitute Fund is effective and the investment objectives and policies and fees and expenses for each of the Substitute Funds as described herein have been implemented.

C. The permanent 0.25% cap on the Shareholder Services Fee that is included in the ''Other Expenses'' of the Class S shares of certain ING Investors Trust Substitute Funds as described herein has been implemented.

D. Each Affected Contract Owner will have been sent a copy of: (1) A supplement to the Contract prospectus informing shareholders of this Application; (2) a prospectus for the appropriate Substitute Fund; and (3) a second supplement to the Contract prospectus setting forth the Effective Date and advising Affected Contract Owners of their right to reconsider the Substitutions and, if they so choose, any time prior to the Effective Date, and to reallocate or withdraw amounts under their affected Contract or otherwise terminate their interest therein in accordance with the terms and conditions of their Contract.

E. The Companies shall have satisfied themselves, that: (1) The Contracts allow the substitution of investment company shares in the manner contemplated by the Substitutions and related transactions described herein; (2) the transactions can be consummated as described in this Application under applicable insurance laws; and (3) that any regulatory requirements in each jurisdiction where the Contracts are qualified for sale, have been complied with to the extent necessary to complete the transactions.

F. Within five business days of the Effective Date of the Substitutions, the Applicants will send to Affected Contract Owners a Post-Substitution Confirmation.

VII. Conclusion

Applicants assert that for the reasons summarized above the proposed substitutions and related transactions

meet the standards of Section 26(c) of the 1940 Act and are consistent with the standards of Section 17(b) of the 1940 Act and that the requested orders should be granted.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 05–15574 Filed 8–8–05; 8:45 am]

BILLING CODE 8010–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–52167; File No. 4–429]

Joint Industry Plan; Notice of Filing of Amendment No. 15 to the Plan for the Purpose of Creating and Operating an Intermarket Option Linkage Relating to a ''Trade and Ship'' Exception to the Definition of ''Trade-Through'' and a ''Book and Ship'' Exception to the Locked Markets Provision

July 29, 2005.

Pursuant to Section 11A of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 11Aa3–2 thereunder,[2] notice is hereby given that on April 13, 2005, April 22, 2005, April 26, 2005, April 27, 2005, May 5, 2005, and June 2, 2005, the International Securities Exchange (''ISE''), the American Stock Exchange LLC (''Amex''), the Chicago Board Options Exchange, Incorporated (''CBOE''), the Pacific Exchange, Inc. (''PCX''), the Boston Stock Exchange, Inc. (''BSE''), and the Philadelphia Stock Exchange, Inc. (''Phlx'') (collectively, ''Participants''), respectively, filed with the Securities and Exchange Commission (''Commission'') an amendment (''Joint Amendment No. 15'') to the Plan for the Purpose of Creating and Operating an Intermarket Option Linkage (''Linkage Plan'').[3] In Joint Amendment No. 15, the Participants propose to add a ''trade and ship'' exception to the definition of ''Trade-Through''[4] and a ''book and ship'' exception to the locked markets provision of the Linkage Plan.[5] The Commission is publishing this notice to solicit comments from interested persons on proposed Joint Amendment No. 15.

I. Description and Purpose of the Proposed Amendment

The purpose of Joint Amendment No. 15 is to provide that (i) a Participant may trade an order at a price that is one minimum quoting increment inferior to the national best bid or offer (''NBBO'') if a Linkage Order[6] is transmitted contemporaneously to the NBBO market(s) to satisfy all interest at the NBBO price (this is the ''trade and ship'' concept); and (ii) a Participant may book an order that would lock another Participant if a Linkage Order is sent contemporaneously to such other Participant to satisfy all interest at the lock price (this is the ''book and ship'' concept). Under the trade and ship proposal, any execution received from the NBBO market must (pursuant to agency obligations) be reassigned to the customer order underlying the Linkage Order that would be transmitted to trade with the NBBO market. The following examples illustrate the applications of these concepts.

Trade and Ship Example. Participant A is disseminating an offer of $2.00 for 100 contracts. Participant B is disseminating the national best offer of $1.95 for 10 contracts. No other market is at $1.95. Participant A receives a 100-contract customer buy order to pay $2.00.

Under the trade and ship proposal, Participant A could execute 90 contracts (or 100 contracts) of the customer order at $2.00, provided that Participant A simultaneously transmits a 10-contract Principal Acting as Agent (''P/A'') Order[7] to Participant B to pay $1.95. Assuming an execution was obtained from Participant B, the customer would receive the 10-contract fill at $1.95 and 90 contracts at $2.00 (if the customer order was originally filled in its entirety at $2.00, an adjustment would be required to provide the customer with the $1.95 price for 10 contracts to reflect the P/A Order execution). As proposed, this would not be deemed a Trade-Through.

Book and Ship Example. Participant A is disseminating a $1.85–$2.00 market. Participant B is disseminating a $1.80–$1.95 market. The $1.95 offer is for 10 contracts. No other market is at $1.95. Participant A receives a customer order to buy 100 contracts at $1.95. Under the book and ship proposal, Participant A could book 90 contracts of the customer buy order at $1.95, provided that Participant A simultaneously transmitted a 10-contract P/A Order to Participant B to pay $1.95. Assuming an execution was obtained from Participant B, the customer would receive the 10-contract fill, and the rest of the customer's order would be displayed as a $1.95 bid on Participant A. The national best offer would likely be $2.00. As proposed, this would not be deemed a ''locked'' market for purposes of the Linkage Plan.

II. Implementation of the Proposed Amendment

The Participants intend to make proposed Joint Amendment No. 15 effective when the Commission approves Joint Amendment No. 15.

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether proposed Joint Amendment No. 15 is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an e-mail to *rule-comments@sec.gov*. Please include File Number 4–429 on the subject line.

Paper Comments

- Send paper comments in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549–9303.

All submissions should refer to File Number 4–429. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all

[1] 15 U.S.C. 78k–1.

[2] 17 CFR 240.11Aa3–2.

[3] On July 28, 2000, the Commission approved a national market system plan for the purpose of creating and operating an intermarket options market linkage (''Linkage'') proposed by Amex, CBOE, and ISE. *See* Securities Exchange Act Release No. 43086 (July 28, 2000), 65 FR 48023 (August 4, 2000). Subsequently, upon separate requests by Phlx, PCX, and BSE, the Commission issued orders to permit these exchanges to participate in the Linkage Plan. *See* Securities Exchange Act Release Nos. 43573 (November 16, 2000), 65 FR 70851 (November 28, 2000); 43574 (November 16, 2000), 65 FR 70850 (November 28, 2000); and 49198 (February 5, 2004), 69 FR 7029 (February 12, 2004). On June 27, 2001, May 30, 2002, January 29, 2003, June 18, 2003, January 29, 2004, June 15, 2004, June 17, 2004, July 2, 2004, October 19, 2004, and May 19, 2005, the Commission approved joint amendments to the Linkage Plan. *See* Securities Exchange Act Release Nos. 44482 (June 27, 2001), 66 FR 35470 (July 5, 2001); 46001 (May 30, 2002), 67 FR 38687 (June 5, 2002); 47274 (January 29, 2003), 68 FR 5313 (February 3, 2003); 48055 (June 18, 2003), 68 FR 37869 (June 25, 2003); 49146 (January 29, 2004), 69 FR 5618 (February 5, 2004); 49863 (June 15, 2004), 69 FR 35081 (June 23, 2004); 49885 (June 17, 2004), 69 FR 35397 (June 24, 2004); 49969 (July 2, 2004), 69 FR 41863 (July 12, 2004); 50561 (October 19, 2004), 69 FR 62920 (October 28, 2004); and 51721 (May 19, 2005), 70 FR 30498 (May 26, 2005).

[4] *See* Section 2(29) of the Linkage Plan.

[5] Specified in Section 7(a)(i)(C) of the Linkage Plan.

[6] *See* Section 2(16) of the Linkage Plan.

[7] *See* Section 2(16) of the Linkage Plan.