

ReliaStar Life Insurance Company, Minneapolis, MN
Security Life of Denver Insurance Company, Denver, CO
ING USA Annuity and Life Insurance Company, Des Moines, IA
Members of the ING family of companies

Performance Incentive Plan (PIP)

Administrative Manual

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PERFORMANCE INCENTIVE PLAN (PIP)

ReliaStar Life Insurance Company, Minneapolis, MN
Security Life of Denver Insurance Company, Denver, CO
ING USA Annuity and Life Insurance Company, Des Moines, IA
("the Company")

A member of the ING family of companies

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DESCRIPTION

The recipe for success is equal parts ability, effort, commitment and taking advantage of the right opportunity. However, like the creation of a complicated dish, success does not come easily for most, in any career or business.

In the initial years of a sales career, first-year commissions may not produce sufficient cash flow to satisfy an agent's income needs. Therefore, the Company makes an early financial investment in an agent's future through the Performance Incentive Plan (PIP). While the agent may anticipate a stable income during the development years, there is opportunity to substantially increase income by superior sales performance. The potential earnings are much greater than the initial earnings, as in any new business or career.

The PIP Administrative Manual is designed to enable the general agent and agent to understand the PIP Compensation System. If the agent has been provided a clear understanding of how the PIP works and the performance standards necessary to maintain and increase income, the Company is confident the agent will direct his or her effort towards the productive activities necessary to achieve a high level of success.

SPECIFICS OF PIP

The qualified agent will enter into a Producer Agreement and a Performance Incentive Plan (PIP) Amendment with the Company. For 24 months after the effective date, the financed agent will be compensated weekly in accordance with the provisions of the PIP, in lieu of all earned commissions provided for under the Producer Agreement. Compensation paid will be determined by the balance in the reserve account.

COMMISSIONS

Eligible Business

First-year and renewal commissions credited to an agent under the PIP are referred to as business written for the Company.

Only four applications for Controlled Business will be included under the PIP in any 12 month period. Controlled Business does not annualize.

All first-year and renewal commissions are credited to the agent's PIP in accordance with the current Company practices, rules and regulations.

Non-Eligible Business

Business generated on any internal replacement will **NOT** be included for determining training allowances.

PIP Reserve account

During pre-finance and the 24 months of the PIP, a reserve account will be established. All first-year and renewal commissions from the Company and training allowances generated will be credited to the reserve account at the end of each commission accounting period. While in the PIP, the agent will be paid compensation as withdrawals from the Reserve account. Funds credited to the reserve account are considered "Conditional Credits," and as such remain the property of the Company until actual payment is made to the agent.

Compensation Requirements

All compensation paid to a financed agent during the PIP financing period is contingent upon a consistent flow of commission credited to the reserve account. The amount of compensation payable from the reserve account will be determined and agreed to by the general agent and agent. It is recommended that weekly compensation payments should not exceed 25% of the amount of funds held in the reserve account. A Financed Agent should be encouraged to accumulate substantial credits in the reserve account for the purpose of stabilizing income.

Effective Dates/Pay Periods

The Financed Agent may be paid weekly in correlation with the Company's commission accounting periods. Compensation will be paid to the agent three working days after each accounting period.

TRAINING ALLOWANCE SCHEDULE *(Total accumulated training allowances payable under the PIP will be \$30,000.)*

Training allowances will be credited as a percentage of paid first-year commissions on the Company's policies written during pre-finance and under the PIP Amendment, according to the following schedule:

Training Allowance Percentage

Commissions Paid During	(% of Paid First Year Commissions)
Pre-Finance – First Month	100% ¹
Months 2 – 6	75%
Months 7 – 24	50%

¹Maximum training allowance credited at 100%, not to exceed \$4,000. Additional amounts in Pre-Finance - First Month to be credited at 75%. Training allowance percentage refers to the matching amount of base annual commissions (NAC) paid in accordance with this schedule.

ELIGIBILITY FOR PIP

An inexperienced agent who meets all of the Company's selection standards for appointment may be eligible for the PIP. The candidate will enter into a contract amendment with the Company that will continue for a maximum of two years, which modifies the Producer Agreement.

Preliminary Approval

This process may begin as soon as the general agent has made the determination to place the candidate in pre-finance training and the papers for contracting are completed. Preliminary approval of the candidate will be considered only after the following forms have been received in the home office:

- Application for Appointment and Contract (Order #142090)
- Performance Incentive Plan Amendment (Order #142092)
- Producer Agreement (Order #142036), if applicable
- Confidential Biographic Record (Order #130582)
- Cover letter from the general agent, optional

Pre-Contract Appointment/PIP Agent Trainee

The Company will file with the state the necessary licensing and appointment forms. **Any applications written by the candidate prior to receiving state license approval, temporary or permanent, must be written in the presence of a licensed agent and signed by that licensed agent, preferably the general agent.**

Pre-Finance Sales

Activation to the PIP Amendment may be made only after the candidate is licensed and the pre-finance sales requirement has been satisfied. The candidate must submit business with initial premium settlement on a minimum of five life or annuity applications that will generate first-year commissions of at least \$2,000.00. Business written on the agent's own life, agent's spouse or children **may not** be included to satisfy the pre-finance business requirement.

All candidates should be encouraged to maximize the Company's training allowance match of \$4,000 available during the trainee period. It should be emphasized that five applications and \$2,000 is a minimum (not a maximum) goal for full-time contract status.

PIP Activation

The agent will be activated to PIP status upon successful completion of the Company's pre-finance sales requirements. Activation will be made upon receipt of the following in the home office:

- Report of Pre-Finance Qualification (Order #130587)
- Direct Deposit Authorization (Order #133854), optional
- Performance Incentive Plan Withdrawal Options (Order #130585)

All contracts and forms must be received by the Company no fewer than 10 days before the requested PIP activation date.

COMPENSATION UPON COMPLETION OF PIP

The PIP Amendment automatically terminates 24 months from the effective date of the PIP. The PIP will also automatically terminate prior to 24 months if the agent has earned the maximum training allowance payable of \$30,000. Thereafter, the agent will receive all compensation remaining in the reserve account as provided in the Producer Agreement on business written and paid during the period of the PIP Amendment.

Payment of Conditional Credits

The amount remaining in the reserve account upon the Agent's **successful completion** of the PIP will be paid to the agent, providing the following criterion are met:

- General agent's recommendation and in accordance with the Company's current guidelines and approval
- The agent continues as a full-time active agent under the Producer Agreement

If the PIP agent **did not complete** the PIP but **continues with the Company as a Producer**:

- The Company will review the PIP commissions earned versus total compensation paid to the agent. If the commissions earned is higher than the amount paid out, the Company will pay the difference. Any balance remaining in the account would be forfeited.
- Going forward, commissions would be paid out as earned as long as the agent continues as a full-time active agent under the Producer Agreement.

If the PIP agent terminated the Producer Agreement before completing the PIP:

- The Company will review the PIP commissions earned versus total compensation paid to the agent. If the commissions earned is higher than the amount paid out, the Company will pay the difference. Any balance remaining in the account would be forfeited.
- Going forward no further commissions would be paid out.

Completion Bonus

The PIP agent may be eligible for a completion bonus upon completion of the PIP. The choice of Option 1 or Option 2 will be indicated on the Performance Incentive Plan Amendment (Order #142092) at the time of initial contracting.

Option 1 — The Company will pay initial ING FP errors and omissions premium and a completion bonus of \$5,000.

Option 2 — The Company will pay initial ING FP errors and omissions premium and license and security fees. No completion bonus will be paid.

If Option 1 is chosen, the following conditions apply to the payment of the completion bonus.:

A completion bonus of \$5,000 will be paid at the end of 24 months, or completion of the plan if earlier, subject to the following conditions:

- The agent must have maximized the PIP, having earned \$30,000 of training allowance in the previous 24 months.
- The \$5,000 will be added to the reserve account.
- Equal installments will be made from the reserve account over the next six months, providing a transition for the agent to a straight commission basis.
- The agent must continue to meet the current Company production requirements and be an active Producer with the Company to receive payments.

TERMINATION

The PIP may be terminated by either party at any time upon written notice to the other party.

Upon termination of the Producer Agreement, no further compensation or commissions will be paid on the business written during the period of the PIP Amendment.

COMPANY INSTRUCTIONS, RULES AND PRACTICES

The PIP agent agrees to abide by the instructions, rules and business practices established by the Company and general agent of the Agency Office.

Terms and Conditions

All terms and conditions of the Producer Agreement remain in effect, except as modified by the PIP Amendment.

GLOSSARY – COMMONLY USED WORDS

Terms	Definitions
Agent's Commission Record	The record maintained by the Company of commissions which would otherwise have become payable to the agent, but for the provisions of the Performance Incentive Plan Amendment.
Company (Also "ING Affiliated Companies")	ING USA Annuity and Life Insurance Company , ReliaStar Life Insurance Company, Security Life of Denver Insurance Company.
Compensation	The amount of commission and training allowance paid from the PIP Reserve account at any Company accounting period.
Controlled Business	Applications written on an agent's own life or the lives of his immediate, dependent family, or applications on the lives of others where the agent is the applicant, premium payer (directly or indirectly) or owner of the policy..
Credits or Conditional Credits	All first-year, deferred first-year and renewal commissions generated in ING Companies. Commissions and training allowances credited to and held in the reserve account are considered "conditional" funds and retained property of the Company. These credits are not considered income to the agent until paid.
Deferred Commission	The fractional part or mode (semiannual, quarterly, or monthly) of first-year commission not yet payable.
Experienced Agent	Any agent who was financed over 12 months, licensed over 12 months in the last two years, or licensed over 24 months in the last five years.
Financed Agent	Agent whose Producer Agreement and PIP Amendment are activated and who is receiving training allowance as defined in the PIP Amendment
Financing Period	Twenty-four months following the date of full-time appointment (only inexperienced agents are eligible).
First-Year Commission	The amount of commission earned on first policy year premiums (see EXHIBIT A).
General agent	A person who holds a general agent's contract with the Company and whose responsibility it is to manage and direct the business affairs of his or her agency.
Inexperienced Agent	An agent who can be considered new and possibly eligible for incentive compensation financing if he or she was never financed more than 12 months, licensed less than 12 out of 24 months, or licensed 24 months out of the last five years.
NAC	First-year commission payable on an annual policy mode (see exhibit A).
Option 1	The Company pays the initial errors and omissions coverage. The Company recovers this expense from the agent's commission or completion bonus if earned.
Option 2	The Company pays the initial errors and omissions coverage and the initial license and fees as required by ING Financial Partners. Election of this option is in lieu of the compensation bonus.
Paid Business	A policy that has been issued by the Company and has been delivered by the agent to the insured or owner. In addition, the initial premium has been collected in full, remitted to the Company, and appears on Company records as an in-force policy.
PIP Agent Trainee Period	Training period of an agent before he or she starts the PIP program, usually 90 days.
PIP Agent Amendment	A contract prepared and furnished by the Company which enables a general agent to place a candidate into training.
Pre-Finance Business	Business paid and credited during the PIP agent trainee period.
Producer Agreement	A contract prepared and furnished by the Company for use in contracting independent agents.
Renewal	The amount of commission earned on second and subsequent policy year premiums.
Reserve account	The account to which training allowance and the agent's paid first-year and renewal commissions from the Company are credited. All financing compensation originates from the balance in the reserve account.
Stabilized Income	Gross established weekly level income draw.
Stabilized Reserve	The accumulation of commission credits to the reserve account as a result of employing the stabilized income compensation plan.
Training Allowance	Additional funds credited to a financing plan as a result of a specified percentage of paid first-year commission.

EXHIBIT A

NET ANNUAL COMMISSIONS AND COMMISSION ANNUALIZATION

ReliaStar Life Insurance Company, Minneapolis, MN
Security Life of Denver Insurance Company, Denver, CO
ING USA Annuity and Life Insurance Company, Des Moines, IA
("the Company")

A member of the ING family of companies
PO Box 1635, Des Moines, IA 50306-1635
Phone: 877-882-5050, Fax: 877-788-5122

Net annual commission (NAC) and commission annualization are important aspects of how agent and general agent compensation is determined. The following guidelines provide specific information and clarification as to the crediting of NAC and commission.

NET ANNUAL COMMISSION (NAC)

NAC is the first-year commission payable on an annual policy mode. The reversal of NAC for a lapse policy will be based on the specific contract provisions of the company issuing the contract.

A. NAC is annualized with the initial modal premium entry as follows:

1. For level premium, non-universal life plans, NAC is the first-year commission on the annual premium mode. (NAC on additional premiums is not annualized and is credited as first-year commission is generated.)
2. For universal life policies, NAC is first-year commission up to the target premium, plus first-year commission generated as premiums are received in the first policy year in excess of target.

B. Credited as premiums are received in the first policy year.

1. Flexible Premium Deferred Annuities

C. ING USA Annuity and Life Insurance Company: Production credit for ING USA Annuity and Life Insurance Company appointed agents is credited as first-year commission and is generated based on the payment of premiums in the first policy year (no annualization). In addition, NAC credit is generated in subsequent years on additional premium payments into ING USA and Life Insurance Company variable annuity contracts.

COMMISSION ANNUALIZATION

For Life Insurance Products: First-year commission is annualized for policies issued under the EFT mode and monthly group list bills. (Exception: no annualization for policies issued under the EFT mode on the life of the agent or the agent's dependent spouse or children.)

ING USA Annuity and Life Insurance Company: Commission for ING USA Annuity and Life Insurance Company appointed agents is credited as premiums are paid — no annualization.

EXHIBIT B - COMMISSION SUMMARY STATEMENT

ReliaStar Life Insurance Company, Minneapolis, MN
 Security Life of Denver Insurance Company, Denver, CO
 ING USA Annuity and Life Insurance Company, Des Moines, IA
Members of the ING family of companies
 Service Office: P.O. Box 617, Des Moines, IA 50303-0617
 Overnight Address: 909 Locust Street, Des Moines, IA 50309-2899

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 xxxxx9876 K ELI or USG
 JOHN D AGENT
 AGENCY: 000000999 ANY AGENCY

ING USA ANNUITY AND LIFE INSURANCE COMPANY
 909 LOCUST ST, PO BOX 617, DES MOINES IA 50306-0617
 E-mail: Strategic_Distribution_DS@us.ing.com
 Phone: 877-882-5050, Fax: 877-788-5122

JOHN D AGENT
 1234 YOUR STREET
 YOURTOWN, IA 11111

DATE: 02/10/2008

	CURRENT	YEAR-TO-DATE	
REPORTABLE EARNINGS	\$700.00	\$10,476.17	
EARNINGS:			
COMMISSION	\$15.87	\$19,656.21	
PIP ENHANCEMENT	\$7.94	\$9,828.19	
PIP FINANCING PLAN	\$700.00	\$10,476.17	
PIP OFFSET TO CLEAR OUT AGENT BALANCE	\$23.81-	\$29,484.40-	Accounting entry to prevent debt for agent. Commissions plus PIP enhancement.
TOTAL EARNINGS	\$700.00	\$10,476.17	
DEDUCTIONS:			
TOTAL DEDUCTIONS	\$.00	\$.00	
TOTAL		\$.00	
AMOUNT DEPOSITED:	\$700.00		Money that has either been previously advanced or annualized commissions.
ADVANCE BALANCE SUMMARY:			
PREVIOUS ADVANCE BALANCE:	\$625.14		Amount recovered during this cycle period.
CURRENT ACTIVITY:	\$.00		
OUTSTANDING ADVANCE BALANCE:	\$625.14		Amount left in advance balance. Money that will be charged back in the event of a free look or surrender.
FINANCING PLAN RESERVE BALANCE			
PRIOR RESERVE BALANCE:	\$19,961.74		Combination of commissions paid and training allowance.
COMMISSION APPLIED:	\$15.87		
TRAINING ALLOWANCE APPLIED:	\$7.94		
COMPENSATION PAID:	\$700.00-		Combination of commissions paid and training allowance.
CURRENT RESERVE BALANCE:	\$19,285.55		

Amount elected by agent to be paid out weekly from reserve balance. Can elect to be paid full commissions or a set weekly payment.

THOSE TRADES, IF ANY, REPORTED ABOUT THAT HAVE RESULTED IN THE PAYMENT OF COMMISSION