



Guideline relating to the

ING Asian Emerging Companies VT 10% Index

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6 Disclaimer

This document contains the underlying principles and regulations regarding the structure and the operating of the ING Asian Emerging Companies VT 10% Index (the “Index”). This document neither purports to be complete nor to inform persons using the Index of any possible risks associated with the Index. ING Bank N.V. (the “Index Owner”) or any of its affiliates and each of their representatives, directors, officers, employees and agents (together “ING”) makes no representation or warranty relating to the accuracy or completeness of the information herein. This document is not and should not be interpreted or construed as an offer, invitation to offer, solicitation, request or recommendation to subscribe for, any advice or recommendation to conclude, any transaction.

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Introduction

This document is to be used as a guideline with regard to the composition, calculation and management of the ING Asian Emerging Companies VT 10% Index. The ING Asian Emerging Companies VT 10% Index is calculated and published by Solactive AG. ING Bank N.V. reserves all rights relating to the Index.

1 Index specifications

The ING Asian Emerging Companies VT 10% Index is an index of ING Bank N.V. and is calculated and distributed by Solactive AG. It tracks a volatility based strategy on an equally weighted basket (the “Basket Portfolio”) of the following:

k	Fund Name	ISIN	Bloomberg Ticker	Fund Manager	Applicable Fund Centre
1	Aberdeen Global - Asian Smaller Companies Fund	LU0231459107	<AGASMA2 LX> Equity		
2	Franklin Templeton Investment Funds - Templeton Asian Smaller Companies Fund	LU0390135332	<TEMASAU LX > Equity		

1.1 Short name and ISIN

The ING Asian Emerging Companies VT 10% Index is distributed under ISIN [DE000SLA1NG1] ; the WKN is [SLA1NG].

The index is published in Reuters under the RIC code [INGSMCAP] and in Bloomberg under the Ticker <INGSMCAP> Index.

1.2 Initial value

The index is based on 100 as at the close of trading on the “**Start Date**” of 14 October 2008.

1.3 Distribution

The ING Asian Emerging Companies VT 10% Index is published via the price marketing services of Boerse Stuttgart AG and is distributed to all affiliated vendors. Each vendor decides on an individual basis as to whether he will distribute/display the ING Asian Emerging Companies VT 10% Index via his information systems.

1.4 Prices and calculation frequency

The value of the ING Asian Emerging Companies VT 10% Index is calculated once every Index Business Day after the close of trading in the Index Country. The net asset value of the Underlying fund is used every Index Business Day. In case there is no net asset value of the Underlying fund for any Index Business Day, the most recent net asset value is used.

In the event that data cannot be provided to the pricing services of Boerse Stuttgart AG the Index cannot be distributed.

Any incorrect calculation is adjusted on a retrospective basis.

1.5 Publication

All specifications and information relevant for calculating the Index are made available on the <http://www.solactive.com> web page and sub-pages.

1.6 Historical data

Historical data will be maintained from 14 October 2008.

1.7 Licensing

Licences to use the Index as the underlying value for derivative instruments are issued to stock exchanges, banks, financial services providers and investment houses by Solactive AG and ING Bank N.V.

2 Composition of the Index

2.1 Index concept

The ING Asian Emerging Companies VT 10% Index is calculated on every Index Business Day based on the underlying basket of funds. The ING Asian Emerging Companies VT 10% Index is designed to maintain a target volatility of close to 10%.

2.2 Ordinary adjustment

An ordinary adjustment will take place on every Adjustment Day after the close of trading in the Index Country.

3 Calculation of the Index

3.1 Index formula

The ING Asian Emerging Companies VT 10% Index is an index whose value on an Index Business Day is calculated using the following formula:

$$\text{Index}_t = \text{Index}_{t-1} * (1 - \text{dragfactor}/260) * [1 + \text{alloc}(t-1) * \text{Basket Return}(t-1,t)]$$

with:

$$\text{Index}_{t=0} = 100$$

t = Index Business Day t

$$\text{dragfactor} = 3\%$$

On an "Adjustment Day", $\text{alloc}(t) = \text{Target Allocation}(t-1)$; otherwise $\text{alloc}(t) = \text{alloc}(t-1)$.

with

$$\text{alloc}(0) = 100\%$$

$$\text{Target Allocation}(t) = \text{Min} \left(100\%, \frac{\text{Volatility Target}}{\text{Historic Volatility}(t)} \right),$$

$$\text{Basket Return}(t-1, t) = \frac{\sum_{k=1}^2 50\% * \text{Fund Price}(k, t) / \text{Fund Price}(k,0)}{\sum_{k=1}^2 50\% * \text{Fund Price}(k, t-1) / \text{Fund Price}(k,0)} - 1$$

with

Fund Price(k,t) being the net asset value of Fund(k) as of Index Business Day t; and
Fund Price(k,0) being the net asset value of Fund(k) as of [14 October 2008].

3.2 Accuracy

The Index value will be rounded to three decimal places.

3.3 Calculation of the Index in the event of a market disruption

An Index is not calculated in the case of a Market Disruption Event. If the Market Disruption Event continues over a period of eight Fund Business Days, the Index Calculator calculates the Index value taking into account the market conditions prevailing at this point in time and the last net asset value of the underlying funds as well as any other conditions that it deems relevant for calculating the Index value.

4. Definitions

“**Underlying Fund(k)**” for k=1 to 2 refers to the following funds:

k	Fund Name	ISIN	Bloomberg Ticker	Fund Manager	Applicable Fund Centre
1	Aberdeen Global - Asian Smaller Companies Fund	LU0231459107	<AGASMA2 LX> Equity		
2	Franklin Templeton Investment Funds - Templeton Asian Smaller Companies Fund	LU0390135332	<TEMASAU LX > Equity		

“**Volatility Target**” is 10%.

“**Historic Volatility(t)**” is the realized historic volatility calculated on Index Business Day t using the following formula:

$$\text{Historic Volatility}(t) = [0.97 * \text{Historical Volatility}(t-1)^2 + 0.03 * \text{Basket Return}(t-1,t)^2 * 260]^{0.5}$$

with:

$$\text{Historic Volatility}(t=0) = 10\%$$

“**Adjustment Day**” is every 14 calendar days, beginning on the Start Date. In case this happens to not be an Index Business Day, the Adjustment Day is the immediately following Index Business Day.

“**Start Date**” is 14 October 2008.

“**Index Business Day**” is every day on which Luxembourg Stock Exchange is open for trading.

The “**Index Calculator**” is Solactive AG or any other appropriately appointed successor in this function.

The “**Index Country**” is the Luxembourg.

The “**Index Currency**” is USD.

“**Market Disruption Event**” means, in respect of a Fund Business Day, the occurrence or continuation, of:

- (a) a failure or postponement that is, in the determination of the Index Calculator, material by a Fund Manager to publish the official net asset value of a Fund per Fund Interest in respect of that Fund Business Day (provided that such Fund Business Day is a day for which such official net asset value is scheduled to be published); or
- (b) the inability of a holder of Fund Interests to subscribe for, or redeem, Fund Interests for value on that Fund Business Day (provided that such Fund Business Day is a day for which subscriptions or redemptions are scheduled to be permissible (in accordance with the Fund Rules)); or
- (c) a postponement or failure of a Fund to make any payment in respect of the redemption of Fund Interests on any day for which such payment is scheduled to be made (in accordance with the Fund Rules);

“**Substitution Event**” means, as determined by the Index Calculator, the occurrence of any of the following: Audit Event, Charging Change, Corporate Event, Cross-contamination, Currency Change, Fund Accounting Event, Fund Constitution Breach, Fund Constitution Change, Fund Regulatory Event, Fund Rules Breach, Fund Strategy Breach, Fund Strategy Change, Fund Tax Event, Hedging Event, Investor Tax Event, Litigation Event, Management Change, Mandatory Disposal, Market Event, NAV Suspension, Performance Failure, Potential

Regulatory Event, Redemption Failure, Regulatory Event, Subscription/Redemption Alteration, Subscription/Redemption Restriction, Transfer Restriction; where:

“Audit Event” means the making of any reservation in an audit report of a Fund by the auditor of that Fund that is, in the determination of the Index Calculator, material;

“Charging Change” means the increase of, or introduction by a Fund of (a) a bid/offer spread or (b) charges for subscription or redemption orders made by an Investing Entity, for Fund Interests in addition to any such spread or charge specified in the Fund Rules;

“Corporate Event” means a declaration by or on behalf of a Fund of:

- (i) a subdivision, consolidation, reclassification or distribution of the relevant Fund Interests which has a diluting or concentrative effect on the theoretical value of such Fund Interests;
- (ii) a (1) dividend (including cash, and whether ordinary or extraordinary), (2) distribution or (3) issue of the relevant Fund Interests, capital, securities, rights or other assets or interests to existing holders of the relevant Fund Interests that has or is likely to have an effect on the value of such Fund Interest; or
- (iii) a call by a Fund in respect of the relevant Fund Interests that are not fully paid;

“Cross-contamination” means any cross-contamination or other failure by a Fund to effectively segregate assets between the different classes of Fund Interests and different classes, series or compartments of that Fund;

“Currency Change” means the currency in which (a) Fund Interests are denominated or (b) the net asset value of a Fund is calculated, is no longer the currency specified in the Fund Rules; **“Distribution In-kind”** means a redemption of Fund Interests in the form of a distribution of non-cash assets;

“Fund Accounting Event” means any changes in the accounting principles or policies applicable to a Fund and/or its Fund Manager and/or any Investing Entity which might reasonably be expected to have an economic, legal or regulatory impact for the Index Owner;

“Fund Constitution Breach” means any failure to observe any of the objects, constitution, conditions, nature, or Fund Rules of a Fund that is, in the determination of the Index Calculator, material;

“Fund Constitution Change” means any modification of the objects, constitution, conditions, nature, or Fund Rules of a Fund that is, in the determination of the Index Calculator, material;

“Fund Regulatory Event” means any changes in the regulatory treatment applicable to a Fund and/or its Fund Manager and/or any Investing Entity which might reasonably be expected to have an economic, legal or regulatory impact for the Index Owner;

“Fund Rules Breach” means any failure of the Fund Manager of a Fund to comply with any terms set out in the Fund Rules of that Fund;

“Fund Strategy Breach” means any failure to observe any of the investment objectives, policies or strategy of a Fund that is, in the determination of the Index Calculator, material;

“Fund Strategy Change” means any modification of the investment objectives, policies or strategy of a Fund that is, in the determination of the Index Calculator, material;

“Fund Tax Event” means any changes in the tax treatment applicable to a Fund and/or its Fund Manager and/or any Investing Entity which might reasonably be expected to have an economic, legal or regulatory impact on the Index Owner;

“Hedging Event” means the Index Owner is unable, or would incur an increased cost to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of, in such size and upon such timing as it determines appropriate, any transaction(s) or asset(s) it deems necessary to hedge the risk of providing the Index, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) upon such timing and in such form as it determines appropriate, whether or not in accordance with the Fund Rules;

“Investor Tax Event” means any changes in the regulatory, tax, accounting and/or any other treatment applicable to the holder of Fund Interests, which could have an economic or legal or regulatory impact for such holder;

“Litigation Event” means the commencement or continuation of litigation involving a Fund, Fund Manager or other service provider of that Fund that is, in the determination of the Index Calculator, material;

“Management Change” means the occurrence of any event or the making of any changes affecting the structure of a Fund, its management, its material service providers, its reputation or solvency and/or the structure of, or rights attaching to, any shares in the capital of a Fund, which, in the reasonable opinion of the Index Calculator is likely to have a significant impact on the value of the Fund Interests of such Fund, whether immediately or later;

“Mandatory Disposal” means any event or circumstance (whether or not imposed by the Fund, or in accordance with the Fund Rules) that obliges the holder of Fund Interests to sell or otherwise dispose of such Fund Interests;

“Market Event” means any crisis in the major financial markets such that the holding, trading or managing of an investment in a Fund is impracticable, inadvisable or materially altered;

“NAV Suspension” means suspension of the calculation or publication of the net asset value of a Fund, or failure by its Fund Manager, its administrator or any relevant entity duly appointed in that respect to deliver when due any relevant report detailing the net asset value of that Fund;

“Performance Failure” means any failure of the Fund Manager, administrator and/or the custodian (and/or other relevant service provider, as determined by the Index Calculator) of a Fund to perform any of its material obligations under the Fund Rules or the liquidation, termination of appointment or resignation of the Fund Manager, administrator, custodian and/or a relevant service provider of such Fund;

“Potential Regulatory Event” means an investigation into the activities of a Fund, its Fund Manager, its custodian and/or its administrator being launched, or such activities being placed under review, in each case by their respective regulatory authorities or other competent body, for reason of alleged wrongdoing, alleged breach of any rule or regulation, or other similar reason;

“Redemption Failure” means a holder of Fund Interests would be unable to receive redemption payments in respect of such Fund Interests;

“Regulatory Event” means the winding-up, the closure or the termination of a Fund or the cancellation of the approval or registration of a Fund or its Fund Manager (or any successor thereto) by any relevant regulatory authority;

“Subscription/Redemption Alteration” means any subscription or redemption orders with respect to Fund Interests are not executed as described in the Fund Rules for that Fund;

“Subscription/Redemption Restriction” means any suspension of, or any restriction on, the acceptance of subscriptions or redemptions for Fund Interests or any limitation imposed on such subscription or redemptions (whether or not in accordance with the Fund Rules);

“Transfer Restriction” means suspension of, or any restriction on, the ability of a holder of Fund Interests to transfer any such Fund Interests, other than in accordance with the Fund Rules;

If the Index Calculator determines that a Substitution Event has occurred in relation to a Fund in the Basket Portfolio at such time (the “Original Fund”) then the Index Calculator may:

- (i) waive such Substitution Event; or
- (ii) remove such Fund from the Basket Portfolio with effect as soon as reasonably practicable and, as soon as reasonably practicable following the removal of such Fund, either:
 - (a) substitute such Fund with an alternative fund (a “Basket Replacement Fund”) having the same weight as the Original Fund or more than one Basket Replacement Fund having individual Weights selected by the Index Calculator and an aggregate Weight equal to the Original Fund; or
 - (b) if no Basket Replacement Fund is deemed by the Index Calculator as available or if a Substitution Event has occurred in relation to each of the Basket Replacement Funds, adjust the Weights of the remaining Funds in the Basket Portfolio;

and following any such replacement or weight adjustment, the Index Calculator may make any adjustments to the terms and conditions of the Index as it deems appropriate to reflect such replacement or weight adjustment.

For the avoidance of doubt, the Index Owner or the Index Calculator are under no obligation to monitor whether or not a Substitution Event has occurred in respect of any Fund. Neither the Index Owner nor the Index Calculator shall be liable to any investors for losses resulting from (i) any determination that the Substitution Event has occurred or has not occurred in relation to a Fund, (ii) the timing relating to the determination that a Substitution Event has occurred in relation to a Fund or (iii) any actions taken or not taken by the Index Owner and the Index Calculator as a result of such determination that a Substitution Event has occurred.

“Affiliate” means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose “control” of any entity or person means ownership of a majority of the voting power of the entity or person;

“Fund Business Day” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Applicable Fund Centres;

“Hedge Counterparty” means any party to a contract with the Index Owner or any of its Affiliates under which the Index Owner obtains a derivative exposure to Fund Interests and includes hedge counterparties of such hedge counterparties;

“Investing Entity” means the Index Owner;

“Fund Interest” means a unit, share, partnership interest, or other similar direct interest in a Fund that entitles the holder of such interest to a share in the net assets of that Fund, or such relevant interests in any Replacement Fund or Basket Replacement Fund as determined by the Index Calculator;

“Fund Rules” means, with respect to a Fund, the terms of the bye-laws and other associated documentation relating to such Fund and any other rules or regulations relating to such Fund and the relevant Fund Interests (including any prospectus in respect of such), including its investment guidelines and restrictions.

“Weight” means, in relation to each Fund included in the Basket Portfolio, the percentage of the Basket Value comprised by the related Fund Value

5 Appendix

5.1 Contact data

Index Owner

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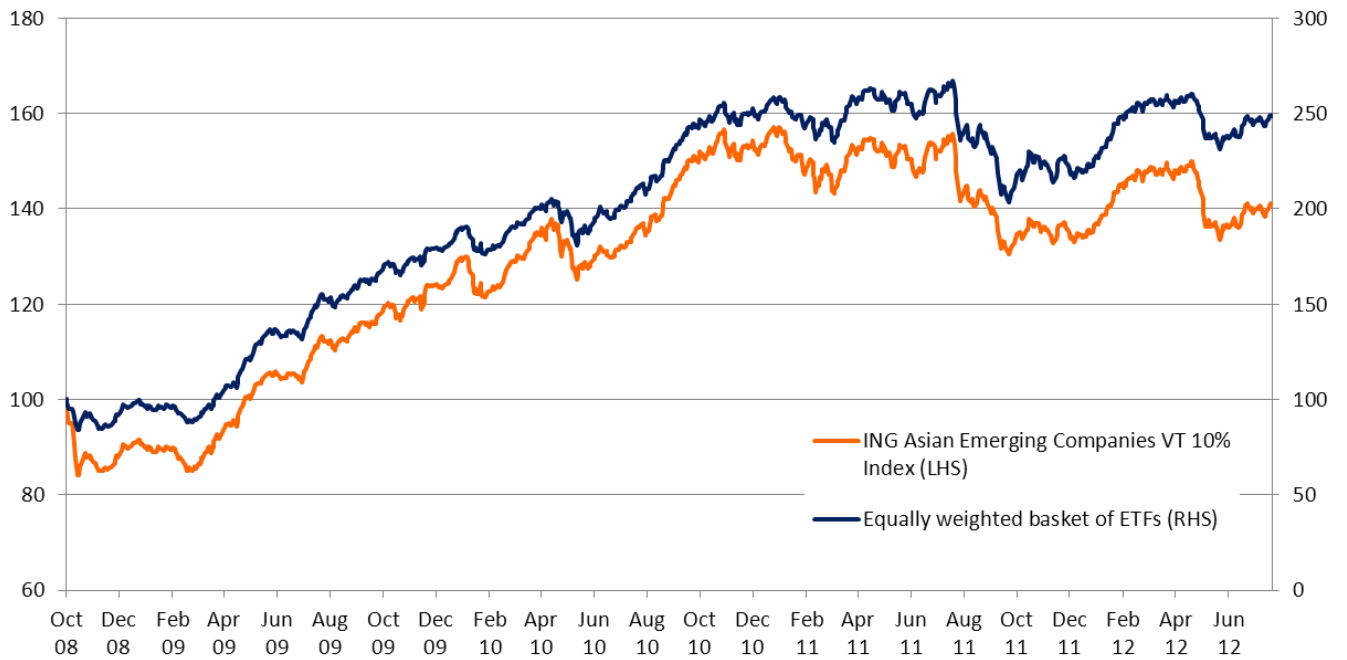
Index Calculator

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indexing@solactive.de

5.2 Calculation of the Index – change in calculation method

The application by the Index Calculator of the method described in this document is final and binding. The Index Calculator shall apply the method described above for the composition and calculation of the Index and the Index value. However it cannot be excluded that the market environment, supervisory, legal, financial or tax reasons may require changes to be made to this method. The Index Calculator may also make changes to the terms and conditions of the Index and the method applied to calculate the Index value, which he deems to be necessary and desirable in order to prevent obvious or demonstrable error or to remedy, correct or supplement incorrect terms and conditions. The Index Calculator is not obliged to provide information on any such modifications or changes. Despite the modifications and changes the Index Calculator will take the appropriate steps to ensure a calculation method is applied that is consistent with the method described above.

5.3 Historical Performance



Please note that past performance is not indicative of future performance.

6 Disclaimer

The ING Index is not sponsored, endorsed, sold or promoted by the (fund manager) and the (fund manager) has made no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the fund and/or the levels at which the fund stands at any particular time on any particular date or otherwise. The (fund manager) has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the fund. Neither the Issuer nor the Index Calculator has any affiliation with or control over the fund or the (fund manager) or any control over the computation, composition or dissemination of the fund. Although the Issuer and the Index Calculator will obtain information concerning the fund from publicly available sources they believe to be reliable, they will not independently verify this information.