IN-PLAN GUARANTEED RETIREMENT INCOME

PERSPECTIVE FROM TWO PROVIDERS

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of Boston and Hartford & Springfield

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Important Information:

This presentation is in limited use for professional development: is **NOT AN OFFER TO INVEST IN THE ING LIFETIME INCOME PROTECTION PROGRAM OR THE PRUDENTIAL INCOMEFLEX PRODUCT. IT SHOULD NOT BE CONSIDERED AS ADVICE OR RECOMMENDATION.**

Agenda

- Current State of Retirement Plans
- Retirement In-Plan Income Options
- Better Outcomes with In-plan Income
- Challenges & Potential Solutions

Key plan design features lost in the shift from DB to DC

- DB plan participants are protected against investment and longevity risk (the risk of outliving one's assets)
- DC plans require a higher level of savings on a per participant basis than DB plans
- DC participants can "safely" withdraw only a small portion of their savings each year in retirement

Among the 50% of private-sector workers with access to a workplace retirement plan, the percentage covered by a DB plan has fallen
from 83% in 1980
to 31% in 2008

Center for Retirement Research at Boston College calculations from Form 5500 filings, March 2011.

Workforce management challenges posed by the shift

- Delayed retirements
- Less predictable retirements
- Increased volatility in staffing needs
- Higher workforce costs
- Reduced workforce engagement

The number of employees over age 55 is expected **to grow by more than 40%** by 2018

Monthly Labor Review, November 2009.

Participants, Employers & Advisors all want a retirement income solution

[1]Source: BlackRock participant survey and plan sponsor survey (2009, 2010). Hewitt Associates LLC 2010.
[2]Source: 2011 Best Practices in Retirement Income Planning Study, sponsored by PLANADVISER.

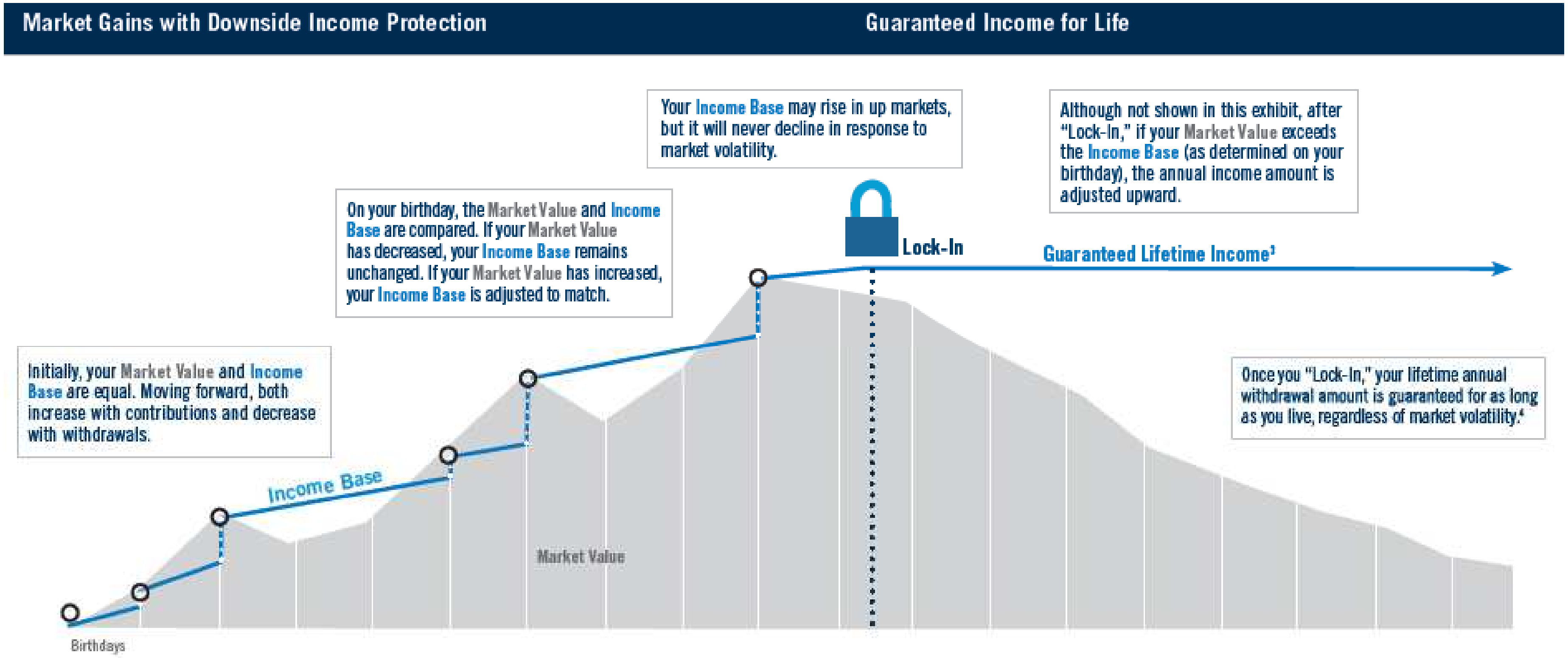
Retirement In-plan Income Options

		Longevity Risk (Lifetime Guarantee)	**Flexibility and Control** (Access to Cash)	**Market Risk** (Downside Protection)
Best Efforts	**Systematic Withdrawals** •Self Managed •Target Date / Target Income Funds		✓	
	Managed Accounts • Personalized investment portfolios		✓	
Insurance Guarantees	**Immediate Annuities** • Fixed life payout annuities	✓		✓
	Longevity Insurance • Deferred fixed annuities	✓		✓
	Guaranteed Living Benefits •Guaranteed Lifetime Withdrawal Benefit (GLWB)	✓	✓	✓

Key Features of In-plan GLWBs

- Guaranteed Income for Life
- Upside Potential with Downside Income Protection
- Simplified Decision
- Flexibility and Control
- Three phases
  1) Deferral Phase
  2) Withdrawal Phase
  3) Guaranteed Payment Phase

How Does An In-Plan Guaranteed Lifetime Withdrawal Benefit Work?



The hypothetical example above is for illustration purposes only. It does not reflect an actual experience with the product, an actual account value or the performance of any investment.

A Closer Look At Two Provider Solutions: Side-by-Side Comparison

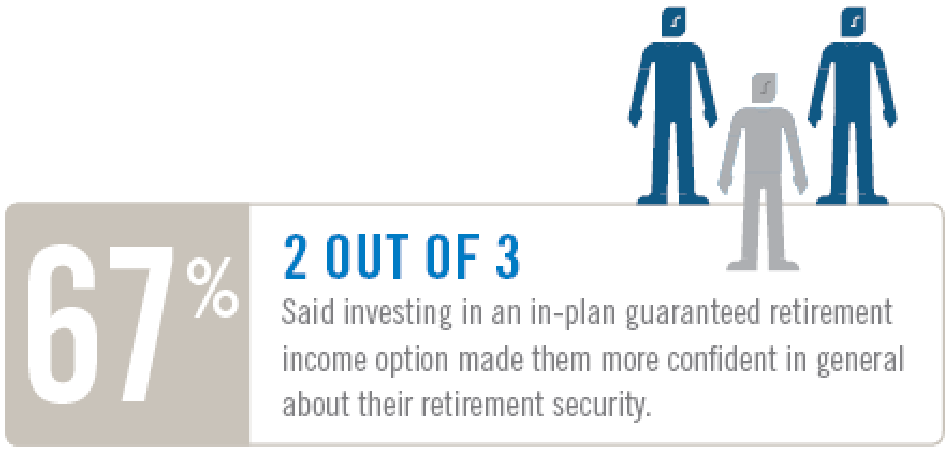
	ING Lifetime Income Protection (An age based asset allocation program investing in collective investment trust funds using multiple group variable annuity contracts)	Prudential IncomeFlex (A rider or certificate to a group variable annuity contract)
Insurance Guarantees	Multi-Insurer with allocations to each insurer based on competitive bid of withdrawal rate	Single-Insurer
Glide Path	Begins allocating to the guaranteed portion 17 years prior to target date with 100% of assets in the guaranteed portion 5 years before the portfolio's target date	100% of assets are guaranteed 10 years prior to the fund's target date
Guaranteed Benefit	Weighted average withdrawal rate; Percentage can change based on early/late retirement and spousal election	Fixed Withdrawal rate; Percentage can change based on early/late retirement and spousal election
Guarantee Fee (Other fees may apply)	1.00%	1.00% May change for future deposits and apply to all assets in case of a "step-up"
Election Age	62 +	55 +
Future Contributions	No additional contributions once benefit begins	Future contributions allowed but may receive different guarantee fee

In-Plan Guaranteed Retirement Income Produces Better Outcomes

When in-plan guaranteed retirement income options are added to defined contribution plans, participants:

1) Invest for the long-term

- More than half said it made them more prone to weather market volatility
- Participants were 2.5 times more likely to stay invested in equities during market downturns



« Better Participant Outcomes Through In-Plan Guaranteed Retirement Income, » Prudential Retirement, 2011

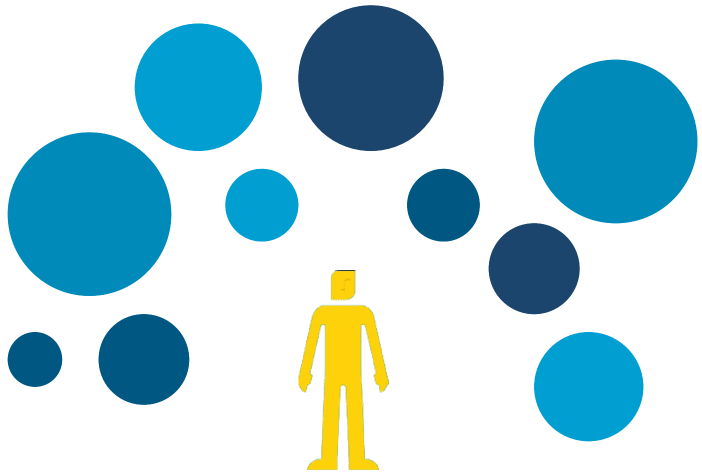
In-Plan Guaranteed Retirement Income Produces Better Outcomes

2) Stay Diversified

- Those enrolled were invested in an asset allocation-style fund that was diversified among a variety of asset classes;
- Nearly 40% of those age 50 and older not enrolled were invested entirely in either equity or fixed-income funds

From 1991 to 2011 the S&P 500 Index averaged 9.14%. In contrast, the average investor in equity mutual funds only earned 3.83%. The same is true for bond investors. During the same period, the Barclays Capital U.S. Aggregate Bond Index returned an average 6.89% per year, while the average investor in fixed-income mutual funds only realized 1.01%.

Quantitative Analysis of Investor Behavior, Dalbar, Inc., 2011.



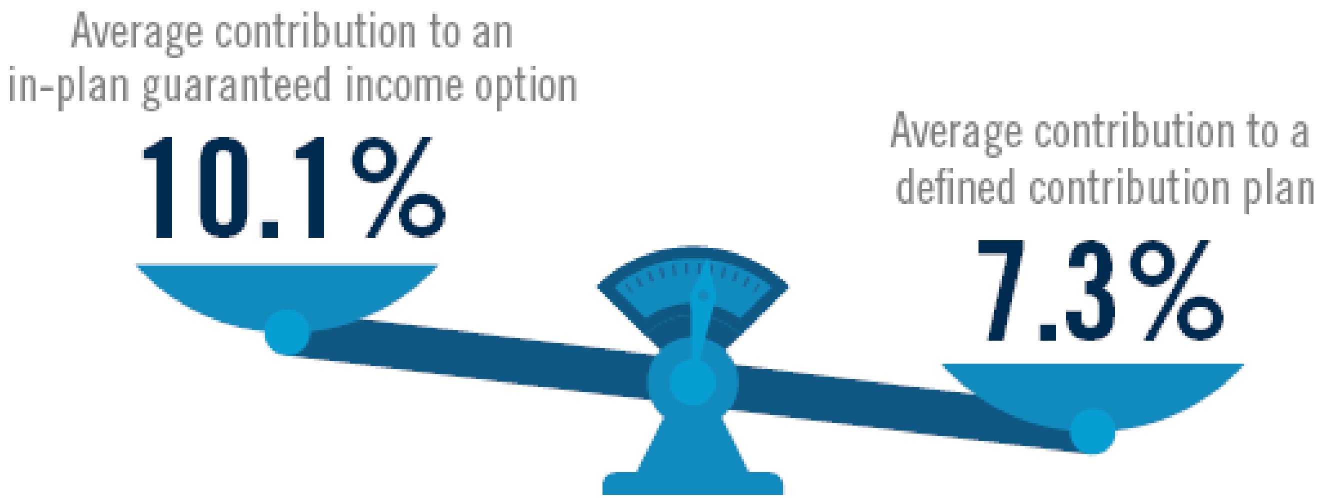
« Better Participant Outcomes Through In-Plan Guaranteed Retirement Income, » Prudential Retirement, 2011.

In-Plan Guaranteed Retirement Income Produces Better Outcomes

3) Have Higher Deferral Rates

Providing an in-plan guaranteed retirement income option correlates with participants contributing more—38% more—than average 401(k) plan participants contribute.

Source: Aon Hewitt, 2010; "IncomeFlex Behavioral Analysis," Prudential Retirement, 2011



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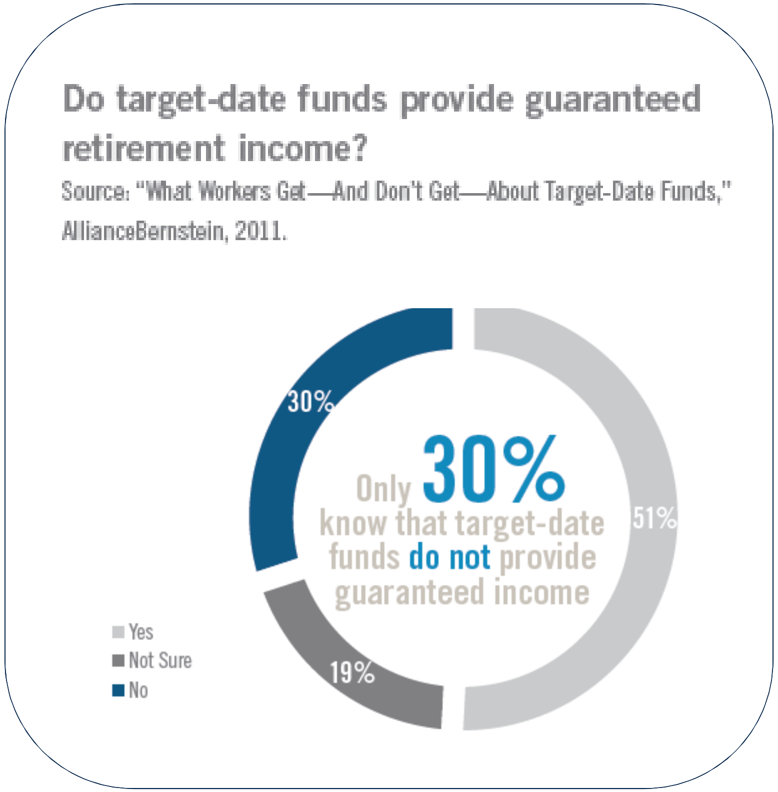
Challenges to Adoption

Fiduciaries/ Plan Sponsors:

- Market "Newness"
- Fiduciary Liability in selections
- Insurer Insolvency
- Portability



Participants:

- Lack of Awareness
- Misunderstanding
- Inertia

« Better Participant Outcomes Through In-Plan Guaranteed Retirement Income, » Prudential Retirement, 2011

On the Horizon

- Increasing portability with middleware solutions
- Government and regulatory guideline clarifications
- Qualified default investment alternatives (QDIAs) with opt-out provisions

Learn more about in-plan guaranteed retirement income
at
incomechallenges.com

QUESTIONS

Important Information: ING Lifetime Income Protection Program

ING Lifetime Income Protection Program is an age based target date asset allocation program using target date funds and multiple group variable annuity contracts.

The ING Lifetime Income Protection asset allocation Program (the “Program”) is one of several investment options from ING that a Plan fiduciary can choose to make available to Plan Participants.

Participants that choose to invest through the Program are automatically assigned to a Program “portfolio” based on their date of birth. Each Program portfolio has a Target Date, which is set assuming retirement at or about age 65.

The Program “portfolios” are target date asset allocation models through which amounts are invested in target date collective trust funds (the "Funds"), which we refer to as the non-guaranteed portion of the portfolio, and multiple group variable annuity contracts (the "Contracts"), which we refer to as the guaranteed portion of the portfolio, each issued by a different insurer.[1] A portfolio’s Target Date generally corresponds to a Fund’s target date.

Amounts are allocated between the Funds and the Contracts based on the portfolio’s glide path. Pursuant to the glide path, when a portfolio’s Target Date is more than 17 years in the future, all amounts are allocated to the corresponding Fund. Beginning approximately 17 years before a portfolio’s Target Date, an increasing percentage of a participant’s investment through the Program is automatically allocated to the Contracts until five years before a portfolio’s Target Date, when 100% of the Participant’s investment through the Program is allocated to the Contracts.

A Participant’s investment in the Funds and the Contracts is not guaranteed and may lose value, but the Contracts have a Minimum Guaranteed Withdrawal Benefit (“MGWB”) that guarantees[2] income for the Participant’s lifetime or the joint lifetime of the Participant and his or her spouse.

[1] A portfolio is not an investment separate from its allocation between the Funds and Contracts**,** is not an investment company and has not been registered with the SEC under the Investment Company Act of 1940 or the Securities Act of 1933.

[2] All guarantees under the Contracts are subject to certain conditions and limitations and to the claims paying ability of the issuing insurer.

Plan administrative services provided by ING Life Insurance and Annuity Company (“ILIAC”) or ING Institutional Plan Services, LLC (“IIPS”). Securities distributed by ING Financial Advisers, LLC (“IFA”) (member SIPC) or other broker-dealers or selling firms with which it, or an affiliate, has a selling agreement. ILIAC, IIPS and IFA are members of the ING family of companies. AXA Equitable Life Insurance Company and Nationwide Life Insurance Company are not affiliated with the ING family of companies in the U.S.. May not be available in all states.

Important Information: Prudential IncomeFlex Target

These benefits are provided through Prudential IncomeFlex Target® ,which is consistently referred to herein as “IncomeFlex Target”. Like all variable investments, these funds may lose value. Withdrawals in excess of the Lifetime Annual Withdrawal Amount will reduce future guaranteed withdrawals proportionately.

Prudential IncomeFlex Target Funds are separate accounts available under group variable annuity contracts issued by **Prudential Retirement Insurance and Annuity Company (PRIAC) (CA COA # 08003.),** Hartford, CT. PRIAC does not provide any guarantee of the investment performance or return of contributions to those separate accounts. PRIAC’s guarantee of certain withdrawals is supported by PRIAC’s general account and is contingent on its claims paying ability. You should consider the objectives, risks, charges, and expenses of the funds and guarantee features. Before electing the spousal benefit (if available) on behalf of any beneficiary not recognized as your spouse under federal law, be aware that provisions of the plan or Internal Revenue Code might prevent, limit or otherwise affect the ability of the beneficiary to receive the spousal benefit.

Product availability and terms may vary by jurisdiction and product version. Subject to regulatory approvals. Annuity contracts contain exclusions, limitations, reductions of benefits and terms for keeping them in force. Contract form #GA-2020-TGWB4-0805 or state variations thereof.

The target date is the approximate date when investors plan to start withdrawing their money. The asset allocation of target-date funds will become more conservative as the target date approaches by lessening your equity exposure and increasing your exposure to fixed income type investments. The principal value of an investment in a target-date fund is not guaranteed at any time, including the target date.

Keep in mind that application of asset allocation and diversification concepts does not ensure a profit or protect against loss in a declining market. It is possible to lose money by investing in securities.

Retirement products and services are provided by Prudential Retirement Insurance and Annuity Company (PRIAC), Hartford, CT, a Prudential Financial company. Prudential Retirement's group variable annuity contracts are issued by PRIAC, Hartford, CT, a Prudential Financial company.

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