

23 June 2010

<Name>
<Address1>
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Dear <Name>

Settlement over the ING Diversified Yield (DYF) and ING Regular Income (RIF) Funds

When we made the Offer to DYF and RIF investors in 2009, we indicated that the Commerce Commission was investigating the marketing and promotion of these funds.

We are pleased to announce that we have now reached a settlement with the Commerce Commission. As part of this settlement we have agreed to pay a further \$45 million to eligible investors who were in the two funds at the time of suspension. This is in addition to the more than NZ\$500 million that has already been made available to investors.

The Commerce Commission has raised a number of issues as a result of its investigation, but has acknowledged that these issues remain untested from a legal perspective. While ING and ANZ New Zealand do not agree with all of the Commission's views, we agree that it is in the best interests of investors to avoid a lengthy court process, with an uncertain outcome for all.

We apologise to those investors who felt we had misinformed them. Our priority has always been to assist investors, which is why we made available more than \$500 million before this settlement. Investments for many New Zealanders have been affected by the global financial crisis but few financial institutions have stood by their customers to this extent.

The Commerce Commission will now determine the method of payment for settlement and payment will be made as soon as possible after that decision is made. A further payment may not be made to all investors.

The Securities Commission has also considered the Commerce Commission settlement and is of the view that it delivers an appropriate outcome for investors. Both the Commerce Commission and the Securities Commission have stated that they will not take any further action.

I am pleased that we have finally brought this matter to a conclusion.

We will write to you again when the Commerce Commission determines the details of the payment process. In the meantime, if you have any

questions please talk to your adviser or call our client service team on 0800 737 575.

Yours sincerely

Helen Troup
Chief Executive Officer
ING (NZ) Limited