



DIVISION OF
TRADING AND MARKETS

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

April 7, 2015

Mark J. Welshimer, Esq.
Sullivan & Cromwell LLP
One New Fetter Lane
London EC4A 1AN, England

**Re: ING Groep N.V.: Exemptive Relief from Rules 101 and 102 of Regulation M
File No. TP 15-11**

Dear Mr. Welshimer:

In your letter dated April 7, 2015, as supplemented by conversations with the staff, you request on behalf of ING Groep N.V. (“ING”), a public limited liability company (*Naamloze Vennootschap*) organized under the laws of The Netherlands, an exemption from Rules 101 and 102 of Regulation M under the Securities Exchange Act of 1934 (“Exchange Act”) in connection with a proposed Capital Securities Offering.¹

You seek an exemption to permit ING and its affiliates to conduct specified transactions (or “Market Activities”) outside the United States in bearer depositary receipts (“BDRs”) representing ordinary shares of ING (“ING Shares”) and American Depositary Shares representing BDRs in respect of ING Shares (“ING ADSs”) during the distribution of Capital Securities² in connection with the Capital Securities Offering. Specifically, you request that: (i) ING Bank be permitted to continue to engage in market-making and principal client facilitation trading activities as described in your letter; (ii) the Derivatives Market-Making Affiliates be permitted to continue to engage in derivatives market-making and hedging activities as described in your letter; (iii) the Brokerage Affiliates be permitted to continue to engage in unsolicited brokerage activities as described in your letter; (iv) the Banking Affiliates be permitted to continue to engage in banking-related activities as described in your letter; (v) the Asset Managers be permitted to continue to engage in investment management activities as described in your letter; (vi) the Stock Borrowing and Lending Affiliates and the Collateral-Taking Affiliates be permitted to continue to engage in stock borrowing and lending and collateral-taking activities as described in your letter; and (vii) the ING Insurance Affiliates be permitted to continue to engage in insurance-related activities as described in your letter.

¹ We have attached a copy of your letter. Each defined term in our response has the same meaning as defined, directly or by reference, in your attached letter, unless we note otherwise.

² In your letter, you request exemptive relief in the event that the BDRs representing ING Shares and ING ADSs may be deemed to be “reference securities” and, therefore, “covered securities” in relation to the distribution of Capital Securities for purposes of Regulation M.

You also seek an exemption to permit certain ING affiliates to conduct specified transactions in the United States in BDRs representing ING Shares and ING ADSs during the distribution of Capital Securities in connection with the Capital Securities Offering. Specifically, you request that ING Financial Markets LLC be permitted to continue to engage in unsolicited brokerage and stock borrowing and lending and collateral-taking activities as described in your letter.

Response:

Based on the facts and representations that you have made in your letter, but without necessarily concurring in your analysis, we find that it is necessary or appropriate in the public interest, and is consistent with the protection of investors, to grant, and hereby grants, ING an exemption from Rules 101 and 102 of Regulation M to permit ING Bank, the Derivatives Market-Making Affiliates, the Brokerage Affiliates, the Banking Affiliates, the Asset Managers, the Stock Borrowing and Lending Affiliates and the Collateral-Taking Affiliates, the ING Insurance Affiliates, and ING Financial Markets LLC (collectively, the "Companies"), to continue to engage in the transactions (or Market Activities) described in your letter during the Capital Securities Offering.

This exemption is subject to the following conditions:

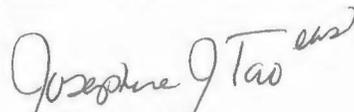
1. None of the transactions of the Companies described in your letter shall occur in the United States, with the exception of the limited unsolicited brokerage and stock borrowing and lending and collateral-taking activities of ING Financial Markets LLC as described in your letter;
2. All of the transactions described in your letter for which you seek relief shall be effected in the ordinary course of business and not for the purpose of facilitating the Capital Securities Offering;
3. The prospectus supplement distributed to U.S. investors in connection with the Capital Securities Offering will disclose the possibility of, or the intention to engage in, the transactions described in your letter;
4. ING and each of the Companies will provide to the Securities and Exchange Commission's Division of Trading and Markets staff ("Division"), upon request, a time-sequenced schedule of all such transactions made during the Capital Securities Offering. Such schedule will include:
 - a. size, broker (if any), time of execution, and price of the transactions;
 - b. the exchange, quotation system, or other facility through which the transactions occurred; and
 - c. whether the transactions were made for a customer account or a proprietary account;

5. Upon request of the Division, ING and each of the Companies will transmit the information requested in item 4 (above) to the Division at its offices in Washington, D.C., within 30 days of its request;
6. ING and each of the Companies shall retain all documents and other information required to be maintained pursuant to this letter for at least two years following the completion of the Capital Securities Offering;
7. Representatives of ING and each of the Companies shall be made available (in person at the offices of the Commission in Washington, D.C., or by telephone) to respond to inquiries of the Division relating to their records; and
8. Except as otherwise exempted by this letter, ING and each of the Companies will comply with Regulation M.

This exemption is based solely on the facts presented and the representations made in your letter. Any different facts or circumstances may require a different response. In the event that any material change occurs with respect to any of those facts or representations, transactions in the BDRs representing the ING Shares and ING ADSs must be discontinued, pending presentation of the facts for our consideration.

In addition, your attention is directed to the anti-fraud and anti-manipulation provisions of the Exchange Act, including Sections 9(a) and 10(b), and Rule 10b-5 thereunder. Responsibility for compliance with these and any other applicable provisions of the federal securities laws must rest with the participants in the various transactions. We express no view with respect to any other questions that the proposed transactions may raise, including, but not limited to, the adequacy of disclosure concerning, and the applicability of any other federal or state laws to, the proposed transactions.

For the Commission,
by the Division of Trading and Markets,
pursuant to delegated authority,³


Josephine J. Tao
Assistant Director

Attachment

³ 17 CFR 200.30-3(a)(6).

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April 7, 2015

By Hand and E-mail

Office of Derivatives Policy and Trading Practices,
Division of Trading and Markets,
U.S. Securities and Exchange Commission,
100 F Street, N.E.,
Washington, D.C. 20549,
United States of America.

Attention: Ms. Josephine J. Tao, Esq., Assistant Director

Re: ING Groep N.V.: Request for Exemptive Relief from Rule 101
and Rule 102 of Regulation M

Dear Ms. Tao:

We are writing as counsel to ING Groep N.V. (“ING”), a public limited liability company (*Naamloze Vennootschap*) organized under the laws of The Netherlands, concerning the application of Regulation M under the Securities and Exchange Act of 1934 to transactions by ING and its affiliates (the “ING Affiliates”, and each an “ING Affiliate”) in bearer depositary receipts (“BDRs”) representing ordinary shares of ING (“ING Shares”) and American Depositary Shares representing BDRs in respect of ING Shares (“ING ADSs”), during the Capital Securities Offering (as defined below).

In December 2010, the Basel Committee on Banking Supervision (“announced higher global minimum capital standards for banks and introduced a new global liquidity standard and a new leverage ratio (“Basel III”). For European banks, the Basel III requirements are being implemented through the so-called Capital Requirements Regulation and Capital Requirements Directive IV (“CRD IV Regulation” and “CRD IV Directive”, respectively), which were adopted by the European Commission in June 2013 following approval by the European Parliament in April 2013. The CRD IV Regulation entered into force on June 28, 2013 and the CRD IV Directive on July 17, 2013, and all banks and investment firms in the EU are required to apply the new rules from January 1, 2014 in phases, with full implementation by January 1, 2019. On January 22, 2014, the Dutch Ministry of Finance and Ministry of National Security and Justice published a

proposal for implementation of the CRD IV Regulation and the CRD IV Directive (the “Dutch CRD IV Implementation Act”), and the related implementation decree entered into force on August 1, 2014. The Dutch Central Bank, *De Nederlandsche Bank N.V.* (“DNB”), enacted further specific regulations, which entered into force on January 1, 2014.

Following these developments, ING intends to offer (the “Capital Securities Offering”) perpetual contingent convertible capital securities (the “Capital Securities”) structured to qualify as additional Tier 1 capital for Dutch regulatory purposes. The DNB, the regulatory authority in The Netherlands that will determine the capital treatment of the Capital Securities, has reviewed the proposed terms of the Capital Securities. The most significant features of the Capital Securities for purposes of this request for relief are described in greater detail in Section III below. Most importantly, the Capital Securities would automatically and mandatorily convert into BDRs representing ING Shares and/or ING ADSs if ING’s ratio of common equity Tier 1 capital to total risk exposure amount (a risk-weighted measure calculated in accordance with applicable law and regulation and taking into account any transitional arrangements thereunder) falls below 7.0%. As at December 31, 2014, ING’s consolidated common equity Tier 1 ratio, based on ING’s interpretation of the rules as they are proposed to be implemented, was estimated to be 13.5%.

In July 2014, ING completed an initial public offering of NN Group N.V. (“NN Group”), through which it conducted its Europe and Japan focused insurance and investment management operations. As of March 20, 2015, ING owned approximately 54.6% of the share capital of NN Group, and is in the process of divesting its remaining interest in NN Group before the end of 2016 in accordance with ING’s restructuring plan agreed with the European Commission. To the extent that NN Group may be deemed to be an “affiliated purchaser” of ING, as defined in Rule 100 of Regulation M, NN Group and each of its affiliates shall be considered ING Affiliates for the purposes of this request for exemptive relief and the Market Activities (as defined below) shall include activities of NN Group and each of its affiliates.

Specifically, on behalf of ING, we ask the staff (the “Staff”) of the U.S. Securities and Exchange Commission (the “Commission”) to grant exemptive relief from Rule 101 and Rule 102 of Regulation M to permit ING and the ING Affiliates to continue to engage, in the ordinary course of their respective businesses as described below and in accordance with applicable local law, in the following activities during the Restricted Period (as defined below).

- ***Market Making and Principal Client Facilitation in BDRs Representing ING Shares:*** ING Bank N.V. (“ING Bank”) regularly makes bids and offers for BDRs representing ING Shares on Euronext Amsterdam by Euronext N.V. (“Euronext Amsterdam”) and regularly purchases and sells

BDRs representing ING Shares on Euronext Amsterdam and in the over-the-counter market in The Netherlands (and, in some cases, elsewhere outside the United States). ING Bank effects these transactions for its own account in order to provide liquidity to the trading market for BDRs representing ING Shares and to facilitate customer transactions.

- ***Derivatives Market Making and Hedging:*** As derivatives market makers, certain ING Affiliates (the “Derivatives Market-Making Affiliates”), including ING Bank, ING Belgium SA and ING Re (Netherlands) N.V., create, redeem, issue, buy and sell derivatives on BDRs representing ING Shares for their own accounts and for the account of their customers. These derivatives may include both currently existing and newly designed listed and over-the-counter options, warrants, convertible securities and other structured products (including exchange-traded funds and other portfolio-type instruments) relating to ING Shares or to baskets or indices including ING Shares, as well as futures on the foregoing. The Derivative Market-Making Affiliates engage in derivatives market-making activities in order to provide liquidity to the derivatives market and to facilitate customers’ derivatives transactions. In addition, certain ING Affiliates (the “Hedging Affiliates”), including ING Bank and ING Belgium SA, solicit and effect trades in BDRs representing ING Shares for their own accounts for the purpose of hedging positions (or adjusting or liquidating existing hedge positions) of the Derivatives Market-Making Affiliates that are established in connection with their derivatives market-making activities. The market activities of the Derivatives Market-Making Affiliates and the Hedging Affiliates are conducted outside the United States and primarily in The Netherlands and Belgium through the facilities of Euronext Amsterdam and through over-the-counter transactions.
- ***Unsolicited Brokerage in BDRs Representing ING Shares, ING ADSs and Derivatives on BDRs Representing ING Shares and ING ADSs:*** Certain ING Affiliates (the “Brokerage Affiliates”), including ING Bank, ING DIBA AG, Nationale-Nederlanden Bank N.V., ING Securities S.A. w Warszawie, ING Bank Slaski S.A., ING Luxembourg S.A. and ING Financial Markets LLC, the U.S. broker-dealer mentioned below, effect unsolicited brokerage transactions in BDRs representing ING Shares, ING ADSs and derivatives on BDRs representing ING Shares and ING ADSs by placing orders primarily on Euronext Amsterdam, the New York Stock Exchange (“NYSE”), International Securities Exchange (“ISE”), NASDAQ stock exchange (“NASDAQ”), Philadelphia Stock Exchange (“PBWE”), Chicago Board of Options Exchange (“CBOE”), Pacific Coast Stock Exchange (“PCSE”), Boston Stock Exchange (“BSE”), Frankfurt

Stock Exchange (XETRA trading system), Borsa Italiana or effecting trades in the over-the-counter market, in particular in The Netherlands, Belgium, the United Kingdom, Italy, France, Germany and Spain. These transactions arise from unsolicited buy or sell orders received by the Brokerage Affiliates from their customers. In addition, ING's affiliated U.S. broker-dealer, ING Financial Markets LLC, may also engage in unsolicited brokerage activities of the kind described above with its customers in the United States. We ask that the requested exemptive relief also cover such activities.

- ***Banking-Related Activities:*** Certain ING Affiliates conducting retail and commercial banking services, including ING Bank, ING DIBA AG, ING Belgium SA, Nationale-Nederlanden Bank N.V., ING Securities S.A. w Warszawie, Record Bank, ING Luxembourg S.A., ING Bank Slaski S.A. and ING Bank A.S., and certain ING Affiliates conducting private banking activities in Europe and in Asia, including ING Bank Switzerland S.A. and ING Bank Luxembourg S.A. (together, the "Banking Affiliates"), engage in the marketing and sale of investment products, including funds which may include BDRs representing ING Shares, to banking customers. In addition, the Banking Affiliates provide investment advice and financial planning guidance to banking customers, and this advice and guidance may include information which would assist customers in determining whether to purchase or sell BDRs representing ING Shares. The market activities of the Banking Affiliates are conducted outside the United States and primarily in The Netherlands, Belgium, Luxembourg, Germany, Poland, Romania, Spain, Turkey, Singapore and the United Kingdom. The purchases of or bids for BDRs representing ING Shares which may be deemed to result from these market activities may occur on any number of exchanges or in over-the-counter transactions around the world.
- ***Trading in BDRs Representing ING Shares, ING ADSs and Derivatives on BDRs Representing ING Shares and ING ADSs by Asset Managers:*** Certain ING Affiliates (the "Asset Managers"), including ING Fund Management B.V., ING Luxembourg S.A., ING Investment Management Advisors B.V., ING Asset Management B.V., ING AM Insurance Companies B.V., NN Inter Finance B.V., ING Investment Management Belgium S.A. and ING Investment Management Luxembourg S.A. manage the assets of mutual funds, pension funds, insurance general accounts, group trusts, commingled funds and institutional and individual portfolios. ING AM Insurance Companies B.V. is a subsidiary of ING Investment Management (Europe) B.V. and is expected to merge into ING

Fund Management B.V. on or around April 15, 2015. Following such merger, a portion of the asset management business (e.g., execution-only services) of ING and NN Group will be conducted through ING Investment Management Advisors B.V., which is registered as an investment advisor with the Commission. As part of their ordinary investment management activities on behalf of their clients (including various ING Affiliates), the Asset Managers may buy and sell BDRs representing ING Shares and ING ADSs, as well as derivatives thereon, for their clients' accounts. Likewise, the Asset Managers may follow index, index-based or quantitative strategies that include ING Shares, ING ADSs or derivatives thereon. The market activities of the Asset Managers are conducted outside the United States, primarily in The Netherlands, the United Kingdom, Belgium and Luxembourg through the facilities of Euronext Amsterdam.

- ***Stock Borrowing and Lending and Taking Collateral:*** Certain ING Affiliates (the "Stock Borrowing and Lending Affiliates"), including ING Bank, ING Belgium SA, ING Fund Management B.V., ING Investment Management Luxembourg S.A., and ING Financial Markets LLC, borrow and lend securities, including BDRs representing ING Shares and ING ADSs, from and to customers (including ING Affiliates) as part of stock lending transactions in the ordinary course of business. In some circumstances, a customer may purchase BDRs representing ING Shares or ING ADSs from a third party in anticipation of lending them to a Stock Borrowing and Lending Affiliate, or a customer may arrange for a third party to purchase BDRs representing ING Shares or ING ADSs after the customer has borrowed them from a Stock Borrowing and Lending Affiliate. In addition, certain ING Affiliates (the "Collateral-Taking Affiliates"), including ING Bank, ING Belgium SA, ING Fund Management B.V., ING Investment Management Luxembourg S.A., and ING Financial Markets LLC, may accept BDRs representing ING Shares or ING ADSs as collateral for loans made by an ING Affiliate. In the event that the borrower defaults on a loan, ING may foreclose on the collateral and in some circumstances dispose of it, including by selling it in the market. The market activities of the Stock Borrowing and Lending Affiliates and the Collateral-Taking Affiliates are conducted outside the United States, primarily in The Netherlands and the United Kingdom. The purchases of or bids for BDRs representing ING Shares or ING ADSs which may be deemed to result from these market activities may occur on any number of exchanges or in over-the-counter transactions around the world and principally on Euronext Amsterdam and the NYSE. In addition, ING Financial Markets LLC may engage in stock borrowing and

lending and collateral taking activities in the United States and we ask that the requested exemptive relief also cover such activities.

- ***Trading by Insurance Affiliates:*** In the ordinary course of business, certain ING Affiliates (the “ING Insurance Affiliates”), including ING Towarzystwo Ubezpieczen na Zycie S.A., ING Biztosító Zártkörűen Működő Részvénytársaság and ING Asigurari de Viata, S.A., ING Bank, ING Luxembourg S.A. and ING Life Luxembourg S.A., sell insurance products requiring the insurer to invest the premiums paid by the purchaser of the policies in equities and other investments. Investments may be made in funds or indices that include BDRs representing ING Shares or in BDRs representing ING Shares. The ING Insurance Affiliates do not provide any investment advice to purchasers with respect to the investments that may be selected by the customer. The market activities of the ING Insurance Affiliates for which exemptive relief is sought are conducted outside the United States, primarily in Poland, Hungary, Luxembourg and Romania.

The availability of the exemptive relief that ING is requesting would be conditioned on the disclosure and record-keeping undertakings outlined in Section IV below.

ING has provided us with, and authorized us to make on its behalf, the factual representations set forth in this letter about the market for BDRs representing ING Shares and ING ADSs and the Market Activities of ING and the ING Affiliates.¹

¹ ING regularly issues BDRs representing ING Shares pursuant to the “Share Based Payment Procedure” adopted by ING in order to provide funding for the employee option and performance share programmes implemented throughout the group. The issuance of BDRs representing ING Shares is aimed to facilitate the grant of awards or the exercise of options pursuant to the terms of the employee performance share and option programmes. These activities are conducted outside the United States through the facilities of Euronext Amsterdam. These issuances of BDRs representing ING Shares historically have represented a small portion of all trading in BDRs representing ING Shares and, on a daily basis, have generally not exceeded 10% of the daily trading volume on Euronext Amsterdam. For the 12 months ended December 31, 2014, the average daily issuing volume of BDRs representing ING Shares traded pursuant to these activities represented approximately 0.21% of the worldwide average daily trading volume of BDRs representing ING Shares. To the extent the purchases of or bids for BDRs representing ING Shares or ING ADSs may be deemed to result from these market activities, we ask that the requested exemptive relief also cover such activities.

I. The Market for the BDRs Representing ING Shares

The BDRs representing ING Shares are listed on Euronext Amsterdam and, in the form of ADSs, the NYSE.

As of December 31 2014, ING had, issued and outstanding, 3,858,662,094 ING Shares, represented by 3,743,676,006 BDRs. For the 12 months ended December 31, 2014, the worldwide average daily trading volume² of BDRs representing ING Shares was approximately 33,809,321 BDRs, or EUR 361.1 million (or approximately USD 436.9 million at the exchange rate reported by Bloomberg at 5 pm in New York City on December 31, 2014³) in value. As of December 31, 2014, ING's aggregate market capitalization was approximately EUR 41.8 billion (or approximately USD 50.6 billion at the exchange rate reported by Bloomberg at 5 pm in New York City on December 31, 2014), and ING was the third largest listed Dutch company in terms of market capitalization.

Euronext Amsterdam is the principal trading market for BDRs representing ING Shares. For the 12 months ended December 31, 2014, Euronext Amsterdam accounted for approximately 54.91% of the worldwide average daily trading volume in BDRs representing ING Shares. For the 12 months ended December 31, 2014, the average daily trading volume of BDRs representing ING Shares on Euronext Amsterdam was approximately 18,560,801 BDRs, or EUR 195.3 million (or approximately USD 236.3 million at the exchange rate reported by Bloomberg at 5 pm in New York City on December 31, 2014) in value.

Euronext Amsterdam is a component exchange of Euronext N.V., a pan-European exchange group that operates equity, fixed income securities and derivative markets in Paris, Amsterdam, Brussels, Lisbon and London. The listing of securities on Euronext Amsterdam is subject to Euronext's own admission and disclosure rules as set out in Euronext Rule Book I and II. Pursuant to the Dutch Financial Supervision Act, the market abuse regime in The Netherlands, which is described in further detail in Section V of this letter, applies to persons who, *inter alia*, conduct or effect a transaction in financial instruments admitted to trading on a regulated market such as Euronext Amsterdam.

² Worldwide average daily trading volume and all other average daily trading volume figures included in this letter have been calculated by reference to aggregate average daily trading volumes on the Euronext Amsterdam (including the Euronext Brussels), NYSE, Chi-X, Turquoise, TOM Amsterdam, BATS and Equiduct, which ING believes comprise substantially all average daily trading volumes in BDRs representing ING Shares and/or ING ADSs.

³ The EUR to USD exchange rate reported by Bloomberg at 5pm in New York City on December 31, 2014 was EUR 1 = USD 1.2098.

The BDRs representing ING Shares are a significant component of the following indices: (i) the Amsterdam Exchange Index (the "AEX Index"), which is a free float market capitalization weighted index that reflects the performance of the 25 largest and most actively traded shares listed on Euronext Amsterdam, and is the most widely used indicator of the Dutch stock market, (ii) the Dow Jones Euro Stoxx 50 Index (the "DJ Euro Stoxx 50 Index"), which is a free-float market capitalization-weighted index of 50 European blue-chip stocks from 12 Eurozone countries designed by STOXX Ltd., and (iii) the Dow Jones Euro Stoxx Insurance Index (the "DJ Euro Stoxx Insurance Index"), which is a capitalization-weighted index of 16 European insurance stocks designed by STOXX Ltd. As of December 31, 2014, the BDRs representing ING Shares comprised 11.49% of the AEX Index, 2.25% of the DJ Euro Stoxx 50 Index and 9.74% of the DJ Euro Stoxx Insurance Index.

The BDRs representing ING Shares are also traded on a number of alternative markets. For the 12 months ended December 31, 2014, Chi-X, a London-based MTF regulated by the UK Financial Conduct Authority, accounted for approximately 27.15% of the worldwide average daily trading volume in BDRs representing ING Shares. For the 12 months ended December 31, 2014, the average daily trading volume of BDRs representing ING Shares on Chi-X was approximately 9,176,782 BDRs, or EUR 96.8 million (or approximately USD 117.1 million at the exchange rate reported by Bloomberg at 5 pm in New York City on December 31, 2014) in value. For the 12 months ended December 31, 2014, Turquoise, a London-based MTF regulated by the UK Financial Conduct Authority, accounted for approximately 7.22% of the worldwide average daily trading volume in BDRs representing ING Shares. For the 12 months ended December 31, 2014, the average daily trading volume of BDRs representing ING Shares on Turquoise was approximately 2,438,823 BDRs, or EUR 25.8 million (or approximately USD 31.2 million at the exchange rate reported by Bloomberg at 5 pm in New York City on December 31, 2014) in value.

In June 1997, ING listed the BDRs representing ING Shares on the NYSE in the form of ADSs. ING is a foreign private issuer as defined in Rule 3b-4(c) under the Exchange Act and is subject to the information reporting requirements of the Exchange Act. For the 12 months ended December 31, 2014, the NYSE accounted for approximately 5.70% of the worldwide average daily trading volume in BDRs representing ING Shares in the form of ADSs. For the 12 months ended December 31, 2014, the average daily trading volume of BDRs representing ING Shares in the form of ADSs on the NYSE was approximately 1,927,465 BDRs, or EUR 26.9 million (or approximately USD 32.6 million at the exchange rate reported by Bloomberg at 5 pm in New York City on December 31, 2014) in value.

II. The Market Activities for Which Relief is Sought

ING is a global financial institution of Dutch origin, with offices worldwide and its principal executive offices in Amsterdam, The Netherlands. ING's business consists of Retail Banking and Commercial Banking segments, while ING's equity interests in NN Group is held as discontinued operations.

ING Bank conducts a full-service securities business. Although ING Bank has offices throughout the world outside the United States (including in London, Amsterdam, Brussels, Moscow, Warsaw, Budapest, Bucharest, Prague and Istanbul), its principal executive offices are located in Amsterdam, and the market activities for which ING is seeking exemptive relief will be managed principally by representatives in London, Amsterdam and Brussels. ING Bank's activities are subject to detailed comprehensive supervision in all jurisdictions in which ING Bank conducts business. The Dutch regulatory system for financial supervisions consists of prudential supervision — monitoring the soundness of financial institutions and the financial sector, and conduct-of-business supervision — regulating institutions' conduct in the markets. Prudential supervision is exercised by the DNB, while conduct-of-business supervision is performed by the Netherlands Authority for the Financial Markets, *Stichting Autoriteit Financiële Markten* (“AFM”).

In the United States, ING conducts a securities business through its affiliated broker-dealer, ING Financial Markets LLC. ING Financial Markets LLC is registered with the Commission as a broker-dealer and is a member of the Financial Industry Regulatory Authority. ING Financial Markets LLC is also a member of the NYSE. ING Financial Markets LLC will not engage in the ING activities for which ING is seeking exemptive relief, other than unsolicited brokerage and stock borrowing and lending and taking collateral.

ING Investment Management (Europe) B.V. (which will change its name to NN Investment Partners effective April 2015), through its constituent advisory entities (“ING IM Europe”), is the principal proprietary asset manager for ING Insurance Europe. ING IM Europe also manages equity, fixed income and structured investments for institutional investors and SICAVs (*société d'investissement à capital variable*), UCITS (*Undertakings for Collective Investment in Transferable Securities*) or other investment funds sold by various ING companies, including ING Bank, ING Belgium SA, Nationale-Nederlanden Bank N.V., ING Luxembourg S.A., Nationale-Nederlanden Levensverzekering Maatschappij N.V., Nationale-Nederlanden Schadeverzekering Maatschappij N.V., AZL N.V. and third party distributors. ING IM Europe conducts its activities outside the United States.

ING Investment Management Asia Pacific, through its constituent advisory entities (“ING IM Asia”), manages assets in a diverse mix of public fixed

income, private placements, commercial mortgages and alternative assets. Third party assets are managed in a wide range of investment styles and portfolios, including: domestic and international equity portfolios of various values, blend and growth styles and of small, mid- and large capitalization, domestic and international fixed income portfolios across the major bond and loan market sectors, balanced portfolios, hedge funds, funds of funds and private equity. ING IM Asia conducts its activities outside the United States.

ING has confirmed that the activities described below, for which it is requesting exemptive relief (the “Market Activities”), are permitted under and would be conducted in accordance with applicable Dutch and other local laws. In addition, ING has confirmed that all of the Market Activities described below together (counting all sides of each trade in which it participates) accounted for approximately 17.52% of the worldwide average daily trading volume in BDRs representing ING Shares for the 12 months ended December 31, 2014.

ING has established “Information Barrier” procedures to prevent price-sensitive information from passing between any area in which the Market Activities are conducted and any other area of ING in which price sensitive information relating to BDRs representing ING Shares would be available. Accordingly, during restricted periods prior to announcements of earnings results or other material developments that have not yet become public, all market-making and other ordinary course Market Activities are permitted to continue. ING will continue to maintain these Information Barrier procedures during the Capital Securities Offering.

Market Making and Principal Client Facilitation in BDRs Representing ING Shares. ING Bank conducts market-making activities with respect to BDRs representing ING Shares outside the United States and manages these activities from Amsterdam, Brussels and London. ING Bank purchases and sells BDRs representing ING Shares as principal to facilitate customer transactions and for its own account in order to provide liquidity to the trading market. Most of these activities are effected on Euronext Amsterdam. During the 12 months ended December 31, 2014, these activities accounted for approximately 3.82% of the worldwide average daily trading volume in BDRs representing ING Shares. ING Bank engages in the Market Activities described above solely in the ordinary course of business and not in contemplation of the Capital Securities Offering.

Derivatives Market Making and Hedging. As derivatives market-makers, the Derivatives Market-Making Affiliates create, redeem, issue, buy and sell derivatives and other structured products relating to various securities, including BDRs representing ING Shares, for their own accounts and for the accounts of their customers. These derivatives and structured products, which may be cash-settled and/or physically-settled, include listed and over-the-counter options, warrants, convertible securities, futures,

forwards, swaps, index futures, exchange-traded funds and similar products relating to BDRs representing ING Shares or to baskets or indices including BDRs representing ING Shares. Some of these derivatives and structured products are designed by the Derivatives Market-Making Affiliates for sale to multiple customers ("ING-Designed Derivatives"), while others are custom-made products that the Derivatives Market-Making Affiliates create based on the specifications of the individual customer or customers to whom the product will be sold ("Customer-Designed Derivatives"). Customer-Designed Derivatives may be linked directly to the performance of individual securities, including BDRs representing ING Shares, or to baskets or indices of securities which may include BDRs representing ING Shares. ING-Designed Derivatives are not linked to the performance of individual securities, but some are linked to indices or to baskets of securities which may include ING Shares. In connection with the redemption of derivatives or other structured products described in this paragraph, Derivatives Market-Making Affiliates may also purchase BDRs representing ING Shares in order to deliver them to the derivative counterparties. The Derivatives Market-Making Affiliates engage in these derivative market-making activities in order to provide liquidity to the derivatives market and to facilitate customers' derivatives transactions.

In addition, the Hedging Affiliates solicit and effect trades in BDRs representing ING Shares for their own accounts for the purpose of hedging positions (or adjusting or liquidating existing hedge positions) of the Derivatives Market-Making Affiliates that are established in connection with the derivatives market-making activities described above.

The Derivatives Market-Making Affiliates and the Hedging Affiliates engage in their Market Activities solely in the ordinary course of business and not in contemplation of the Capital Securities Offering. These Market Activities are conducted outside the United States and primarily in The Netherlands and Belgium through the facilities of Euronext Amsterdam and through over-the-counter transactions. During the 12 months ended December 31, 2014, these Market Activities conducted by the Derivatives Market-Making Affiliates and the Hedging Affiliates regarding BDRs representing ING Shares and derivatives thereon amounted to approximately 0.97% of the worldwide average daily trading volume in BDRs representing ING Shares.

Unsolicited Brokerage in BDRs Representing ING Shares, ING ADSs and Derivatives on BDRs Representing ING Shares and ING ADSs. In connection with their retail and/or wholesale banking services, the Brokerage Affiliates effect unsolicited brokerage transactions in BDRs representing ING Shares, ING ADSs and derivatives on BDRs representing ING Shares and ING ADSs by placing orders primarily on Euronext Amsterdam, NYSE, ISE, NASDAQ, PBWE, CBOE, PCSE, BSE, Frankfurt Stock Exchange (XETRA trading system), Borsa Italiana or effecting trades in the over-the-counter market, in particular in The Netherlands, Belgium, the United Kingdom, Italy, France, Germany and Spain. These transactions arise from unsolicited buy and sell

orders received from their customers. The Brokerage Affiliates generally conduct these transactions as agents or riskless principals.

As noted above, ING Financial Markets LLC may also engage in unsolicited brokerage transactions in BDRs representing ING Shares or ING ADSs with their customers in the United States. These transactions would be effected in the United States markets or in the non-U.S. markets described above. ING also asks for exemptive relief to permit ING Financial Markets LLC to engage in unsolicited brokerage activities in the normal course of business in the United States as described in this letter.

The Brokerage Affiliates engage in the Market Activities described above solely in the ordinary course of their respective businesses and not in contemplation of the Capital Securities Offering. For the 12 months ended December 31, 2014, the unsolicited brokerage activities of the Brokerage Affiliates in respect of BDRs representing ING Shares and ING ADSs accounted for approximately 11.42% of the worldwide average daily trading volume of BDRs representing ING Shares.

Banking-Related Activities. The Banking Affiliates provide a number of banking services to retail, commercial and private banking customers. These services include the marketing and sale of certain investment products, including funds which may contain BDRs representing ING Shares, to banking customers. Some of these funds are managed by ING Affiliates who are asset managers, while others are managed by third-party fund managers. In addition, the Banking Affiliates provide investment advice and financial planning guidance to banking customers. This advice and guidance may include providing information which would assist customers in determining whether to purchase or sell BDRs representing ING Shares. The Banking Affiliates are not necessarily bound by fiduciary duties or specific contractual obligations in giving this advice or guidance. However, the Banking Affiliates have enacted internal policies and procedures which prohibit them from making a recommendation to customers as to whether they should purchase or sell BDRs representing ING Shares; the affiliates provide only objective information about BDRs representing ING Shares and/or a summary of the views of a fixed group of research analysts who publish information about ING.

The Banking Affiliates engage in the Market Activities described above solely in the ordinary course of business and not in contemplation of the Capital Securities Offering. These Market Activities are conducted outside the United States and primarily in The Netherlands, Belgium, Luxembourg, Germany, Poland, Romania, Spain, Turkey, Singapore and the United Kingdom. The purchases of or bids for BDRs representing ING Shares which may be deemed to result from these Market Activities may occur on any of a number of exchanges or in over-the-counter transactions around the world. For the 12 months ended December 31, 2014, the banking-related activities of the Banking Affiliates in respect of BDRs representing ING Shares were conducted

through the Brokerage Affiliates and are included in the figures provided above for the unsolicited brokerage activities.

Trading in BDRs Representing ING Shares, ING ADSs and Derivatives on BDRs Representing ING Shares and ING ADSs by Asset Managers. As part of their asset management activities, the Asset Managers buy and sell securities, which may include BDRs regarding ING Shares, ING ADSs and derivatives on BDRs regarding ING Shares and ING ADSs, for their clients' accounts pursuant to various mandates, including actively managed portfolios, growth, quantitative or passive strategies. Under applicable laws, including Dutch laws, and subject to the terms of any contractual arrangements as in effect from time to time between the Asset Managers and the relevant client accounts, the Asset Managers have a fiduciary duty to oversee client accounts in a manner that is in the best interests of its clients. With respect to assets managed on behalf of clients, the Asset Managers are generally prohibited by contract and/or by law from making investment decisions based on any factors other than the interest of the beneficiaries of client accounts.

Accordingly, the Asset Managers would generally be prohibited by contract and/or by law from following a directive by ING to cease trading BDRs representing ING Shares, ING ADSs or derivatives on BDRs representing ING Shares and ING ADSs during the Restricted Period (except where necessary in order to comply with applicable law), unless the Asset Managers believed that cessation of such trading was in the best interests of the beneficiaries of client accounts. Similarly, the Asset Managers would generally be prohibited by contract and/or by law from following an ING directive to bid for or purchase BDRs representing ING Shares, ING ADSs or derivatives on BDRs representing ING Shares and ING ADSs unless they independently concluded that such bids or purchases were in the best interests of the beneficiaries of client accounts. Moreover, where an Asset Manager is following an index, index-based or quantitative strategy that may include BDRs representing ING Shares, ING ADSs or derivatives on BDRs representing ING Shares or ING ADSs, altering the investment or sale decisions based on an ING directive would be inconsistent with the portfolio guidelines.

These Market Activities are conducted outside the United States primarily in The Netherlands, the United Kingdom, Belgium and Luxembourg through the facilities of Euronext Amsterdam.

For the 12 months ended December 31, 2014, these activities of the Asset Managers in respect of BDRs representing ING Shares and ING ADSs accounted for approximately 0.59% of the worldwide average daily trading volume of BDRs representing ING Shares, and were executed in part through the Brokerage Affiliates and are included in the figures provided above in connection with the unsolicited brokerage

activities. The Asset Managers engage in these Market Activities solely in the ordinary course of business and not in contemplation of the Capital Securities Offering.

Stock Borrowing and Lending and Taking Collateral. The Stock Borrowing and Lending Affiliates engage in stock lending transactions with their customers (including ING Affiliates) in order to facilitate the settlement of trades, coverage of short positions and other transactions for which borrowed securities are commonly used. These stock lending transactions are conducted at the request of the customer and involve the securities designated by the customer, which may include BDRs representing ING Shares or ING ADSs. In some circumstances, a customer may purchase BDRs representing ING Shares or ING ADSs from a third party in anticipation of lending them to a Stock Borrowing and Lending Affiliate, or a customer may arrange for a third party to purchase BDRs representing ING Shares or ING ADSs after the customer has borrowed them from a Stock Borrowing and Lending Affiliate.

In addition, the Collateral-Taking Affiliates accept various forms of security, which may include BDRs representing ING Shares and ING ADSs, as collateral for loans made by those units or by other ING Affiliates. These loans are generally made either in connection with margin trading or as part of ING retail and commercial banking activities. In the event that the borrower defaults on a loan, ING may foreclose on the collateral and in some circumstances dispose of it, including by selling it in the market.

These Market Activities are conducted outside the United States primarily in The Netherlands and the United Kingdom. The purchases of or bids for BDRs representing ING Shares or ING ADSs which may be deemed to result from these market activities may occur on any number of exchanges or in over-the-counter transactions around the world and principally on Euronext Amsterdam and NYSE.

In addition, ING Financial Markets LLC may engage in these activities in the United States through the facilities of the NYSE. ING also asks for exemptive relief to permit ING Financial Markets LLC to engage in stock borrowing and lending and collateral taking activities in respect of BDRs regarding ING Shares or ING ADSs in the normal course of business in the United States as described in this letter.

For the 12 months ended December 31, 2014, these activities of the Stock-Borrowing and Lending Affiliates and the Collateral-Taking Affiliates in respect of BDRs representing ING Shares and ING ADSs accounted for approximately 0.51% of the worldwide average daily trading volume of BDRs representing ING Shares. The Stock Borrowing and Lending Affiliates and the Collateral-Taking Affiliates engage in their Market Activities solely in the ordinary course of business and not in contemplation of the Capital Securities Offering.

Trading by Insurance Affiliates. In the ordinary course of business, the ING Insurance Affiliates sell insurance products requiring the insurer to invest the premiums paid by the purchaser of the policies in equities and other investments. The ING Insurance Affiliates purchase funds or indices that may include BDRs representing ING Shares and may purchase BDRs representing ING Shares, in connection with investing premiums paid by their customers for certain policies. The ING Insurance Affiliates conduct these activities outside the United States, primarily in Poland, Hungary, Luxembourg and Romania.

The ING Insurance Affiliates have a fiduciary duty to the purchasers of such policies to oversee the investments with respect to those policies in a manner that is in the best interests of those purchasers. The ING Insurance Affiliates may not take into account any factors other than the interests of its insureds in making investment decisions under these policies. Accordingly, the ING Insurance Affiliates would be prohibited from following, with respect to certain of their policies, a directive by ING to cease trading in funds or indices that included BDRs representing ING Shares during the Restricted Period, unless such a halt in trading were in the best interests of the purchasers of those policies. Similarly, the ING Insurance Affiliates would be prohibited from following an ING directive to trade in funds or indices that included BDRs representing ING Shares unless the ING Insurance Affiliates independently concluded that such bids or purchases were in the best interests of their insureds under such policies.

For the 12 months ended December 31, 2014, these activities of the ING Insurance Affiliates in respect of BDRs representing ING Shares were executed through the Asset Managers and are included in the figures provided above in connection with the asset management activities. The ING Insurance Affiliates engage in their Market Activities solely in the ordinary course of business and not in contemplation of the Capital Securities Offering.

ING Bank and the other ING Affiliates mentioned above engage in the Market Activities described above solely in the ordinary course of its business and not in contemplation of the Offerings.

III. The Capital Securities Offering

On March 19, 2015, ING filed a new shelf Registration Statement on Form F-3 to register the Capital Securities, which became effective upon filing in accordance with the rules of the Commission. Pursuant to the rules of the Commission, ING then plans to file a prospectus supplement pursuant to Rule 424(b) reflecting the specific terms of the Capital Securities. The features of the Capital Securities reflect requirements for capital treatment under the CRD IV Regulation, CRD IV Directive and Dutch CRD IV Implementation Act:

1. *Automatic Conversion.* The Capital Securities would automatically and mandatorily convert to BDRs representing ING Shares or ING ADSs only upon a capital adequacy-related trigger event, defined in this instance as occurring at any time when ING's ratio of common equity Tier 1 capital to total risk exposure amount (a risk-weighted measure calculated in accordance with applicable law and regulation and taking into account any transitional arrangements thereunder) falls below 7.0% (the "Trigger Event"). The Capital Securities are not convertible at the option of the holders or ING at any time, nor is conversion otherwise automatic or mandatory (subject to the statutory write-down and/or conversion powers of applicable Dutch authorities).
2. *No Maturity Date.* The Capital Securities have no fixed maturity or redemption date, and are instead perpetual instruments (though they are callable by ING at certain intervals or after a certain period, subject to regulatory approval).
3. *Interest Payments Discretionary.* Interest on the Capital Securities may generally be paid at periodic intervals, subject to the availability of distributable reserves and the solvency of ING. In addition, ING must, in its sole discretion, have the right not to make interest payments at any time. Failure to pay interest cannot be an event of default.
4. *Subordination.* The Capital Securities are subordinated to all securities, instruments and other obligations of ING other than those expressed to rank pari passu with the Capital Securities.

The Capital Securities will be issued pursuant to an indenture qualified under the Trust Indenture Act of 1939, as amended. In addition, the Capital Securities will be governed by New York law, except that, as is customary for regulatory capital instruments issued by international banking groups, the subordination and set-off provisions will be governed by the law of ING's jurisdiction of incorporation, The Netherlands.

ING expects that the Capital Securities will be marketed exclusively to institutional investors, especially those focused on subordinated regulatory bank capital and similar fixed income products. ING expects the issue price of the Capital Securities to be based primarily on a spread above an appropriate benchmark to reflect ING's credit risk, rather than on the current and expected trading price of BDRs representing ING Shares and/or ING ADSs.

IV. Application of Regulation M

In connection with the Capital Securities Offering, ING, directly or through underwriters (as defined under the Securities Act), will offer the Capital Securities which, under certain very limited circumstances, could automatically and mandatorily convert into BDRs representing ING Shares and/or ING ADSs. Although ING expects that the Capital Securities will be priced and trade more like traditional fixed-income debt instruments than conventional convertible instruments, the BDRs representing ING Shares may be deemed to be "reference securities" in relation to the Capital Securities pursuant to Rule 100 of Regulation M. As a result, the BDRs representing ING Shares and/or ING ADSs may be deemed to be "covered securities" for purposes of the Capital Securities Offering.

The underwriters and ING will determine the issue price for the Capital Securities following a period of meetings and discussions with prospective investors. ING believes that, under Regulation M, the restricted period for the distribution (the "Restricted Period") will begin one business day prior to the determination of the issue price, and will end upon the completion of the distribution of the Capital Securities in the United States. Accordingly, the Restricted Period for ING and the ING Affiliates is expected to last up to several days.

If the Trigger Event occurs and the Capital Securities convert into BDRs representing ING Shares and/or ING ADSs, the ratio at which the conversion occurs will be determined by reference to the market price of BDRs representing ING Shares and/or ING ADSs on or about the date on which the conversion occurs, subject to a floor price.

Subject to enumerated exceptions, Rule 102 of Regulation M makes it unlawful for an issuer or affiliated purchaser, directly or indirectly, to bid for, purchase, or attempt to induce any person to bid for or purchase a covered security during the applicable restricted period. Accordingly, if BDRs representing ING Shares and/or ING ADSs are considered covered securities, the Market Activities of ING and the ING Affiliates may be subject to Rule 102 of Regulation M throughout the Restricted Period, except to the extent that any of them acts as a "distribution participant" subject to Rule 101 of Regulation M.

As subsidiaries or separately identifiable departments of ING that regularly purchase securities for their own accounts and the accounts of others or recommend and exercise investment discretion with respect to the purchase of securities, ING Affiliates may be deemed to be "affiliated purchasers" of the issuer, as defined in Rule 100 of Regulation M. As such, Market Activities of the ING Affiliates will be subject to Rule 102 throughout the Restricted Period, except to the extent that any of them acts as a "distribution participant" subject to Rule 101, and we therefore request

exemptive relief for the Market Activities under both Rule 101 and Rule 102 of Regulation M.

ING Financial Markets LLC will participate in the Capital Securities Offering as one of several joint lead managers and one of two joint structuring coordinators. Accordingly, ING Financial Markets LLC will be a "distribution participant" in the Capital Securities Offering and its Market Activities will be subject to Rule 101 during the Restricted Period, at least until it completes its participation, after which it will be subject to Rule 102 as an affiliated purchaser until the Restricted Period ends. ING Financial Markets LLC's activities in furtherance of the Capital Securities Offering will be conducted in such a manner as to be exempt by virtue of Rule 102(b)(5). For the Market Activities of ING Financial Markets LLC described in this letter and conducted otherwise than in furtherance of the Capital Securities Offering, we request exemptive relief under both Rule 101 and Rule 102 under Regulation M, whichever may apply.

Under both Rule 101 and Rule 102 of Regulation M, without the requested exemptive relief the ING Affiliates will not be permitted to bid for or purchase, or attempt to induce any person to bid for or purchase, BDRs representing ING Shares or ING ADSs during the Restricted Period unless one of the specified exceptions under the applicable rule is available.⁴ There are no exceptions available under Rule 101 or Rule 102 that would permit the ING Affiliates to engage in the Market Activities. Therefore, without the requested exemptive relief, the ING Affiliates would not be permitted to engage in the Market Activities for the duration of the Restricted Period.

ING believes that the withdrawal of ING Bank as one of the principal market makers in BDRs representing ING Shares on Euronext Amsterdam and the suspension of the principal client facilitation activities for the duration of the Restricted Period may have harmful effects in the home market, and, indirectly, in the U.S. market, for the BDRs representing ING Shares. These effects could include an imbalance of buy and sell orders, and thus greater volatility and reduced liquidity.

As ING is a significant market-maker in derivatives on BDRs representing ING Shares, if the Derivatives Market-Making Affiliates and Hedging Affiliates are

⁴ While derivatives on BDRs representing ING Shares and ING ADSs generally would not be "covered securities" under Regulation M, the trading in derivatives that the Derivatives Market-Making Affiliates, Hedging Affiliates, Brokerage Affiliates and Asset Managers conduct may, in some cases, be regarded as involving inducements to purchase BDRs representing ING Share or ING ADSs. To avoid uncertainty, we ask that the exemptive relief we are requesting apply to the derivatives trading and other market activities in derivatives on BDRs representing ING Shares and ING ADSs described in this letter.

precluded from conducting market-making activities in the derivatives or from effecting hedging transactions in BDRs representing ING Shares relating to the derivatives, the application of Regulation M could have adverse effects on the market for such derivatives worldwide, as well as on the Hedging Affiliates' ability to manage hedge positions maintained by them previously established in connection with this activity. These derivatives market-making and hedging activities historically have represented a small portion of all trading in BDRs representing ING Shares, and ING believes that these activities will not have a significant effect on the market price of BDRs representing ING Shares.

The Brokerage Affiliates may be unable to execute brokerage orders in BDRs representing ING Shares or ING ADSs submitted by their customers in the normal course, thereby forcing their customers to take their orders elsewhere or to refrain from trading in BDRs representing ING Shares or ING ADSs. It would be a significant burden on these customers to require them to transfer their BDRs representing ING Shares or ING ADSs to a securities account elsewhere or to have the Brokerage Affiliates place orders with another bank, in order to make trades with respect to BDRs representing ING Shares or ING ADSs.

The marketing and sale of funds that include BDRs representing ING Shares by the Banking Affiliates would in many cases qualify as basket transactions for purposes of the exemption provided by Rule 101(b)(6). The funds in many cases contain a minimum of 20 securities, and ING Shares do not represent more than 5 percent of the value of such funds. The Banking Affiliates may not rely on the exception for basket transactions because they are affiliated purchasers of the issuer. However, ING believes that the fact that ING Shares generally represent such a limited percentage of the value of, and the number of securities included in, each fund and that the Banking Affiliates market and sell these funds in the ordinary course of business, the marketing and sale of these funds is unlikely to have a significant effect on the market price of ING Shares. Moreover, the financial planning and investment advisory activities of the Banking Affiliates do not constitute bids for or purchases of BDRs representing ING Shares or ING ADSs, and ING believes that it is unlikely that such activities would constitute inducements to purchase BDRs representing ING Shares or ING ADSs. If these activities did constitute inducements to purchase BDRs representing ING Shares or ING ADSs, ING believes that the policies and procedures which prohibit it from recommending the purchase or sale of BDRs representing ING Shares or ING ADSs are sufficient to preclude such activities from having a significant effect on the market price of ING Shares.

With respect to assets managed on behalf of clients, the Asset Managers have fiduciary or similar duties under applicable laws to conduct their respective investment activities in the best interests of their respective clients. Accordingly, the Asset Managers would generally be prohibited from trading in BDRs representing ING

Shares, ING ADSs or derivatives on BDRs representing ING Shares or ING ADSs unless doing so complied with applicable laws as well as the terms and conditions that governed their relationships with their respective clients.

The activities of the Stock Borrowing and Lending Affiliates and the Collateral-Taking Affiliates do not constitute bids for, purchases of or inducements to make bids for or purchases of BDRs representing ING Shares or ING ADSs in the traditional sense. Nevertheless, ING believes that in some circumstances (1) the activities of the Stock Borrowing and Lending Affiliates may be deemed to be attempts to induce a bid or purchase because a customer may purchase BDRs representing ING Shares or ING ADSs from a third party in anticipation of lending them to a Stock Borrowing and Lending Affiliate, or a customer may arrange for a third party to purchase BDRs representing ING Shares or ING ADSs after the customer has borrowed them from a Stock Borrowing and Lending Affiliate; and (2) the activities of the Collateral-Taking Affiliates may be deemed to be attempts to induce a bid or purchase because ING may foreclose on collateral that includes BDRs representing ING Shares or ING ADSs and dispose of it, including by selling it in the market. ING therefore seeks exemptive relief in order to continue to conduct these activities during the Restricted Period. It would place a significant burden on customers not to be able to borrow BDRs representing ING Shares or ING ADSs from any Stock Borrowing and Lending Affiliate. Similarly, if borrowers could not pledge their BDRs representing ING Shares or ING ADSs to the Collateral-Taking Affiliates, the borrowers would be burdened with finding either other assets to pledge or other sources of debt. Because stock lending transactions are intended only to help facilitate customer transactions and do not themselves involve the sale or purchase of BDRs representing ING Shares or ING ADSs, and Collateral-Taking Affiliates would only sell BDRs representing ING Shares or ING ADSs following a default by the borrower, ING believes that it is unlikely that the activities of Stock Borrowing and Lending Affiliates and the Collateral-Taking Affiliates would have a significant effect on the market price of BDRs representing ING Shares or ING ADSs.

The Insurance Affiliates have a fiduciary duty to the purchasers of their respective insurance products to oversee the investments in a manner that is in the best interests of those purchasers. Accordingly, the Insurance Affiliates may not refrain from, or engage in, trading BDRs representing ING Shares as a result of investment instructions received from ING, unless such action is in the best interests of the purchasers of those policies.

Regulation M normally would not interfere with market-making and other market activities in actively traded securities, such as the BDRs representing ING Shares. However, because the ING Affiliates are affiliated purchasers of the issuer, they cannot rely on the actively traded securities exception to do what market makers for large U.S. issuers are normally allowed to do during distributions by those issuers.

For the foregoing reasons, ING asks the Staff to provide an exemption from Regulation M that would allow ING and the ING Affiliates to continue to engage in the Market Activities described above during the Restricted Period.

V. The Regulatory Market in The Netherlands

The Dutch Financial Supervision Act (*Wet op het financieel toezicht*) contains the regulations that apply to the financial markets and their supervision in the Netherlands. The AFM is responsible for the supervision of market conduct. The supervision focuses on the question whether the participants in the financial markets are handled properly and whether they have accurate information. The DNB is responsible for prudential supervision. Prudential supervision focuses on the question whether participants in the financial markets can rely on their contracting parties being able to meet their financial obligations.

The AFM is the supervisory authority in respect of the Dutch rules on market abuse. Any violation of the rules on market abuse (including insider dealing, improper disclosure of inside information and market manipulation) qualifies as a criminal offense.

(A) Use of Inside Information

Under the Dutch Financial Supervision Act inside information (*voorwetenschap*) is defined as knowledge of information of a precise nature that relates directly or indirectly to an issuer to which the financial instruments pertain, or to the trade in those financial instruments, which information has not been made public and which, if it were made public, would have a significant influence on the price of the financial instruments or on the price of derivative financial instruments.

Pursuant to section 5:56(1) of the Dutch Financial Supervision Act persons⁵ who have inside information are not permitted to use this information in a transaction:

⁵ Pursuant to section 5:56(2) of the Dutch Financial Supervision Act the persons referred to are:

- (i) persons who have inside information at their disposal due to the fact that they determine the day-to-day policies or supervise the policies and the general course of events of an issuer to which the inside information relates;
- (ii) persons who have inside information at their disposal due to the fact that they own a qualifying holding in the issuer that has issued financial instruments to which the inside information relates;
- (iii) persons who have access to inside by virtue of their duties, profession or position;
- (iv) persons having inside information at their disposal due to involvement in criminal offenses; and

(...cont'd)

(a) in or from the Netherlands or a non-EU Member State concerning financial instruments admitted to trading on a regulated market, or a multilateral trading facility in financial instruments in the Netherlands, or for which admission to any such trading has been requested;

(b) in or from the Netherlands concerning financial instruments admitted to trading on a regulated market in another EU Member State or admitted to trading on a system comparable with a regulated market or multilateral trading facility in a non-EU Member State, or in financial instruments for which admission to any such trading has been requested;

(c) in or from the Netherlands or a non-EU Member State concerning financial instruments other than referred to under (a) or (b) whose value is determined (in part) by the financial instruments referred to in (a) or (b) above; or

(d) in or from another EU Member State in financial instruments admitted to trading on a multilateral trading facility in financial instruments.

Certain transactions are exempt from the prohibition contained in section 5:56(1) of the Dutch Financial Supervision Act.⁶

(cont'd...)

(v) any person not belonging to any of the category of persons referred to under (i) to (iv) above who is aware, or should reasonable suspect, that he or she has inside information at his or her disposal.

⁶ The following transactions are exempt from the prohibition of section 5:56(1) of the Dutch Financial Supervision Act:

(i) transactions satisfying an enforceable obligation that already existed at the time when the party conducting or effecting the transaction became aware of inside information with regard to the issuer to which those financial instruments pertain;

(ii) transactions in relation to a monetary policy, an exchange-rate policy or a public debt-management policy;

(iii) transactions in relation to a buy-back program as described in Chapter II of Regulation 2273/2003 of the Commission of the European Communities of December 22, 2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards exemptions for buy-back programs and stabilization of financial instruments (OJ L 336);

(iv) transaction in relation to stabilization as described in Chapter III of Regulation 2273/2003 of the Commission of the European Communities of December 22, 2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards exemptions for buy-back programs and stabilization of financial instruments (OJ L 336);

(v) granting financial instruments to employees pursuant to an employee plan and exercising of, and selling shares resulting from the exercise of, options and similar instruments issued under such

(...cont'd)

Pursuant to section 5:57(1) of the Dutch Financial Supervision Act no person who has inside information or should reasonably suspect that he or she has inside information is permitted to: communicate this inside information to third parties, save within the scope of the normal exercise of his or her employment, profession or duties; or recommend or induce a third party to conduct or effect transactions in those financial instruments.

Notwithstanding the prohibition of section 5:57(1) of the Dutch Financial Supervision Act, disclosure of inside information may take place within the normal conduct of employment, profession or duties provided that the individual receiving the inside information is bound by a duty of confidentiality. Such duty of confidentiality may be based on law, regulations, articles of association or a contract.

Under Dutch law, the disclosure of inside information to shareholders to sound out their attitudes towards (i) the issue of securities, (ii) a public bid on securities, (iii) voting behavior or (iv) major strategic decisions (provided that such sounding out is reasonably necessary) falls within the exception for disclosure of inside information within the normal conduct of employment, profession or duties.

(cont'd...)

- employee plan within five days of expiry of the option or similar instrument, provided the employee has indicated at least four months in advance he will exercise and sell;
- (vi) effecting a transaction that is required in order to be able to fulfil the obligation to transfer shares or depositary receipts;
- (vii) entering into an agreement in the course of a public offer, pursuant to which a holder of financial instruments commits to tender the financial securities to which the public offer relates to the bidder as long as the amount of financial securities is set out in a written statement to the bidder;
- (viii) entering into an agreement whereby the holder of the financial instrument commits itself prior to an issuance or replacement of such financial instruments to irrevocably purchase such financial instruments, as long as the amount of financial instruments or the value thereof has been set out in a written declaration to the issuer issuing the replacing of such financial instruments;
- (ix) issuing or obtaining shares or depositary receipts by way of dividend (other than in the form of dividend with stock option);
- (x) despite having inside information only relating to the trading, acting in good faith by an agent in the course of servicing its clients;
- (xi) conducting transactions by employees of an issuer who has insider knowledge, provided that the employees conducting the transaction only have insider knowledge as far as the trading is concerned;
- (xii) transactions conducted in discharge of an obligation that has become due to acquire or dispose of financial instruments where that obligation results from an agreement concluded before the person concerned had inside information; and
- (xiii) any further exceptions that may be provided by Ministerial Decree.

(B) Market Manipulation

Market manipulation is specifically prohibited under Dutch law. Pursuant to section 5:58(1) of the Dutch Financial Supervision Act no person is permitted to:

(a) conduct or effect a transaction or order to trade in financial instruments that give, or are likely to give, false or misleading signals about the offer, demand or price of those financial instruments, unless the party that conducted or effected the transaction or order to trade proves that its motive for conducting or effecting the transaction or order to trade is justified and that the transaction or order to trade is in line with customary practice in the relevant market;

(b) conduct or effect a transaction or order to trade in financial instruments in order to secure the price of those financial instruments at an artificial level, unless the party that conducted or effected the transaction or order to trade proves that its motive for conducting or effecting the transaction or order to trade is justified and that the transaction or order to trade is in line with customary practice in the relevant market;

(c) conduct or effect a transaction or trade order in financial instruments involving deception or misrepresentation; or

(d) disseminate information that sends or may send an incorrect or misleading signal with regard to the supply of, demand for or the price of financial instruments, while the party disseminating the information knows or should reasonably suspect that that information is incorrect or misleading.

Certain transactions are exempt from the prohibition contained in section 5:58(1) of the Dutch Financial Supervision Act.⁷

⁷ The following transactions in or trade orders in respect of financial instruments or the dissemination of information in the context of are exempt from the prohibition of section 5:56(1) of the Dutch Financial Supervision Act:

- (i) a monetary policy, an exchange-rate policy or a public debt-management policy;
- (ii) a buy-back program as described in Chapter II of Regulation 2273/2003 of the Commission of the European Communities of December 22, 2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards exemptions for buy-back programs and stabilization of financial instruments (OJ L 336);
- (iii) stabilization as described in Chapter III of Regulation 2273/2003 of the Commission of the European Communities of December 22, 2003 implementing Directive 2003/6/EC of the European Parliament

(...cont'd)

VI. Relief Requested

As discussed above, ING is seeking exemptive relief from the application of Rule 101 and Rule 102 of Regulation M in connection with the Capital Securities Offering to permit ING and the ING Affiliates to continue to engage in the Market Activities during the Restricted Period.

ING and the ING Affiliates would conduct these activities in the ordinary course of their respective businesses and in accordance with applicable laws in The Netherlands and other non-U.S. markets, all as described in this letter. ING also asks for exemptive relief to permit ING Financial Markets LLC to engage in unsolicited brokerage activities and, if applicable, stock borrowing and lending and collateral taking activities in respect to BDRs representing ING Shares, ING ADSs and derivatives thereon, in the normal course of business in the United States as described in this letter.

As a condition to the exemptive relief being requested, ING will include disclosure in the prospectus supplement that will be distributed to U.S. investors that participate in the Capital Securities Offering. The disclosure will be substantially as follows:

“ING and certain of its affiliates will continue to engage, including during the Capital Securities Offering, in various dealing and brokerage activities involving BDRs representing ING Shares (including in the form of ADSs) when and to the extent permitted by applicable law. Among other things, ING and certain of its affiliates, as the case may be, intend (1) to make a market in BDRs representing ING Shares by purchasing and selling BDRs representing ING Shares for their own account or to facilitate customer transactions; (2) to make a market, from time to time, in derivatives (such as options, warrants, convertible securities and other instruments) relating to BDRs representing ING Shares for their own account and the accounts of their customers; (3) to engage in trades in BDRs representing ING Shares for their own account and the accounts of their customers for the purpose of hedging their positions established in connection with the derivatives market making described above; (4) to market and sell to customers funds which include BDRs representing ING Shares; (5) to provide to customers investment advice and financial planning guidance

(cont'd...)

and of the Council as regards exemptions for buy-back programs and stabilization of financial instruments (OJ L 336); and

(iv) any further exceptions that may be provided by Ministerial Decree.

which may include information about BDRs representing ING Shares, (6) to engage in unsolicited brokerage transactions in BDRs representing ING Shares and derivatives thereon with their customers; (7) to trade in BDRs representing ING Shares and derivatives thereon as part of their asset management activities for the accounts of their customers; and (8) to lend BDRs representing ING Shares, as well as accept BDRs representing ING Shares as collateral for loans. These activities may occur on Euronext Amsterdam, in the over-the-counter market in The Netherlands or elsewhere outside the United States.

In addition, certain ING affiliates intend (1) to engage in unsolicited brokerage transactions in BDRs representing ING Shares (including in the form of ADSs) and derivatives thereon with their customers; and (2) to lend BDRs representing ING Shares (including in the form of ADSs), as well as accept BDRs representing ING Shares (including in the form of ADSs) as collateral for loans, in each case in the United States.

In addition, certain affiliates of ING may, under certain circumstances, participate in the Capital Securities Offering.”⁸

As a further condition to the exemptive relief being requested, ING will undertake to keep records (the “Records”) of the date and time at which BDRs representing ING Shares are purchased or sold, the market in which the purchase or sale is effected, the amount of BDRs representing ING Shares purchased or sold and the price of the purchase or sale, for each purchase or sale of BDRs representing ING Shares that the ING Affiliates make during the Restricted Period (this information will not include any client-specific data the disclosure of which is restricted under local law). ING will maintain the Records for a period of two years following the end of the Restricted Period. Upon the written request of the Director of the Division of Trading and Markets of the Commission, ING will make the Records available at the Commission’s offices in Washington, D.C.

In connection with the exemptive relief requested by ING in this letter, please note that the Staff has granted substantially identical exemptive relief from Rule 101 and Rule 102 of Regulation M in connection with offerings of regulatory capital securities to Barclays PLC under the exemptive letters of November 7, 2013 and May 14, 2014, and to the Lloyds Banking Group plc under the exemptive letter of March 6, 2014.

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⁸ However, such affiliates of ING will only purchase Capital Securities to the extent such purchases are made consistent with Regulation M.

Office of Derivatives Policy and Trading Practices
Division of Trading and Markets
U.S. Securities and Exchange Commission

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If you have any questions about this request, please do not hesitate to contact the undersigned in London at +44 20 7959 8495 or William D. Torchiana in Paris at +33 1 7304 5890. We appreciate your assistance in this matter.

Very truly yours,



Mark J. Welshimer

cc: Joan M. Collopy
Elizabeth Sandoe
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(U.S. Securities and Exchange Commission)

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Ewald Walraven
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