

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-27869; File No. 812-13361]

ING Life Insurance and Annuity Company, et al., Notice of Application

June 20, 2007

Agency: The Securities and Exchange Commission ("Commission").

Action: Notice of application for an order pursuant to Section 26(c) of the Investment Company Act of 1940, as amended ("1940 Act" or "Act") approving certain substitutions of securities and for an order of exemption pursuant to Section 17(b) of the 1940 Act.

Applicants: ING Life Insurance and Annuity Company, ING USA Annuity and Life Insurance Company and ReliaStar Life Insurance Company of New York (each a "Company" and together, the "Companies"), Variable Annuity Account B of ING Life Insurance and Annuity Company, Separate Account B of ING USA Annuity and Life Insurance Company, Separate Account EQ of ING USA Annuity and Life Insurance Company and ReliaStar Life Insurance Company of New York Separate Account NY-B (each, an "Account" and together, the "Accounts"), and ING Investors Trust are collectively referred to herein as the "Applicants."

Summary of Application: The Applicants request an order, pursuant to Section 26(c) of the 1940 Act, permitting the substitution ("Substitution") of shares of the ING Franklin Mutual Shares Portfolio – Service Class (the "Substitute Fund") for shares of the Franklin Templeton VIP Mutual Shares Securities Fund – Class 2 (the "Replaced Fund"). The Applicants also hereby apply for an order of exemption pursuant to Section 17(b) of the 1940 Act to permit in-kind redemptions and purchases in connection with the Substitution.

Filing Date: The Application was filed on January 31, 2007 and amended and restated on June 18, 2007.

Hearing or Notification of Hearing: An order granting the Application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Secretary of the Commission and serving Applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on July 13, 2007, and should be accompanied by proof of service on Applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Secretary of the Commission.

Addresses: Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090. Applicants, J. Neil McMurdie, Counsel, ING Americas US Legal Services, 151 Farmington Avenue, TS31, Hartford, CT 06156-8975.

For Further Information Contact: Alison White, Senior Counsel, or Joyce M. Pickholz, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 551-6795.

Supplementary Information: The following is a summary of the Application. The complete Application is available for a fee from the Public Reference Branch of the Commission, 100 F Street, NE, Room 1580, Washington, DC 20549.

Applicants' Representations:

1. Each of the Companies is an indirect wholly owned subsidiary of ING Groep, N.V. ("ING"). ING is a global financial services holding company based in The Netherlands which is active in the field of insurance, banking and asset management. As a result, each Company likely would be deemed to be an affiliate of the others.
2. ING Life Insurance and Annuity Company ("ING Life") is a stock life insurance company organized under the laws of the State of Connecticut in 1976 as Forward Life Insurance

Company. Through a December 31, 1976 merger, ING Life's operations include the business of Aetna Variable Annuity Life Insurance Company (formerly known as Participating Annuity Life Insurance Company). Through a December 31, 2005 merger, ING Life's operations include the business of ING Insurance Company of America ("ING America"). Prior to May 1, 2002, ING Life was known as Aetna Life Insurance and Annuity Company. ING Life is principally engaged in the business of issuing life insurance and annuities.

3. ING USA Annuity and Life Insurance Company ("ING USA") is an Iowa stock life insurance company which was originally organized in 1973 under the insurance laws of Minnesota. Through January 1, 2004 mergers, ING USA's operations include the business of Equitable Life Insurance Company of Iowa, United Life and Annuity Insurance Company, and USG Annuity and Life Company. Prior to January 1, 2004, ING USA was known as Golden American Life Insurance Company. ING USA is principally engaged in the business of issuing life insurance and annuities.

4. ReliaStar Life Insurance Company of New York ("ReliaStar NY") is a stock life insurance company which was incorporated under the laws of the State of New York in 1917. Through an April 1, 2002 merger, ReliaStar NY's operations include the business of First Golden American Life Insurance Company of New York. ReliaStar NY is principally engaged in the business of issuing life insurance and annuities.

5. Each of the Accounts is a segregated asset account of the Company that is the depositor of such Account, and is registered under the 1940 Act as a unit investment trust. Each of the respective Accounts is used by the Company of which it is a part to support the Contracts that it issues.

6. Variable Annuity Account B of ING Life Insurance and Annuity Company (“ING Life B”) (File No. 811-2512) was established by Aetna in 1976 as a continuation of the separate account established in 1974 under the laws of the State of Arkansas by Aetna Variable Annuity Life Insurance Company to support certain Contracts.
7. Separate Account B of ING USA Annuity and Life Insurance Company (File No. 811-5626) was established by Golden in 1988 under the laws of the State of Minnesota.
8. Separate Account EQ of ING USA Annuity and Life Insurance Company, (formerly Equitable Life Insurance Company of Iowa Separate Account A) (File No. 811-8524), was established by Equitable Life in 1988 under the laws of the State of Iowa.
9. ReliaStar Life Insurance Company of New York Separate Account NY-B, formerly Separate Account NY-B of First Golden American Life Insurance Company of New York (File No. 811-7935), was established by First Golden in 1996 under the laws of the State of New York.
10. The ING Franklin Mutual Shares Portfolio, a series of ING Investors Trust, will be used as the Substitute Fund.
11. ING Investors Trust, formerly known as the GCG Trust, was organized as a Massachusetts business trust on August 3, 1988. ING Investors Trust is registered under the 1940 Act as an open-end management investment company (File No. 811-5629).
12. For the series included in this substitution Application, overall management services will be provided by Directed Services LLC (“DSL”). DSL is an investment adviser registered under the Advisers Act, and a broker-dealer registered under the Exchange Act. Under the terms of an investment advisory agreement between ING Investors Trust and DSL (the “Trust Management Agreement”), which agreement first became effective on October 24, 1997, DSL manages the business and affairs of each of the respective series of the ING Investors Trust, subject to the

control and oversight of the ING Investors Trust Board of Trustees (the “Board”). Under the Trust Management Agreement, DSL is authorized to exercise full investment discretion and make all determinations with respect to the investment of the assets of the respective series, but may, at its own cost and expense, retain portfolio managers for the purpose of making investment decisions and research information available to ING Investors Trust.

13. DSL delegates to subadvisers the responsibility for day-to-day management of the investments of each respective portfolio, subject to DSL’s oversight. DSL also recommends the appointment of additional or replacement subadvisers to the Board. ING Investors Trust and DSL have received exemptive relief from the Commission that permits ING Investors Trust and DSL to add or terminate a subadviser without shareholder approval.

14. The Franklin Templeton VIP Mutual Shares Securities Fund, a series of the Franklin Templeton Variable Insurance Products Trust (File No. 811-05583), will be replaced pursuant to any order issued pursuant to this Application.

15. The Contracts are flexible premium variable annuity contracts. The Contracts provide for the accumulation of values on a variable basis, fixed basis, or both, during the accumulation period, and provide settlement or annuity payment options on a variable or fixed basis. Under each of the prospectuses for the Contracts, each Company reserves the right to substitute shares of one fund or portfolio for shares of another.

A Contract owner may transfer all or any part of the Contract value from one subaccount to any other subaccount or a fixed account, if available, as long as the Contract remains in effect and at any time up to 30 days before the due date of the first annuity payment for variable annuity Contracts. For many of the Contracts, the Company issuing the Contract reserves the right to limit the number of transfers during a specified period.

16. The comparative fees and expenses for each fund in this proposed substitution are as follows:

	Management Fees	Distribution (12b-1) Fees	Other Expenses	Total Annual Expenses	Expense Waivers	Net Annual Expenses
Substitute Fund ING Franklin Mutual Shares Portfolio – Service Class ¹	0.78%	--	0.25% ²	1.03%	--	1.03%
Replaced Fund Franklin Templeton VIP Mutual Shares Securities Fund – Class 2	0.60%	0.25%	0.21%	1.06%	--	1.06%

17. The ING Franklin Mutual Shares Portfolio is patterned after the Franklin Templeton VIP Mutual Shares Securities Fund, and these two portfolios have the same investment objectives and policies. The investment objective of both portfolios is to seek capital appreciation.

Additionally, the investment adviser for Franklin Templeton VIP Mutual Shares Securities Fund will be the sub-adviser to the ING Franklin Mutual Shares Portfolio and will manage the two funds in the same way.

18. The expense ratios and total return figures for each fund in this proposed substitution as of March 31, 2007, are as follows:

	Expense Ratio	1 Year	3 Years	5 Years	10 Years	Since Inception
Substitute Fund ING Franklin Mutual Shares Portfolio – Service Class ³	1.03%	--	--	--	--	--
Replaced Fund Franklin Templeton VIP Mutual Shares Securities Fund – Class 2	1.06%	14.58%	13.72%	10.38%	10.46%	--

¹ This portfolio is subject to a Unified Fee arrangement.

² The “Other Expenses” of this portfolio includes a Shareholder Services Fee of 0.25%. This Shareholder Services Fee is permanently capped at 0.25%.

³ This portfolio commenced operations on April 27, 2007. Therefore, annual performance information is not yet available.

Implementation of the Substitutions

19. Applicants will effect the Substitution as soon as practicable following the issuance of the requested order. As of the Effective Date of the Substitution, shares of the Replaced Fund will be redeemed for cash or in-kind. The Companies, on behalf of the Replaced Fund subaccount of each relevant Account, will simultaneously place a redemption request with the Replaced Fund and a purchase order with the Substitute Fund so that the purchase of Substitute Fund shares will be for the exact amount of the redemption proceeds. Thus, Contract values will remain fully invested at all times. The proceeds of such redemptions will then be used to purchase the appropriate number of shares of the Substitute Fund.

20. The Substitution will take place at relative net asset value (in accordance with Rule 22c-1 under the 1940 Act) with no change in the amount of any affected Contract owner's contract value, cash value, accumulation value, account value or death benefit, or in the dollar value of his or her investment in the applicable Account. Any in-kind redemption of shares of the Replaced Fund or in-kind purchase of shares of the Substitute Fund will, except as noted below, take place in substantial compliance with the conditions of Rule 17a-7 under the 1940 Act. No brokerage commissions, fees or other remuneration will be paid by either the Replaced Fund or the Substitute Fund or by affected Contract owners in connection with the Substitution. The transactions comprising the Substitution will be consistent with the policies of each investment company involved and with the general purposes of the 1940 Act.

21. Affected Contract owners will not incur any fees or charges as a result of the Substitution nor will their rights or the Companies' obligations under the Contracts be altered in any way. The Companies or their affiliates will pay all expenses and transaction costs of the Substitution, including legal and accounting expenses, any applicable brokerage expenses, and other fees and

expenses. In addition, the Substitution will not impose any tax liability on affected Contract owners. The Substitution will not cause the Contract fees and charges currently being paid by affected Contract owners to be greater after the Substitution than before the Substitution. Also, as described more fully below, after notification of the Substitution and for 30 days after the Substitution, affected Contract owners may reallocate to any other investment options available under their Contract the subaccount value of the Replaced Fund without incurring any administrative costs or allocation (transfer) charges.

22. Shortly after the date of the Application, all affected Contract owners were notified of the Substitution by means of supplements to the Contract prospectuses. Among other information regarding the Substitution, the supplements informed affected Contract owners that beginning on the date of the first supplement the Companies would not exercise any rights reserved by them under the Contracts to impose restrictions or fees on transfers from the Replaced Fund (other than restrictions related to frequent or disruptive transfers) until at least 30 days after the Effective Date of the Substitution. Following the date the order requested by the Application is issued, but before the Effective Date, affected Contract owners will receive a second supplement to the Contract prospectus setting forth the Effective Date and advising affected Contract owners of their right, if they so choose, at any time prior to the Effective Date, to reallocate or withdraw accumulated value in the Replaced Fund subaccounts under their Contracts or otherwise terminate their interest therein in accordance with the terms and conditions of their Contracts. If affected Contract Owners reallocate account value prior to the Effective Date or within 30 days after the Effective Date, there will be no charge for the reallocation of accumulated value from the Replaced Fund subaccount and the reallocation will not count as a transfer when imposing any applicable restriction or limit under the Contract on transfers. The Companies will not exercise

any right they may have under the Contracts to impose additional restrictions or fees on transfers from the Replaced Fund under the Contracts (other than restrictions related to frequent or disruptive transfers) for a period of at least 30 days following the Effective Date of the Substitution. Additionally, all current Contract Owners will be sent prospectuses of the Substitute Fund before the Effective Date.

23. Within five (5) business days after the Effective Date, affected Contract Owners will be sent a written confirmation (“Post-Substitution Confirmation”) indicating that shares of the Replaced Fund have been redeemed and that the shares of Substitute Fund have been substituted. The Post-Substitution Confirmation will show how the allocation of the Contract Owner’s account value before and immediately following the Substitution has changed as a result of the Substitution and detail the transactions effected on behalf of the respective affected Contract Owner because of the Substitution.

Applicant’s Legal Analysis

1. Applicants represent that each of the prospectuses for the Contracts expressly discloses the reservation of the Companies' right, subject to compliance with applicable law, to substitute shares of another open-end management investment company for shares of an open-end management investment company held by a subaccount of an Account.
2. Applicants state that the Companies reserved this right of substitution both to protect themselves and their Contract owners in situations where either might be harmed or disadvantaged by circumstances surrounding the issuer of the shares held by one or more of its separate accounts, and to afford the opportunity to replace such shares where to do so could benefit the Contract owners and Companies.
3. Applicants maintain that Contract Owners will be better served by the proposed

Substitution. Applicants anticipate that the replacement of the Replaced Fund will result in a Contract that is administered and managed more efficiently, and one that is more competitive with other variable products in both wholesale and retail markets. As noted above, the Substitute Fund will be patterned after the Replaced Fund. The Substitute Fund will be managed according to the same investment objective and policies as the Replaced Fund and the investment adviser for the Replaced Fund will serve as the sub-adviser to the Substitute Fund.

4. In addition to the foregoing, Applicants generally submit that the proposed Substitution meets the standards that the Commission and its staff have applied to similar substitutions that have been approved in the past.

5. Applicants anticipate that Contract owners will be at least as well off with the proposed array of subaccounts to be offered after the proposed substitutions as they have been with the array of subaccounts offered before the substitutions. The proposed Substitution retains for Contract owners the investment flexibility which is a central feature of the Contracts. If the proposed Substitution is carried out, all Contract owners will be permitted to allocate purchase payments and transfer accumulated values and contract values between and among the remaining subaccounts as they could before the proposed Substitution.

6. Applicants maintain that the terms of the Substitution, including the consideration to be paid and received by the Replaced Fund or the Substitute Fund, are reasonable, fair and do not involve overreaching principally because the transactions do not cause owners' interests under a Contract to be diluted and because the transactions will conform with the principal conditions enumerated in Rule 17a-7 of the 1940 Act. The proposed transactions will take place at relative net asset value with no change in the amount of any Contract owner's Contract or cash value, accumulation value or death benefit or in the dollar value of his or her investment in any of the

Accounts.

7. Applicants submit that the Substitution by the Companies is consistent with the policies of the Substitute Fund and the Replaced Fund, as recited in the current registration statements and reports filed by each under the 1940 Act. Applicants also submit that the Substitution is consistent with the general purposes of the 1940 Act.

8. Applicants submit that, to the extent that the Substitution is deemed to involve principal transactions between affiliates, the procedures and terms and descriptions described in the Application demonstrate that neither the Replaced Fund, the Substitute Fund, the Accounts nor any other Applicant will be participating in the Substitution on a basis less advantageous than that of any other participant. Even though the Applicants may not rely on Rule 17a-7, Applicants believe that the Rule's conditions outline the type of safeguards that result in transactions that are fair and reasonable to registered investment company participants and preclude overreaching in connection with an investment company by its affiliated persons.

9. The boards of trustees or directors, as applicable, of the Replaced Fund and the Substitute Fund have adopted procedures, as required by paragraph (e)(1) of Rule 17a-7, pursuant to which the portfolios or funds of each may purchase and sell securities to and from their affiliates. The Companies and the investment advisers will carry out the Substitution in conformity with the principal conditions of Rule 17a-7 and the Replaced Fund's and the Substitute Fund's procedures thereunder. Also, no brokerage commission, fee, or other remuneration will be paid to any party in connection with the proposed transaction. In addition, the applicable ING Investors Trust board will subsequently review the Substitution and make the determinations required by paragraph (e)(3) of Rule 17a-7.

10. Except as noted below, applicants state that the Substitution will take place in accordance

with the requirements enumerated in Rule 17a-7 under the 1940 Act and with the approval of the boards of ING Investors Trust, except that the Substitution may be effected in cash or in-kind. Applicants further submit that the Substitution is consistent with the investment policy of the Replaced Fund and the Substitute Fund, as recited in the current prospectuses relating to each.

11. With regard to the in-kind transfer, the investment adviser of the Substitute Fund and the investment adviser to the Replaced Fund intend to value securities selected for transfer between the two funds in a manner that is consistent with the current methodology used to calculate the daily net asset value of the Replaced Fund. Where the Replaced Fund's investment adviser employs certain third party, independent pricing services to value securities held by the Replaced Fund ("Vendor Pricing"), the investment adviser of the Substitute Fund and Replaced Fund's investment adviser will employ Vendor Pricing to value securities held by the Replaced Fund that are selected for transfer to the Substitute Fund. Generally, the redemption of securities from the Replaced Fund and subsequent transfer to the Substitute Fund will be done on a pro-rata basis. In the event that the Replaced Fund holds illiquid or restricted securities or assets that are not otherwise readily distributable or if a pro-rata transfer of securities would result in the parties holding odd lots, the investment advisers may agree to have the Replaced Fund transfer to the Substitute Fund an equivalent amount of cash instead of securities.

12. After the assets have been contributed to the Substitute Fund, responsibility for valuation of the securities held by the Substitute Fund will shift to the valuation committee of the Substitute Fund's board of trustees. At the end of the first trading following the transfer, the applicable valuation agent and custodian for the Substitute Fund will value the securities held by the Substitute Fund. The foregoing notwithstanding, the Substitute Fund's board of trustees will retain ultimate responsibility for valuation decisions.

Applicant's Conditions

1. The Substitute Fund has an investment objective and investment policies that are the same as the investment objective and policies of the Replaced Fund, so that the objective of the affected Contract Owners can continue to be met.
2. For two years following the implementation of the Substitutions described herein, the net annual expenses of the Substitute Fund will not exceed the net annual expenses of the Replaced Fund immediately preceding the Substitutions. To achieve this limitation, Directed Services LLC will waive fees or reimburse the Substitute Fund in certain amounts to maintain expenses at or below the limit. Any adjustments or reimbursements will be made at least on a quarterly basis. In addition, the Companies will not increase the Contract fees and charges, including asset based charges such as mortality and expense risk charges deducted from the Subaccounts, that would otherwise be assessed under the terms of the Contracts for a period of at least two years following the Substitutions.
3. The Shareholder Services Fee of the Class S shares of the ING Franklin Mutual Shares Portfolio will be permanently capped at 0.25%.
4. Affected Contract Owners may reallocate amounts from the Replaced Fund without incurring a reallocation charge or limiting their number of future reallocations, or withdraw amounts under any affected Contract or otherwise terminate their interest therein at any time prior to the Effective Date and for a period of at least 30 days following the Effective Date in accordance with the terms and conditions of such Contract. Any such reallocation will not count as a transfer when imposing any applicable restriction or limit under the Contract on transfers.
5. The Substitutions will be effected at the net asset value of the respective shares in conformity with Section 22(c) of the 1940 Act and Rule 22c-1 thereunder, without the imposition

of any transfer or similar charge by Applicants.

6. The Substitution will take place at relative net asset value without change in the amount or value of any Contract held by affected Contract Owners. Affected Contract Owners will not incur any fees or charges as a result of the Substitution, nor will their rights or the obligations of the Companies under such Contracts be altered in any way.

7. The Companies or their affiliates will pay all expenses and transaction costs of the Substitutions, including legal and accounting expenses, any applicable brokerage expenses, and other fees and expenses. In addition, the Substitutions will not impose any tax liability on affected Contract owners.

8. The Substitution will be effected so that investment of securities will be consistent with the investment objectives, policies and diversification requirements of the Substitute Fund. No brokerage commissions, fees or other remuneration will be paid by the Replaced Fund or the Substitute Fund or affected Contract Owners in connection with the Substitution.

9. The Substitution will not alter in any way the annuity, life or tax benefits afforded under the Contracts held by any affected Contract Owner.

10. The Companies will send to their affected Contract Owners within five (5) business days of the Substitution a written Post-Substitution Confirmation which will include the before and after account values (which will not have changed as a result of the Substitution) and detail the transactions effected on behalf of the respective affected Contract Owner with regard to the Substitution. With the Post-Substitution Confirmations the Companies will remind affected Contract Owners that they may reallocate amounts from any of the Replaced Funds without incurring a reallocation charge or limiting their number of future reallocations for a period of at least 30 days following the Effective Date in accordance with the terms and conditions of their

Contract.

11. The Commission shall have issued an order: (a) approving the Substitutions under Section 26(c) of the 1940 Act; and (b) exempting the in-kind redemptions from the provisions of Section 17(a) of the 1940 Act as necessary to carry out the transactions described in this Application.

12. A registration statement for the Substitute Fund is effective, and the investment objectives and policies and fees and expenses for the Substitute Fund as described herein have been implemented.

13. Each affected Contract Owner will have been sent a copy of: (a) a supplement to the Contract prospectus informing shareholders of this Application; (b) a prospectus for the appropriate Substitute Fund; and (c) a second supplement to the Contract prospectus setting forth the Effective Date and advising affected Contract Owners of their right to reconsider the Substitutions and, if they so choose, any time prior to the Effective Date and for 30 days thereafter, to reallocate or withdraw amounts under their affected Contract or otherwise terminate their interest therein in accordance with the terms and conditions of their Contract.

14. The Companies shall have satisfied themselves, that: (a) the Contracts allow the substitution of investment company shares in the manner contemplated by the Substitutions and related transactions described herein; (b) the transactions can be consummated as described in this Application under applicable insurance laws; and (c) any regulatory requirements in each jurisdiction where the Contracts are qualified for sales have been complied with to the extent necessary to complete the transaction.

15. Under the manager-of-managers relief granted to the ING Investors Trust, a vote of the shareholders is not necessary to change a sub-adviser, except for changes involving an affiliated

sub-adviser. Notwithstanding, the parties agree that before the Substitute Fund relies on any Commission order or rule that would permit the Substitute Fund to enter into contracts with subadvisers without obtaining shareholder approval, the Substitute Fund's reliance on the order or rule will be approved, following the substitution proposed herein, by a majority of the Substitute Fund's outstanding voting securities.

Conclusion:

For the reasons and upon the facts set forth above, Applicants submit that the requested order meets the standards set forth in Section 26(c). Applicants request an order of the Commission, pursuant to Section 26(c) of the Act, approving the Substitutions.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Florence E. Harmon
Deputy Secretary