

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-28256; File No. 812-13466]

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

April 28, 2008

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 (the "1940 Act") approving a substitution of securities.

Applicants: ING USA Annuity and Life Insurance Company and ReliaStar Life Insurance Company of New York (each a "Company" and together, the "Companies"), Separate Account B of ING USA Annuity and Life Insurance Company, ReliaStar Life Insurance Company of New York Separate Account NY-B (each, an "Account" and together, the "Accounts"), and ING Variable Portfolios, Inc. 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 Russell Small Cap Index Portfolio - Class S (the "Substitute Fund") for shares of ProFund VP Small-Cap (the "Replaced Fund").

Filing Date: The Application was filed on December 27, 2007 and amended and restated on April 18, 2008.

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 May 22, 2008, 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, One Orange Way, C1S, Windsor, CT 06095.

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 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.

3. 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.
4. 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.
5. 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.
6. 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.
7. The ING Russell Small Cap Index Portfolio, a series of ING Variable Portfolios, Inc., will be used as the Substitute Fund.
8. ING Variable Portfolios, formerly known as Aetna Variable Portfolios, Inc., was organized as a Maryland Corporation in 1996. ING Variable Portfolios is registered under the 1940 Act as an open-end management investment company (File No. 811-07651).
9. ING Investments, LLC (“ING Investments”), an Arizona limited liability company and an SEC registered investment adviser, serves as the investment adviser to each portfolio of ING Variable Portfolios. ING Investments maintains its offices at 7337 East Doubletree Ranch Road, Scottsdale, Arizona 85258.

10. ING Investments, subject to the direction of ING Variable Portfolios Board of Directors (the “Board”), will have overall responsibility for the management of the Substitute Fund. ING Investments will provide all investment advisory and portfolio management services for the Substitute Fund and assist in managing and supervising all aspects of the general day-to-day business activities and operations of the Substitute Fund, including custodial, transfer agency, dividend disbursing, accounting, auditing, compliance and related services.

11. The ProFund VP Small-Cap, a series of the ProFunds Trust, will be replaced pursuant to any order issued pursuant to this Application.

12. The terms and conditions, including charges and expenses, applicable to each Contract are described in the registration statements filed with the SEC for each. The Contracts are issued as individual variable annuity contracts. As each Contract is structured, owners of the Contract (each a “Contract Owner”) may select one or more of the investment options available under the Contract by allocating premiums and transferring account value to that subaccount of the relevant Account that corresponds to the investment option desired. Thereafter, the account value of the Contract Owner will vary based on the investment experience of the selected subaccount(s). Generally, a Contract Owner may, during the life of each Contract, make unlimited transfers of account values among the subaccounts available under the Contract, subject to any administrative and/or transfer fees applicable under the Contracts and any limits related to frequent or disruptive transfers.

13. 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 Russell Small Cap Index Portfolio – Class S	0.33%	0.25%	0.23%	0.81%	0.11% ¹	0.70%
Replaced Fund • ProFund VP Small-Cap	0.75%	0.25%	0.56%	1.56%	--	1.56%

¹The expense limits will continue through at least May 1, 2009.

14. With respect to the Replaced Fund, the Applicants represent that the investment objective and the investment policies of the Substitute Fund are the same as those of the Replaced Fund and therefore the essential objectives and risk expectations of those Contract Owners with interests in subaccounts of the Replaced Fund (individually, an “Affected Contract Owner” and, collectively, “Affected Contract Owners”) will continue to be met after the Substitution.

15. The expense ratios and total return figures for each fund as of September 30, 2007, are as follows:

	Expense Ratio	1 Year	3 Years	5 Years	10 Years
Substitute Fund • ING Russell Small Cap Index Portfolio –Class S ²	0.70%	--	--	--	--
Replaced Fund • ProFund VP Small-Cap	1.56%	-2.21%	4.88%	13.97%	--

²This portfolio commenced operations on March 4, 2008. Therefore, annual performance information is not yet available.

16. 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. 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.

17. 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. 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.

18. 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.

19. All affected Contract owners were notified of the Substitution by means of supplements to the Contract prospectuses shortly after the date the Application was first filed with the Commission. 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.

20. 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 Commission approval and 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. The Substitute Fund will be managed according to the same investment objective and policies as the Replaced Fund. Moreover, the overall expenses of the Substitute Fund are less than those of the Replaced Fund.
4. 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.

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 Substitution described herein, the net annual expenses of the Substitute Fund will not exceed the net annual expenses of the Replaced Fund immediately preceding the Substitution. To achieve this limitation, ING Investments will waive fees or reimburse the Substitute Fund in certain amounts to maintain expenses at or below the limit. Any adjustments 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 Substitution.
3. 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.
4. The Substitution 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.

5. 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.
6. 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.
7. The Substitution will not alter in any way the annuity, life or tax benefits afforded under the Contracts held by any Affected Contract Owner.
8. 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 the Substitute Fund without incurring a reallocation charge or limiting their number of future reallocations for a least 30 days following the Effective Date in accordance with the terms and conditions of their Contract.
9. 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.
10. Under the manager-of-managers relief covering ING Variable Portfolios, a vote of the shareholders is not necessary to change a sub-adviser, except for changes involving an affiliated sub-adviser. Notwithstanding, the Applicants agree not to change the Substitute Fund's sub-

adviser without first obtaining shareholder approval after the Effective Date of the Substitution of either (a) the sub-adviser change or (b) the Applicants' continued ability to rely on their manager-of-manager relief.

11. The Commission shall have issued an order approving the Substitution under Section 26(c) of the 1940 Act.

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 Contract prospectus supplement informing shareholders of this Application; (b) a prospectus for the 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 Substitution 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 Substitution and related transactions described herein; (b) the transaction can be consummated as described in this Application under applicable insurance laws; and (c) that any regulatory requirements in each jurisdiction where the Contracts are qualified for sale, have been complied with to the extent necessary to complete the transaction.

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) of the 1940 Act. Applicants request an order of the Commission, pursuant to Section 26(c) of the 1940 Act, approving the Substitutions.

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

Florence E. Harmon
Deputy Secretary