COMBINED SCHEME INFORMATION DOCUMENT
(MULTI MANAGER SCHEMES)

Scheme Name	Color Label	Risk Profile	This product is suitable for investors who are seeking*:
ING Asset Allocator Multi-Manager FoF Scheme *(An Open Ended Fund of Funds Scheme)*	Brown	Principal at high risk	• capital appreciation in the long term • investment in portfolio of equity and debt funds
ING Active Debt Multi-Manager FoF Scheme *(An Open Ended Fund of Funds Scheme)*	Yellow	Principal at medium risk	• capital appreciation in the long term • investment in a dynamically managed portfolio of debt funds
ING Income Growth Multi-Manager FoF Scheme*(An Open Ended Fund of Funds Scheme)*	Yellow	Principal at medium risk	• investment predominantly in a diversified portfolio of fixed income funds and a smaller allocation in equity funds
ING 5 Star Multi-Manager FoF Scheme*(An Open Ended Fund of Funds Scheme)*	Brown	Principal at high risk	• capital appreciation in the long term • investment in portfolio of equity funds
ING Global Commodities Fund*(An Open Ended Fund of Funds Scheme)*	Brown	Principal at high risk	• capital appreciation in the long term • investment in units of global mutual funds which invest in commodity related securities
ING Multi Manager Equity Fund *(An Open Ended Diversified Equity Scheme)*	Brown	Principal at high risk	• capital appreciation in the long term • investment in equity and equity related securities
ING Latin America Equity Fund*(An Open Ended Fund of Funds Scheme)*	Brown	Principal at high risk	• capital appreciation in the long term • investment predominantly in units of ING (L) Invest Latin America Fund

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

	(BLUE) investors understand that their principle will be at low risk		(YELLOW) investors understand that their principle will be at medium risk		(BROWN) investors understand that their principle will be at high risk

CONTINUOUS OFFER FOR UNITS AT NAV BASED PRICES

Name of the Mutual Fund	**ING Mutual Fund**
Name of the Asset Management Company	**ING Investment Management (India) Private Limited**
Trustees	**Board of Trustees, ING Mutual Fund**
Address and Website of the entities	**601 A, 6th floor, Trade Centre, Opposite MTNL Exchange, Bandra Kurla Complex, Bandra (E) Mumbai – 400051** **www.ingim.co.in**

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of ING Mutual Fund, Tax and Legal issues and General Information on www.ingim.co.in

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated June 26, 2014

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IMPORTANT NOTICE

Investing in Mutual Funds involves certain risks and considerations associated generally with making investments in securities. The value of the Scheme's investments, may be affected generally by factors affecting capital markets, such as price and volume, volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments. Consequently, there can be no assurance that the Schemes offered in this Scheme Information Document (SID) would achieve the stated investment objectives. The NAV of the Units of the Scheme(s) may fluctuate and can go up or down. Past performance of the schemes managed by the Sponsors or their affiliates or the Asset Management Company is not necessarily indicative of the future performance of the Scheme nor will past performance of the Scheme, following commencement of operations, be necessarily indicative of its future performance.

Prospective investors are advised to review this SID carefully in its entirety and consult their financial, legal, tax and other advisors before they invest in the Scheme to determine possible legal, tax, financial or other considerations of subscribing to or disposing units before making a decision to invest in units. Investors are requested to retain this SID for future reference.

Neither this SID nor the Units have been registered in any jurisdiction. The distribution of this SID in certain jurisdictions may be restricted to registration requirements and accordingly, persons who come into possession of this SID are requested to inform themselves about, and to observe any such restrictions.

The ING Mutual Fund (the "Mutual Fund" or the "Fund") and / or the ING Investment Management (India) Private Ltd. (the "AMC"), have not authorized any person to give any information or make any representations either oral or written not stated or inconsistent with the information incorporated in this SID, in connection with the issue of Units under the Scheme. Investors are advised not to rely upon any information or representations not incorporated in the SID or arrive at any investment decisions for Units under this Scheme on any information or representations not contained herein or inconsistent with the information incorporated in the SID as such information has not been authorized by the Mutual Fund or the AMC or the Sponsor. Any subscription, purchase or sale made by any person on the basis of the statements and representations which are not contained in this SID or which are inconsistent with the information contained herein shall be solely at the risk of the Unit holder and the Mutual Fund or the AMC or the Sponsor shall not be liable or responsible in any manner whatsoever, for the same.

In the SID, all references to "Dollars" are to United States Dollars, "Euros" to Euros and "Rs." are to Indian Rupees. Investors should ascertain if there have been any further changes to the Scheme from the date hereof from the AMC or any Investor Service Centre or its distributors/broker.

HIGHLIGHTS/SUMMARY OF THE SCHEMES

Name of the Scheme	**ING Asset Allocator Multi Manager FoF Scheme (IAAMMFOFS)**	**ING Active Debt Multi Manager FoF Scheme (IADMMFOFS)**
Product Risk Label	Brown - Principal at high risk	Yellow - Principal at medium risk
Type of the Scheme	An Open Ended Fund of Funds Scheme	An Open Ended Fund of Funds Scheme
Investment Objective	The primary objective of the Scheme is to generate capital appreciation primarily from a portfolio of equity and debt funds accessed through the diversified investment styles of underlying schemes selected in accordance with the ING Multi Manager Investment process.	The primary objective of the Scheme is to generate returns from a portfolio of pure debt oriented funds accessed through the diverse investment styles of underlying schemes selected in accordance with the ING Multi Manager Investment process.
Liquidity	An investor can purchase or redeem units of the Scheme on a Business Day at NAV based prices. Under normal circumstances, the redemption cheques will be dispatched within 10 Business Days from the date of receipt of the valid redemption request before the cut off time at designated official points of acceptance of transactions.	An investor can purchase or redeem units of the Scheme on a Business Day at NAV based prices. Under normal circumstances, the redemption cheques will be dispatched within 10 Business Days from the date of receipt of the valid redemption request before the cut off time at designated official points of acceptance of transactions.
Benchmark	CRISIL Balanced Fund Index	CRISIL Composite Bond Fund Index
Transparency/ NAV Disclosure	The NAV will be calculated and disclosed at the close of every Business Day. In addition, the AMC will disclose details of the Scheme(s) on half yearly basis. The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI. As required by the Regulations, the Mutual Fund shall before the expiry of one month from the closure of each half year that is on 30th September and on 31st March host a soft copy of half – yearly unaudited financial results on its website and that of AMFI www.amfiindia.com. The AMC will issue an advertisement disclosing hosting of un-audited financial results of the Scheme on its website on a half yearly basis. The AMC will disclose the monthly	The NAV will be calculated and disclosed at the close of every Business Day. In addition, the AMC will disclose details of the Scheme(s) on half yearly basis. The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI. As required by the Regulations, the Mutual Fund shall before the expiry of one month from the closure of each half year that is on 30th September and on 31st March host a soft copy of half – yearly unaudited financial results on its website and that of AMFI www.amfiindia.com. The AMC will issue an advertisement disclosing hosting of un-audited financial results of the Scheme on its website on a half yearly basis.

	portfolio (along with ISIN) of the Scheme as on the last day of the month on its website on or before the tenth day of the succeeding month in a user-friendly and downloadable format (preferably in a spreadsheet). The AMC shall disclose/publish the full portfolio of the Scheme on a half-yearly basis as per the SEBI Regulations. The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year on the website and email if email address available or send physical copies of annual report or abridged summary thereof to unitholders.	The AMC will disclose the monthly portfolio (along with ISIN) of the Scheme as on the last day of the month on its website on or before the tenth day of the succeeding month in a user-friendly and downloadable format (preferably in a spreadsheet). The AMC shall disclose/publish the full portfolio of the Scheme on a half-yearly basis as per the SEBI Regulations. The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year on the website and email if email address available or send physical copies of annual report or abridged summary thereof to unitholders.
Load Structure	**Entry load**: NIL **Exit Load /CDSC**: if redeemed on or before 365 days from the date of allotment: 1% if redeemed after 365 days from the date of allotment: NIL	**Entry load:** Nil. **Exit Load /CDSC**: Nil
Minimum Application Amount	Rs 5,000/- and in multiples of Re 1/- thereafter.	Rs 5,000/- and in multiples of Re 1/- thereafter.
Minimum Additional Investment Amount	Rs. 1,000/- and in multiples of Re 1/- thereafter.	Rs. 1,000/- and in multiples of Re 1/- thereafter.
Minimum Redemption Amount	Rs.1000 or a minimum of 100 units.	Rs.1000 or a minimum of 100 units.
Plans/Mode/ Options	Plans/Modes: Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund, without routing through Distributor. Options: Growth and Dividend (Payout & Reinvestment) Options.	Plans/Modes: Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund, without routing through Distributor. Growth and Dividend* (Payout & Reinvestment) Options

***Note:** Dividend will be declared under the Dividend option of the Scheme on a quarterly basis, subject to availability of distributable surplus in terms of the procedure laid down in the SEBI Circular no. SEBI/IMD/CIR No.1/64057/06 dated April 4, 2006.

Name of the Scheme	**ING Income Growth Multi Manager FoF Scheme (IIGMMFOFS)**	**ING 5 Star Multi Manager FoF Scheme (I5SMMFOFS)**
Product Risk Label	Yellow - Principal at medium risk	Brown - Principal at high risk
Type of the Scheme	An Open Ended Fund of Funds Scheme	An Open Ended Fund of Funds Scheme
Investment Objective	The primary objective of the Scheme is to generate returns by investing primarily in a portfolio of debt funds, liquid funds, money market funds and equity funds accessed through the	The primary objective of the Scheme is to generate long term capital appreciation primarily from a portfolio of equity funds accessed through the diversified investment

	diversified investment styles of underlying scheme selected in accordance with the ING Multi Manager Investment process.	styles of underlying schemes selected in accordance with the ING Multi Manager Investment process.
Liquidity	An investor can purchase or redeem units of the Scheme on a Business Day at NAV based prices. Under normal circumstances, the redemption cheques will be dispatched within 10 Business Days from the date of receipt of the valid redemption request before the cut off time at designated official points of acceptance of transactions.	An investor can purchase or redeem units of the Scheme on a Business Day at NAV based prices. Under normal circumstances, the redemption cheques will be dispatched within 10 Business Days from the date of receipt of the valid redemption request before the cut off time at designated official points of acceptance of transactions.
Benchmark	**15% Equity Plan**:- 15% CNX Nifty Index + 85% CRISIL Composite Bond Fund Index **30% Equity Plan**:- 30% CNX Nifty Index + 70% CRISIL Composite Bond Fund Index	CNX Nifty Index
Transparency/ NAV Disclosure	The NAV will be calculated and disclosed at the close of every Business Day. In addition, the AMC will disclose details of the Scheme(s) on half yearly basis. The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI. As required by the Regulations, the Mutual Fund shall before the expiry of one month from the closure of each half year that is on 30th September and on 31st March host a soft copy of half – yearly unaudited financial results on its website and that of AMFI www.amfiindia.com. The AMC will issue an advertisement disclosing hosting of un-audited financial results of the Scheme on its website on a half yearly basis. The AMC will disclose the monthly portfolio (along with ISIN) of the Scheme as on the last day of the month on its website on or before the tenth day of the succeeding month in a user-friendly and downloadable format (preferably in a spreadsheet). The AMC shall disclose/publish the full portfolio of the Scheme on a half-	The NAV will be calculated and disclosed at the close of every Business Day. In addition, the AMC will disclose details of the Scheme(s) on half yearly basis. The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI. As required by the Regulations, the Mutual Fund shall before the expiry of one month from the closure of each half year that is on 30th September and on 31st March host a soft copy of half – yearly unaudited financial results on its website and that of AMFI www.amfiindia.com. The AMC will issue an advertisement disclosing hosting of un-audited financial results of the Scheme on its website on a half yearly basis. The AMC will disclose the monthly portfolio (along with ISIN) of the Scheme as on the last day of the month on its website on or before the tenth day of the succeeding month in a user-friendly and downloadable format (preferably in

	yearly basis as per the SEBI Regulations. The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year on the website and email if email address available or send physical copies of annual report or abridged summary thereof to unitholders.	a spreadsheet). The AMC shall disclose/publish the full portfolio of the Scheme on a half-yearly basis as per the SEBI Regulations. The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year on the website and email if email address available or send physical copies of annual report or abridged summary thereof to unitholders.
Load Structure	**For both 15% Equity Plan & 30% Equity Plan:** **Entry load:** Nil **Exit Load /CDSC**: Nil	**Entry load**: NIL **Exit Load /CDSC**: if redeemed on or before 365 days from the date of allotment: 1% if redeemed after 365 days from the date of allotment: NIL
Minimum Application Amount	Rs 5,000/- and in multiples of Re 1/- thereafter.	Rs 5,000/- and in multiples of Re 1/- thereafter.
Minimum Additional Investment Amount	Rs. 1,000/- and in multiples of Re 1/- thereafter.	Rs. 1,000/- and in multiples of Re 1/- thereafter.
Minimum Redemption Amount	Rs.1000 or a minimum of 100 units.	Rs.1000 or a minimum of 100 units.
Plans/ Mode/ Options	The Scheme offers two Plans 15% Equity Plan & 30% Equity Plan. Both Plans maintain separate portfolios. Both plans offer Option A - Growth and Option A - Dividend options. The Dividend option offers Payout and Reinvestment facilities. Both the above plans have Through Distributor and Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund, without routing through Distributor.	Plans/Modes: Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund, without routing through Distributor. Growth and Dividend (Payout & Reinvestment) Options.

Name of the Scheme	**ING Global Commodities Fund (IGCF)**	**ING Multi Manager Equity Fund (IMMEF)**
Product Risk Label	Brown - Principal at high risk	Brown - Principal at high risk
Type of the Scheme	An Open Ended Fund of Funds Scheme	An Open Ended Diversified Equity Scheme
Investment Objective	The primary objective of the Scheme is to achieve long-term capital growth by investing primarily in units of global mutual funds which invest in commodity related securities.	The primary objective of the Scheme is to provide long-term capital appreciation by investing predominantly in equity and equity-related securities accessed on the basis of advice from a panel of third party investment advisors selected in accordance with the ING Multi Manager Investment process.

Liquidity	The Scheme is an open-ended Scheme and provides liquidity. An investor can purchase or redeem units of the Scheme on a Business day at NAV based prices. Under normal circumstances, the redemption cheques will be dispatched within 10 Business days from the date of receipt of the valid redemption request before the cut off time at designated official points of acceptance of transactions.	The Scheme is an open-ended Scheme and provides liquidity. An investor can purchase or redeem units of the Scheme on a Business Day at NAV based prices. As per SEBI Regulations, the Mutual Fund shall dispatch Redemption proceeds within 10 Business Days of receiving a valid redemption request before cut off time. However, under normal circumstances, the Mutual Fund will endeavor to dispatch the Redemption cheque within 4 business days from the acceptance of the valid repurchase request before the cut off time.
Benchmark	40% Dow Jones World Basic Materials Index + 40% Dow Jones World Oil and Gas Index + 20% MSCI AC World in INR terms	CNX Nifty Index
Transparency/ NAV Disclosure	The AMC will calculate and disclose the first Net Asset Value not later than 30 days from the closure of the New Fund Offer Period. Subsequently, The AMC shall calculate and announce the NAV of the Scheme by 9.00 p.m. of the following business day. Accordingly, the NAV of “T” day shall be declared on T+1 business day and shall appear in newspaper on T+2 business day. In addition, the AMC will disclose details of the Portfolio on half yearly basis. The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI. As required by the Regulations, the Mutual Fund shall before the expiry of one month from the closure of each half year that is on 30th September and on 31st March host a soft copy of half – yearly unaudited financial results on its website and that of AMFI www.amfiindia.com. The AMC will issue an advertisement disclosing hosting of un-audited financial results of the Scheme on its website on a half yearly basis. The AMC will disclose the monthly	The AMC will calculate and disclose the first Net Asset Value not later than 30 days from the closure of the New Fund Offer Period. Subsequently, the NAV will be calculated and disclosed at the close of every Business Day. In addition, the AMC will disclose details of the Portfolio under the Plans on half yearly basis. The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI. As required by the Regulations, the Mutual Fund shall before the expiry of one month from the closure of each half year that is on 30th September and on 31st March host a soft copy of half – yearly unaudited financial results on its website and that of AMFI www.amfiindia.com. The AMC will issue an advertisement disclosing hosting of un-audited financial results of the Scheme on its website on a half yearly basis. The AMC will disclose the monthly portfolio (along with ISIN) of the

	portfolio (along with ISIN) of the Scheme as on the last day of the month on its website on or before the tenth day of the succeeding month in a user-friendly and downloadable format (preferably in a spreadsheet). The AMC shall disclose/publish the full portfolio of the Scheme on a half-yearly basis as per the SEBI Regulations. The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year on the website and email if email address available or send physical copies of annual report or abridged summary thereof to unitholders.	Scheme as on the last day of the month on its website on or before the tenth day of the succeeding month in a user-friendly and downloadable format (preferably in a spreadsheet). The AMC shall disclose/publish the full portfolio of the Scheme on a half-yearly basis as per the SEBI Regulations. The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year on the website and email if email address available or send physical copies of annual report or abridged summary thereof to unitholders.
Load Structure	**Entry load**: NIL **Exit Load /CDSC**: if redeemed on or before 365 days from the date of allotment: 1% if redeemed after 365 days from the date of allotment: NIL	**Entry load**: NIL **Exit Load /CDSC**: if redeemed on or before 365 days from the date of allotment: 1%; if redeemed after 365 days from the date of allotment: NIL.
Minimum Application Amount	Rs 5,000/- and in multiples of Re 1/- thereafter.	Rs 5000/- and in multiples of Re. 1/- thereafter.
Minimum Additional Investment Amount	Rs. 1,000/- and in multiples of Re 1/- thereafter.	Rs 1000/- and in multiples of Re. 1/- thereafter.
Minimum Redemption Amount	Rs.1000 or a minimum of 100 units.	Rs.1000 or a minimum of 100 units.
Plans/ Mode/ Options	Plans/Modes: Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund, without routing through Distributor. Growth and Dividend (Payout & Reinvestment) Options	Plans/Modes: Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund, without routing through Distributor. The Scheme offers Option A Option A offers Growth and Dividend (Pay Out & Reinvestment) options

Name of the Scheme	**ING Latin America Equity Fund (ILAEF)**
Product Risk Label	Brown - Principal at high risk
Type of the Scheme	An Open Ended Fund of Fund Scheme
Investment Objective	The primary investment objective of the Scheme is to seek capital appreciation by investing predominantly in ING (L) Invest Latin America Fund. The Scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus. The Scheme may also invest a certain portion of its corpus in money market securities, in order to meet liquidity requirements from time to time.

Liquidity	Being open-ended, the Schemes provide high liquidity with a facility to purchase and redeem units, on every business day at NAV based prices. The redemption cheque will be dispatched to the unitholders within the statutory time limit of 10 business days of the receipt of a valid redemption request at the designated Official Points of Acceptance.
Benchmark	MSCI EM Latin America 10/40 ND Index
Transparency/ NAV Disclosure	The NAV of the schemes will be calculated and disclosed at the close of every Business Day. The NAV of a particular business day shall be declared on the next business day In addition, the AMC will disclose details of the Portfolio under the Plans on a half-yearly basis. The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI. As required by the Regulations, the Mutual Fund shall before the expiry of one month from the closure of each half year that is on 30th September and on 31st March host a soft copy of half – yearly unaudited financial results on its website and that of AMFI www.amfiindia.com. The AMC will issue an advertisement disclosing hosting of un-audited financial results of the Scheme on its website on a half yearly basis. The AMC will disclose the monthly portfolio (along with ISIN) of the Scheme as on the last day of the month on its website on or before the tenth day of the succeeding month in a user-friendly and downloadable format (preferably in a spreadsheet). The AMC shall disclose/publish the full portfolio of the Scheme on a half-yearly basis as per the SEBI Regulations. The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year on the website and email if email address available or send physical copies of annual report or abridged summary thereof to unitholders.
Load Structure	**Entry load**: NIL **Exit Load /CDSC**: if redeemed on or before 365 days from the date of allotment: 1% if redeemed after 365 days from the date of allotment: NIL
Minimum Application Amount	Rs. 5000/- and in multiples of Re. 1/- thereafter.
Minimum Additional Investment Amount	Rs. 1000/- and in multiples of Re. 1/- thereafter.
Minimum Redemption Amount	Rs.1000 or a minimum of 100 units.
Plans/ Mode/ Options	Plans/Modes: Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund, without routing through Distributor. The Scheme offers Growth and Dividend Options. The Dividend option offers Payout & Reinvestment facilities.

I. INTRODUCTION

A. Risk Factors

Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
- The names of the schemes do not in any manner indicate either the quality of the schemes or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of Rs. 100,000/- made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme.

Scheme Specific Risk Factors:

- **Risk Factors associated with ING Asset Allocator Multi Manager FoF Scheme, ING Active Debt Multi Manager FoF Scheme, ING Income Growth Multi Manager FoF Scheme, ING 5 Star Multi Manager FoF Scheme, ING Global Commodities Fund & ING Multi Manager Equity Fund:**

  1. The NAV's of the Scheme(s) may be affected by the changes in the general market conditions, factors and forces affecting the capital markets in particular, level of interest rates, various market related factors and trading volumes, settlement periods and transfer procedures, currency exchange rates, changes in the government policies, taxation laws, any other policies, political and economic developments etc.
  2. In the event of receipt of an inordinately large number of redemption requests and inability of the Underlying Scheme(s) to generate enough liquidity because of market conditions, there may be delays in redemption of units.
  3. The liquidity of the Scheme(s) investments is inherently restricted by liquidity of Underlying Schemes.
  4. Unitholders of the Scheme(s) are not being offered any guarantee / assured returns.
  5. Changes in government policy in general and in tax benefits applicable to mutual funds may impact the returns to investors in the Scheme(s).

- **Risk Factors associated with ING Income Growth Multi Manager FoF Scheme, ING Asset Allocator Multi Manager FoF Scheme, ING 5 Star Multi Manager FoF Scheme, ING Active Debt Multi Manager FoF Scheme & ING Global Commodities Fund:**

  1. The Scheme is managed via a Multi Manager process of investment management. Under the process, collections in the Scheme(s) are invested in the different underlying schemes of mutual funds. The Multi Manager Investment Team monitors and reviews such FoF investments in underlying Scheme on an ongoing basis.
  2. The Scheme(s) returns can be impacted by issues pertaining to the NAV's of underlying Scheme of mutual funds where Multi Manager FoF has invested. These could be issues such as uncharacteristic performance, changes in the business ownership and / or investment process, key staff departures etc.
  3. The returns of the Scheme(s) will depend on the choice of underlying scheme of mutual funds and allocation of capital to underlying scheme by the Multi Manager Investment Team. An inappropriate decision in either or both may have an adverse impact on the returns of the FoF Scheme.
  4. The NAVs of the underlying scheme(s) where the Scheme have invested may be impacted generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in government policies, taxation laws or any other appropriate policies and other political and economic developments. Consequently, the NAV of the Scheme may fluctuate accordingly.
  5. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the underlying scheme of mutual funds wherein the Scheme has invested. As a result, the time taken by the Mutual Fund for the redemption of units may be significant in the event of a high number of redemption requests or a restructuring of the scheme. In view of the above, the Trustee has a right in its sole discretion, to limit redemptions under certain circumstances as described under the section titled Right to Limit Redemptions.

6. The investors will bear the recurring expenses of the Scheme(s) in addition to the expenses of the Underlying Schemes in which Investments are made by the scheme, wherever applicable.
7. If the AMC were to charge an Exit load and the underlying schemes do not waive/exempt the Exit Load charged on redemptions, the investors will incur load expenses on two occasions. First, on their redemptions/ switch-out in the options under the Scheme and second, on the Scheme's redemption / switch-out in the options under the underlying schemes.
8. The tax benefits available to the FoF Scheme(s) are the same as those available under the current taxation laws and subject to relevant conditions. The information given is included for general purposes only and is based on advice that the AMC has received regarding the law and the practice that is currently in force in India. The investors and the unitholders should be aware that the relevant fiscal rules and their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each investor/unitholder is advised to consult his/her own professional tax advisor.
9. There will be no prior intimation or prior indication given to the Unit holders when the composition/ asset allocation pattern under the scheme changes within the broad range defined in this offer document.
10. The scheme specific risk factors of each of the underlying schemes become applicable where a fund of funds invests in any underlying scheme. Investors who intend to invest in Fund of Funds are required to and are deemed to have read and understood the risk factors of the underlying schemes relevant to the Fund of Fund scheme that they invest in.
11. As the investors are incurring expenditure at both the Fund of Funds level and the schemes into which the Fund of Funds invests, wherever applicable, the returns that they may obtain may be materially impacted or may at times be lower than the returns that investors directly investing in such schemes obtain.
12. As the Fund of Funds scheme may shift the weightage of investments between schemes into which it invests, the expenses charged being dependent on the structure of the underlying schemes (being different) may lead to a non- uniform charging of expenses over a period of time.
13. As the Fund of Funds (FOF) factsheets and disclosures of portfolio will be limited to providing the particulars of the schemes invested at FOF level, investors may not be able to obtain specific details of the investments of the underlying schemes.
14. The NAV of the scheme to the extent invested in Money market securities, are likely to be affected by changes in the prevailing rates of interest and are likely to affect the value of the Scheme's holdings and thus the value of the Scheme's Units.
15. Investment decisions made by the AMC may not always be profitable.

- **Risk Factors associated with ING Income Growth Multi Manager FoF Scheme, ING Asset Allocator Multi Manager FoF Scheme, ING 5 Star Multi Manager FoF Scheme, ING Global Commodities Fundand ING Latin America Equity Fund:**

  Investments in underlying equity schemes will have all the risks associated with the underlying equity schemes including performance of underlying stocks, derivative investments, off shore investments, security lending etc.

- **Risk Factors associated with ING Global Commodities Fund:**

1. As the portfolio will invest in other Mutual Funds the portfolio shall be exposed to the political, economic and social risks with respect to each country. However, investments in various economies will diversify and reduce these risks.
2. Commodities Specific Risks - Commodities are in general a more volatile asset class than equities markets. Stocks linked to this asset class can be even more volatile than the commodity prices themselves. At times currencies and global supply and demand can have a significant impact on the profitability of companies operating in this industry. The nature of these companies linked to this asset class is cyclical in nature.
3. The following factors, to name a few, may also enhance risks: Political and social uncertainty, inflation, deflation or currency devaluation, low level and poor quality implementation of regulation, less rigorous standards of accounting and auditing, poor quality of corporate governance, lower trading volumes in stocks and bonds as compared to more mature markets, concentration of trading and market capitalization in a small number of stocks and/or sectors, high impact cost of buy and sell decisions, lack of quality settlement guarantee systems, delays in settlement of financial market transactions etc.
4. The fund will be exposed to settlement risk, as different countries have different settlement periods.

- **<u>Risk Factors associated with ING Multi Manager Equity Fund:</u>**

1. The portfolio of ING Multi Manager Equity Fund is managed via a Multi Manager process of investment management and will comprise predominantly of Equity and Equity Related instruments and there would be Moderate to High risk on account of Price Fluctuations and Volatility. The Scheme can have concentrated exposure to some sectors (weightage may be different from benchmark index). Hence the performance of the Scheme can be different from the performance of the benchmark and the Concentration / Sector Risks are moderate. The scheme shall face the risk of misjudging the prospectus and valuations of a company. Since the Scheme will invest in companies, which are fundamentally sound having attractive valuations, the liquidity risk is moderate and may impact the Scheme if there is sudden large redemption. Some investments may also be made in Equity based derivatives such as Options and Futures, in which case, the risks associated with such Derivatives would be also be applicable.
2. The returns of the Scheme will depend on the choice and quality of advice of investment advisors. An inappropriate decision may have an adverse impact on the returns of the Scheme.
3. Trade Execution risk: The AMC would construct the portfolio based on advice received from Third Party Investment Advisors. There could be some delay in executing the trade based on the advice provided and it might have an impact on the performance.
4. Composition of Investment Advisors risk: Multi Manager Investment Process involves actively managing composition of Investment Advisors. Risks may arise out of such changes in advisor composition.
5. The value of the Scheme's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments. Consequently, the NAV of the Units of the Scheme may fluctuate and can go up or down.
6. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. The NAV of the Scheme can go up and down because of various factors that affect the capital markets in general.
7. As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for the redemption of units may be significant in the event of a high number of redemption requests or a restructuring of the Scheme. In view of the above, the Trustee has a right in its sole discretion, to limit redemptions under certain circumstances as described under the section titled Right to Limit Redemptions.
8. The AMC may, considering the overall level of risk of the portfolio, invest in lower rated/ unrated securities offering higher yields.
9. Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The AMC may choose to invest in unlisted securities that offer attractive yields. This may increase the risk of the portfolio.
10. While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the security is finally sold.
11. Investment decisions made by the AMC may not always be profitable.
12. The Mutual Fund may not be able to sell lent out securities which can lead to temporary illiquidity. There are risks inherent in securities lending, including the risk of failure of the other party, in this case the approved intermediary to comply with the terms of the agreement. Such failure can result in a possible loss of rights to the collateral, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of corporate benefits accruing thereon.
13. The tax benefits available under the scheme are as available under the present taxation laws and are available subject to relevant conditions. The information given is included for general purposes only and is based on advise that the AMC has received regarding the law and the practice that is currently in force in India and the investors and the Unitholders should be aware that the relevant fiscal rules and their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor/Unitholder is advised to consult his/her own professional tax advisor.

Risk relating to Distributions

Investors should be aware that the Manager may make distributions from both the capital and/or the income of the Sub-Fund. Where an investor has elected to receive distributions, in the event the Manager determines to make a distribution from the capital of the Sub-Fund investors should be aware that any distributions made from the capital of the Sub-Fund may have the effect of reducing the investor's original investment in the Sub-Fund and that the net asset value of the Sub-Fund may decrease. Investors should also understand that any declaration of a distribution may not indicate whether the Sub-Fund has made profit whether of a capital or income nature.

Political and/or Regulatory Risks

The value of the Sub-Fund's investments may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. Foreign ownership restrictions in some markets may mean that corporate actions entitlements in relation to any collective investment schemes or other investments the Fund is invested into may not always be secured or may be restricted.

Portfolio Management Risk

The Manager may engage in various portfolio strategies on behalf of the Sub-Fund by the use of futures and options for efficient portfolio management purposes only. Due to the nature of futures, cash to meet initial and future margin deposits may be held by a broker with whom the Fund has an open position. On execution of the option the Sub-Fund may pay a premium to the counterparty. In the event of bankruptcy of the counterparty the option premium may be lost in addition to any unrealized gains where the contract is "in the money".

Foreign Exchange/Currency Risk

The Sub-Fund may invest its assets in securities denominated in a wide range of currencies, some of which may not be freely convertible. The Net Asset Value of the investments of the Sub-Fund as expressed in USD will fluctuate in accordance with the changes in the foreign exchange rate between the USD and the currencies in which the sub-Fund's investments are denominated. The Sub-Fund may therefore be exposed to a foreign exchange/currency risk. It may not be possible or practicable to hedge against the consequent foreign exchange/ currency risk exposure.

Premium Risk

Where the Sub-Fund acquires or values securities in the over-the-counter market there is no guarantee that the Sub-Fund will be able to realise such securities at a premium due to the nature of the over the-counter market. Subject to the interests of investors and/or the Sub-Fund, the Manager shall make reasonable efforts to reduce the Sub-Fund's exposure to such premium risk.

Counterparty and Settlement Considerations

The Sub-Fund will be exposed to credit risk on the counterparties with which it trades particularly in relation to options, futures, contracts and other derivative financial instruments that are not traded on a recognised market. Such instruments are not afforded the same protections as may apply to participants trading futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. The Sub-Fund will be subject to the possibility of the insolvency, bankruptcy or default of a counterparty with which the Sub-Fund trades, which could result in substantial losses to the Sub-Fund. The Sub-Fund will also be exposed to a credit risk on parties with whom it trades securities, and may also bear the risk of settlement default, in particular in relation to debt securities such as bonds, notes and similar debt obligations or instruments. Investors should also note that settlement mechanisms in emerging markets are generally less developed and reliable than those in more developed countries and that this therefore increases the risk of settlement default, which could result in substantial losses for the Sub-Fund in respect to investments in emerging markets. Investors should also note that the securities of small capitalisation companies as well as the securities of companies domiciled in emerging markets are less liquid and more volatile than more developed stock markets and this may result in fluctuations in the price of the Units.

Emerging Markets Risk

The Sub-Fund may invest in equity securities of companies in emerging markets. Such securities may involve a high degree of risk and may be considered speculative. Risks include (i) greater risk of expropriation, confiscatory taxation, nationalization, and social, political and economic stability; (ii) the small current size of the markets for securities of emerging markets issuers and the currently low or non-existent volume of trading, resulting in lack of liquidity and in price volatility, (iii) certain national policies which may restrict the Sub-Fund's investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; and (iv) the absence of developed legal structures governing private or foreign investment and private property.

Price Volatility

The value of the Sub-Fund changes as the prices of its investments go up and down. Equity securities face market, issuer and other risks, and their values may go up or down. Equity securities face market, issuer and other risks, and their values may go up or down, sometimes rapidly and unpredictably. Market risk is the risk that securities may decline in value due to factors affecting securities market generally or particular industries. Issuer risk is the risk that the value of a security may decline for reasons relating to the issuer, such as changes in the financial condition of the issuer. While equities may offer the potential for greater long-term growth than most debt securities, they generally have higher volatility. The Sub-Fund may invest in small-and mid-sized companies, which may be more susceptible to greater price swings than larger companies because they have fewer financial resources, more limited product and market diversification and may be dependent on a few key managers.

Market Trend

From time to time, the stock market may not favour the securities in which the Sub-Fund invests. Rather, the market could favour stocks in industries to which the Sub-Fund is not exposed, or may not favour equities at all.

Industry Concentration

As a result the Sub-Fund concentrating its assets in securities related to a particular industry, the Sub-Fund may be subject to greater market fluctuation than a fund which has securities representing a broader range of investment alternatives.

<u>Risk Factors applicable only to ING Latin America Equity Fund:</u>

Investors should note that investments in the Sub-Fund are exposed to the financial and market risks that accompany investments in equities and these have been set out in greater detail below. The Sub-Fund invests in foreign securities, which involve special risks, including currency fluctuations, lower liquidity, political and economic uncertainties, and differences in accounting standards.

The Sub-Fund may be affected by the following risks, among others:

- The Scheme intends to predominantly invest in ING (L) Invest Latin America Fund, under normal market conditions, the ING (L) Invest Latin America Fund will operate as a diversified fund. The market risk associated with the equities and/or transferable securities used to reach investment objectives of the sub fund are considered as high. Equities are impacted by various factors, of which, without being exhaustive, the development of the financial market, as well as the economic development of issuers who are themselves affected by the general world economic situation, as well as economic and political conditions prevailing in each country. Expected liquidity risk underlying investments in emerging markets is higher than investments in developed markets. Moreover, the currency exposure may impact highly the sub-fund's performance. Investments in a specific geographic area are more concentrated than investments in various geographic areas. No guarantee is provided as to the recovery of the initial investment.
- Investments in the sub fund are exposed to risks, which may include or be linked to equity, bond, currency, interest rate, credit, volatility and political risks. Each of these risks may also occur in conjunction with other risks. Some of these risk factors are described briefly below. Potential investors must have experience in investing in instruments used in the context of the investment policy of the sub fund. Investors must also be fully aware of the risks linked to investments in the sub fund and ensure that they consult their legal, tax and financial adviser, auditor or other adviser in order to obtain complete

information on (i) the appropriate nature of an investment depending on their personal financial and tax situation and on their particular circumstances, (ii) the information contained herein and (iii) the investment policy of the sub-fund, before making any investment decision. Apart from potential stock exchange profit, it is important to note that an investment also involves the risk of incurring stock exchange losses. The value of the sub fund is determined on the basis of fluctuations in the price of the transferable securities held by the Company. The value may therefore go up or down in relation to their initial value. There is no guarantee that the aims of the investment policy will be achieved.

- Investors must be fully aware that any such investment may involve credit risks. Bonds and debt securities effectively involve issuer credit risk, which can be calculated using the issuer's solvency rating. Bonds and debt securities issued by entities with a low rating are generally considered to have higher credit risk and issuer default ING Latin America Equity Fund probability than those issued by issuers with a higher rating. If the issuer of bonds or debt securities runs into financial or economic difficulty, the value of the bonds or debt securities (which may become null and void) and the payments made on account of these bonds or debt securities (which may become null and void) may be affected. (credit risk). This is a general risk which affects all types of investment. Price trends for transferable securities are determined mainly by financial market trends and by the economic development of the issuers, who are themselves affected by the overall situation of the global economy and by the economic and political conditions prevailing in each country (market risk).
- Investors must be aware that an investment in the shares of the Company may be exposed to interest rate risks. These risks occur when there are fluctuations in the interest rates of the main currencies of each transferable security or of the Company.
- To the extent that the underlying scheme are invested in fixed income securities, the NAV of the Units issued under the Scheme is likely to be affected by changes in the general level of interest rates. When interest rates decline, the value of a portfolio of fixed income securities can be expected to rise. Conversely, when interest rates rise, the value of a portfolio of fixed income securities can be expected to decline.
- The liquidity of the Schemes' investments may be inherently restricted by the liquidity of the underlying schemes in which it has invested. Liquidity risks arise when a particular security is difficult to sell. In principle, only securities that can be sold at any time are added to a fund. Similarly, some transferable securities may be difficult to sell at the desired moment during particular periods or on particular segments of the stock exchange. Finally, there is a risk that securities traded in a narrow market segment are subject to high price volatility.
- The Investors shall bear the recurring expenses of the Scheme in addition to those expenses (recurring expenses and load) of the underlying schemes. The load and the recurring expenses charged by the underlying scheme may change from time to time. Therefore, the returns that they may receive may be materially impacted or may, at times, be lower than the returns that the investors directly investing in the underlying schemes could obtain.
- The disclosures of portfolio for the Scheme will be limited to the particulars of the underlying schemes and money market securities where the Scheme has invested. Investors may, therefore, not be able to obtain specific details of the investments of the underlying schemes.
- Any change in the investment policies or fundamental attributes of any underlying scheme is likely to affect the performance of the Scheme.
- Currency Risk – The value of investments may be affected by exchange rate fluctuations in the sub-funds where investments are allowed in a currency other than the sub-fund's reference currency. Returns to investors are the result of a combination of returns from investments and from movements in exchange rates. For example, if the Rupee appreciates vis-à-vis the US$, the extent of appreciation will lead to reduction in the yield to the investor. However, if the Rupee appreciates against the US Dollar by an amount in excess of the interest earned on the investment, the returns can even be negative. Again, in case the Rupee depreciates vis-à-vis the US$, the extent of depreciation will lead to a corresponding increase in the yield to the investor. Going forward, the Rupee may depreciate (lose value) or appreciate (increase value) against the currencies of the countries where the Scheme will invest. However in the interest of the investors, the AMC may hedge the currency risk exposure by forward contracts or such other tool as permitted by RBI.
- Country Risk – Country risk arises from the inability of a country to meet its financial obligations. It is the risk encompassing economic, social and political conditions in a foreign country which might adversely affect the interests of the Scheme.
- In parallel to the general trends prevailing on the financial markets, developments particular to each issuer can affect the value of an investment. Even a careful selection of transferable securities cannot, for example, eliminate the risk of losses caused by a decline in the assets of an issuer.
- Lack of flexibility of investment product and restrictions which may limit the possibility to change the counterparts/providers. Difficulties may in particular exist to find another counterparty with similar conditions for over-the-counter (OTC) derivatives.

- When OTC contracts are entered into, the Company may find itself exposed to risks arising from the solvency of its counterparts and from their ability to respect the conditions of these contracts. The Company may thus enter into futures, options and swap contracts, or use other derivative techniques, each of which involves the risk that the counterpart will fail to respect its commitments under the terms of each contract.
- Where the sub-fund invests in warrants on transferable securities, the net asset value may fluctuate more if the sub fund were invested in the underlying assets because of the higher volatility of the value of the warrant.

- **Risk Factors associated with investing in Fixed Income Securities:**

  The NAV of the plan to the extent invested in Money market securities, government securities, corporate bond and other debt securities are likely to be affected by changes in the prevailing rates of interest and are likely to affect the value of the Scheme's holdings and thus the value of the Scheme's Units.

- **Risk Factors associated with Securitised Debt (Applicable only to ING Multi Manager Equity Fund):**

  The scheme may invest in Securitised debt such as Asset backed Securities (ABS) or Mortgaged backed securities (MBS). Asset backed securities are securitised debt where the underlying assets are receivable arising from various loans including automobile loans, personal loans, loans against consumer durables etc. Mortgaged backed securities are securitised debt where the underlying assets are receivable arising from loans backed by mortgaged of residential/commercial properties. ABS/MBS instruments reflect the undivided interest in the underlying pool of assets and do not represent the obligation of the issuer of ABS/MBS or the originator of the underlying receivable. The ABS/MBS holders have limited recourse to the extent of credit enhancement provided. If the delinquencies and credit losses in the underlying pool exceed the credit enhancement provided, ABS/MBS holder will suffer credit losses. ABS/MBS are normally exposed to a higher level of re- investment risk as compared to the normal corporate or sovereign debt. At present the following types of loans are securitised: ***Auto loans (Cars/commercial vehicles/ two wheelers), House loans, Consumer durable loans, Personal loans, corporate loans.*** **Auto Loans (Cars/Commercial vehicles/ two wheelers):** The underlying assets are susceptible to depreciation in values whereas the loans are given at high loan to value ratios. Thus after a few months, the value of assets becomes lower than the loan outstanding. The borrowers therefore may sometimes tend to default on loans and allow the vehicles to be repossessed. These loans are subject to model risk i.e. if a particular automobile model does not become popular, loans given for financing that model have a much higher likelihood of turning bad. In such cases, loss on sale of repossession vehicles is higher than usual. Commercial vehicles loans are susceptible to the cyclicality in the economy. In a downturn in economy, freight rates drop leading to higher defaults in commercial vehicle loans. Further, the second hand prices of these vehicles also decline in such economic environment. **Housing Loans:** Housing loans in India have shown very low default rates historically. However, in recent years loans have been given at high loan to value ratios and to a much younger borrower classes. The loans have not yet gone through the full economic cycle and have not yet seen a period of declining property prices. Thus the performance of these housing loans is yet to be tested and it need not conform to the historical experience of low default rates. **Consumer durable loans:** The underlying security for such loans is easily transferable without the banks knowledge and hence repossession is difficult. The underlying security for such loans is also susceptible to quick depreciation in value. This gives the borrowers a high incentive to default. **Personal Loans:** These are unsecured loans. In case of default, the bank has no security to fall back on. The lender has no control over how the borrower has used the borrowed money. **Further, all the above loans have the following common risk:** All the above loans are retail, relatively small value loans. There is a possibility that the borrower takes different loans using the same income proof and thus the income is not sufficient to meet the debt service obligations of these loans. **Corporate loans:** These are loans given to single or multiple corporate. The receivables from a pool of loans to corporate is assigned to a trust that issues Pass through certificates in turn. The credit risk in such PTCs is on the underlying pool of loans to corporate, which in turn depends on economic cycles.

- **Risks associated with investing in Foreign Securities:**

  - **Applicable only to ING Global Commodities Fund**

    1. To the extent the assets of the scheme are invested in overseas funds, there may be risks associated with currency movements, restrictions on repatriation and transaction procedures in overseas market. Further, the repatriation of capital to India may also be hampered by changes in regulations or political circumstances as well as the application to it of other restrictions on investment. In addition country risks would include events such as introduction of extraordinary

exchange controls, economic deterioration, bi-lateral conflict leading to immobilization of the overseas financial assets and the prevalent tax laws of the respective jurisdiction for execution of trades or otherwise.

2. As per SEBI Circular SEBI/IMD/ Cir. No. 7/104753/07 dated September 26, 2007 and SEBI/IMD/CIR No.2/122577/08 dated April 8, 2008, the aggregate ceiling for the mutual fund industry to invest in Foreign Securities has been increased to US$ 7 billion with a sub-ceiling for individual mutual funds, which is subject to a maximum of US$ 300 million per mutual fund. If the Maximum Subscription Limit has been reached, the subscriptions into the Schemes shall be suspended till further notice by the AMC.
3. As per per SEBI Circular SEBI/IMD/ Cir. No. 7/104753/07 dated September 26, 2007 and SEBI/IMD/CIR No.2/122577/08 dated April 8, 2008 aggregate ceiling for investment by Mutual Funds in overseas Exchange Traded Fund (ETF(s)) that invest in securities is US $ 1 billion subject to a maximum of US $ 50 million per Mutual Fund.
4. As the Fund will invest in units of global mutual funds which invest in commodity related securities, which are denominated in foreign currencies (e.g. US Dollars), fluctuations in the exchange rates of these foreign currencies may have an impact on the income and value of the fund.
5. Foreign Exchange Risk- To manage risks associated with foreign currency and interest rate exposure, the Mutual Fund may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated by SEBI/RBI from time to time.

- **Applicable only to ING Multi Manager Equity Fund**

The Scheme may also invest in overseas financial assets based on RBI/ SEBI Guidelines and to the extent that assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

- **Risks associated with investing in Derivatives (Applicable only to ING Multi Manager Equity Fund):**

The Scheme may use various derivative products as permitted by the Regulations. Use of derivatives requires an understanding of not only the underlying instrument but also of the derivative itself. Risk factors associated with investment in derivatives: **Credit risk**: is the risk that the counter party will default on obligations and is generally negligible, as there is no exchange of principal amounts in a derivative transaction and exchange settlement system and margining system reduces the chances of such eventuality **Market risk**: Derivatives carry the risk of adverse changes in the market price. Of underlying securities or derivative contracts **Illiquidity risk**: The risk that a derivative cannot be sold or purchased at a fair price, due to lack of liquidity in the market Other risks include, the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

- **Risks associated with Short Selling and Securities Lending:**

The Mutual Fund may not be able to sell lent out securities, which can lead to temporary illiquidity. There are risks inherent in securities lending, including the risk of failure of the other party, in this case the approved intermediary to comply with the terms of the agreement. Such failure can result in a possible loss of rights to the collateral, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of corporate benefits accruing thereon.

B. Requirement of Minimum Investors in the Scheme (Applicable to all open ended Schemes):

The Scheme/Plan shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme / Plan(s) does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (Mutual Funds) Regulations 1996, as amended from time to time would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. Special Considerations:

- Neither this Scheme Information Document nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about, and to observe, any such restrictions.

- Prospective investors should review / study this Scheme Information Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (by way of sale, switch or Redemption or conversion into money) of Units and to the treatment of income (if any), capitalisation, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalisation, disposal (by way of sale, transfer, switch or conversion into money) of Units within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to Purchase / gift Units are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding Units before making an application for Units.

- From time to time, funds managed by the affiliates / associates of the Sponsor may invest either directly or indirectly in the Scheme. The funds managed by these affiliates/associates may acquire a substantial portion of the Scheme's Units and collectively constitute a major investment in the Scheme. Accordingly, Redemption of Units held by such funds may have an adverse impact on the value of the Units of the Scheme because of the timing of any such Redemption and may affect the ability of other Unit Holders to redeem their respective Units.

Investors are urged to study the terms of the Offer carefully before investing in the Scheme and to retain this Scheme Information Document for future reference.

D. Abbreviations and Definitions

In this Scheme Information Document the following terms will have the meanings indicated there against, unless the context suggests otherwise:

AMFI	Association of Mutual Funds in India.
AOP	Association of Persons.
Asset Management Company, AMC or Investment Manager	ING Investment Management (India) Private Limited incorporated under the Companies Act, 1956 and registered with the SEBI to act as an Asset Management Company for the schemes of the ING Mutual Fund.
Applicable NAV	The Net Asset Value applicable for Redemptions/Repurchase/switches etc., based on the Business Day and relevant cut-off times on which the application is accepted at the official points of acceptance.
Application Form	A form meant to be used by an investor to open a Folio and purchase Units in the Scheme.
KIM	Key Information Memorandum
BOI	Body of Individuals.
Business Day	**<u>For Schemes other than ING Global Commodities Fund and ING Latin America Equity Fund</u>:** A day other than: • Saturday and Sunday; • A day on which The Stock Exchange, Mumbai is closed or the National Stock Exchange is closed; • A day which is a public and/or bank holiday at a collection centre where the application is received; • A day on which the banks in Mumbai and / or RBI are closed for business / clearing; • A day on which the purchase or redemption of units is suspended; • A day on which normal business could not be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time; • A day on which the AMC is closed for business. **<u>For ING Global Commodities Fund</u>:** A day other than: • Saturday and Sunday; • A day on which The Stock Exchange, Mumbai is closed or the National Stock Exchange is closed; • A day which is a public and/or bank holiday at a collection centre where the application is received; • A day on which the banks in Mumbai and / or RBI are closed for business / clearing; • A day when underlying funds are closed for subscription/redemption; • A day on which the purchase or redemption of units is suspended; • A day on which normal business could not be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time; • A day on which the AMC is closed for business.

	For ING Latin America Equity Fund: A day other than (i) Saturday and Sunday, (ii) a day on which the banks in Mumbai are closed, Stock exchange in Mumbai is closed (BSE and NSE) (iii) a day when ING (L) Invest Latin America Fund is closed for subscription/redemption, (iv) a day on which the sale and redemption of Units is suspended. (v) A day on which the AMC is closed for business. However, the Trustees/AMC reserve the right to declare any day as a non-business day at any of its locations at its sole-discretion
CAGR	Compounded Annual Growth Rate
Contingent Deferred Sales Charge / CDSC	A charge to the Unit Holder upon exiting (by way of Redemption) based on the period of holding of Units. The Regulations provide that a CDSC may be charged only for a no-Load Scheme and only for the first four years after the Purchase and caps the percentage of NAV that can be charged in each year.
Custodian	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is Deutsche Bank AG.
Collection Bank(s)	The Bank(s) with which the AMC has entered into an agreement, from time to time, to enable customers to deposit their applications for Units during New Fund Offer.
Designated Collection Centers	ISCs/ Transactions Points designated by the AMC as the Official Points of Acceptance where the applications shall be received.
Dividend	Income distributed by Scheme on the Units, where applicable.
Entry Load	Not Applicable, as in accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009, no entry load will be charged for purchase / additional purchase / switch-in accepted by the Fund with effect from August 1, 2009. Similarly, no entry load will be charged with respect to applications for registrations under Systematic Investment Plan/ Systematic Transfer Plan accepted by the Fund with effect from August 1, 2009. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI Registered Distributor) directly by the investor, by a separate cheque based on the investor's assessment of various factors including service rendered by the ARN Holder.
EFT	Electronic Funds Transfer.
Exit Load	A Load (other than CDSC) charged to the Unit Holder on exiting the Scheme (by way of Redemption) based on period of holding, amount of investment, or any other criteria decided by the AMC.
Foreign Institutional Investors / FII	An entity registered with SEBI under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 as amended from time to time.
Fund of Funds / FOF	A mutual fund scheme that invests primarily in other schemes of the same mutual fund or other mutual funds.
Fund / Mutual Fund	ING Mutual Fund, a trust set up under the provisions of Indian Trusts Act, 1882 (Formerly known as ING Savings Trust and ING Vysya Mutual Fund).
HUF	Hindu Undivided Family.
Investment Agreement / IMA	The Agreement dated October 28, 1998 executed between the AMC and the Trustees as amended from time to time.
Investor Service Centre / ISC	Official Points of Acceptance of transaction / service requests from investors. These will be designated by the AMC from time

	to time.
Load	A charge that may be levied to an investor at the time of Redemption of Units from the Scheme.
Multi Manager	A process of blending different investment styles and processes used by managers of underlying schemes offered by mutual funds.
Multi Manager Investment Committee	The Investment Committee set up for the Multi Manager Division of the AMC to support and give guidance to the Multi Manager Investment Team.
Multi Manager Investment Team	Multi Manager Investment Team which perform strategic and tactical asset allocation and selects the Underlying Schemes.
New Fund Offer / NFO	The offer for Purchase of Units at the inception of the Scheme, available to the investors during the NFO Period.
Official Points of Acceptance of transaction (OPA)	Any location, as may be defined/ designated by the Asset Management Company from time to time, where investors can tender the request for subscription, redemption or switching of units, etc.
Redemption	Repurchase of Units by the Scheme from a Unit Holder.
Redemption Price	The price (being Applicable NAV minus Exit Load / CDSC) at which the Units can be redeemed and calculated in the manner provided in this Scheme Information Document.
RTGS	Real Time Gross Settlement.
SAI	Statement of Additional Information.
SID	Scheme Information Document.
SEBI	Securities and Exchange Board of India established under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI Regulations/ Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time, including by way of circulars or notifications issued by SEBI and the Government of India.
Sponsor	ING Group through its wholly owned subsidiary, Nationale Nederlanden Interfinance B.V.
Switch	Sale of a Unit in one Scheme / Plan / Option against purchase of a Unit in another Scheme /Plan / Option.
Third Party Mutual Fund	Mutual Funds other than ING Mutual Fund registered with SEBI.
Transaction Slip	A form meant to be used by Unit Holders seeking additional Purchase or Redemption of Units in the Scheme, change in bank account details, switch-in or switch-out and such other facilities offered by the AMC and mentioned in Transaction Slips.
Trustee	The Board of Trustees of the ING Mutual Fund
Trust Deed	The Deed of Trust dated October 8, 1998 made by and between the Sponsor and the Trustees as amended from time to time, thereby establishing an irrevocable trust i.e. ING Mutual Fund, a Mutual Fund.
Trust Fund	Amounts settled / contributed by the Sponsor towards the corpus of ING Mutual Fund and additions / accretions thereto.
Unit	The interest of an investor, which consists of one undivided share in the net assets of the Scheme.
Unit Holder	A person holding Units of the Scheme of ING Mutual Fund offered under this Scheme Information Document.
Valuation Day	Business Day

E. Due Diligence Certificate

The Asset Management Company has submitted a Due Diligence Certificate duly signed by the Compliance Officer to SEBI which reads as follows:

It is confirmed that:

1. The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and the guidelines and directives issued by SEBI from time to time.

2. All legal requirements connected with the launching of the Scheme and also the guidelines, instructions, etc. issued by the Government of India and any other competent authority in this behalf, have been duly complied with.

3. The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed Scheme.

4. All the intermediaries named in the Scheme Information Document and Statement of Additional Information is registered with SEBI and till date such registration is valid, as on date.

For **ING Investment Management (India) Private Limited**
(Investment Manager to ING Mutual Fund)

June 26, 2014

Mumbai

Sd/-
Compliance Officer

II. INFORMATION ABOUT THE SCHEME

ING ASSET ALLOCATOR MULTI MANAGER FOF SCHEME

A. Type of the Scheme

An Open-ended Fund of Funds Scheme that invests in equity funds, debt funds, money-market funds, and money market securities.

B. What is the Investment Objective and Policy of the Scheme

Investment Objective

The primary objective of the Scheme is to generate capital appreciation primarily from a portfolio of equity and debt funds accessed through the diversified investment styles of underlying schemes selected in accordance with the ING Multi Manager Investment process.

There can be no assurance that the investment objective of the Scheme will be realized.

Investment Policy:

Fund allocation between equity and debt schemes and money market securities depends on the relative valuations between the asset classes. Relative valuations are determined by consideration of factors such as:

- Price/Earnings Ratio relative historical averages
- The relationship between Earnings Yield (P/E inverted) to 10 Year Bond Yield relative to historical averages
- Institutional flows (Foreign Institutional Investments inflows and domestic inflows) to local equity markets
- RBI monetary policy stance in conjunction with the slope of the yield curve

The most well-known valuation parameter for equity is the Price-Earnings (P/E) ratio. The estimated earnings of a company are valued as a present value in terms of the price. Hence, the p/e multiple is used to determine the relative valuation of a stock. When the P/E ratio exceeds its historical levels the stock moves to an overvalued price. As the P/E ratios of stocks increase over their historical averages, the fund will look to progressively reduce exposure to equities.

The inverse of P/E ratio is earnings yield. The earnings yield can be compared to the bond yield for assessing the relative over or under-valuation of stocks with respect to bonds. Earnings yields on stocks should offer investors a premium over bond yields due to the relatively higher risk associated with investing in equity. This is referred to as the equity risk premium. When the equity risk premium again falls to levels below the historical average, equities become relatively more expensive over bonds. Relative yields will provide key input to the allocation between equity and debt funds and money market securities.

In addition, Institutional inflows and RBI monetary policy may also have an impact on asset allocation between equity and debt funds and money market securities.

After analyzing some or all the factors mentioned above, Multi Manager Investment Team determines the relative allocation to equity and debt funds and money market securities.

C. How will the Scheme allocate its Assets

Indicative Asset Allocation

Under normal circumstances, the asset allocation is as follows:

Instruments	**Indicative allocations (% of total assets)**		**Risk Profile**
	Maximum	**Minimum**	
Equity Funds	100	0	High

Debt Funds, Liquid Funds, Money Market Funds	100	0	Low to Medium
Money Market Securities	10	0	Low

The Scheme will invest in third party mutual funds and not make any investments in schemes of ING Mutual Fund.

The scheme allocates investments dynamically between equity and debt/liquid/money market funds and therefore the scheme is named as "ING Asset Allocator Multi Manager FoF Scheme".

The scheme invests in Money Market Securities as per the prevailing regulations from time to time, only for the purpose of liquidity requirements. These percentages are adhered to at the point of investment. The portfolio is reviewed periodically to address any deviations from the aforementioned allocations due to market changes.

Subject to the SEBI Regulations, the asset allocation pattern indicated may change from time to time, keeping in view market conditions, market opportunities, and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the unitholders. Such changes in the asset allocation will be for short term and defensive considerations. Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the SEBI Regulations.

Change in Investment Pattern

The Trustees may from time to time modify the investment composition provided such modification is in accordance with the Scheme(s) objective and Regulations and as amended from time to time including by way of Circulars, Press Releases, Notification issued by SEBI or the Government of India to regulate the activities and growth of mutual funds, the intent being to protect the NAV of the Scheme and unitholders' interest.

Asset Allocation

The Fund does not set absolute targets for buying / selling individual equity / debt / money-market funds. However, the portfolios will be critically reviewed on a periodic basis to assess the rise / fall in the funds and a decision to book profits / cut losses is taken based on prevalent market conditions and changing business environment.

D. Where will the Scheme invest?

Subject to the Regulations and other prevailing laws as applicable, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. Units of Equity Mutual Fund Schemes;
2. Units of Debt Mutual Fund Schemes;
3. Units of Liquid Mutual Fund Schemes;
4. Units of Money Market Mutual Fund Schemes;
5. Money market securities (i.e. Commercial Papers, Commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time)
6. Any other instruments as may be permitted by SEBI from time to time.

ING ACTIVE DEBT MULTI MANAGER FOF SCHEME

A. Type of the Scheme

An Open-ended Fund of Funds Scheme that primarily invest in Debt Funds which include Income Funds, Gilt Funds, Floating Rate Funds, Short Term Funds, Fixed Maturity Plans, and Liquid Funds.

B. What is the Investment Objective of the Scheme

Investment Objective

The primary objective of the Scheme is to generate returns from a portfolio of pure debt oriented funds accessed through the diverse investment styles of underlying schemes selected in accordance with the ING Multi Manager Investment process.

There can be no assurance that the investment objective of the Scheme will be realized.

C. How will the Scheme allocate its Assets

Indicative Asset Allocation

Under normal circumstances, the asset allocation is as follows:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	
Debt Funds (including Income Funds, Gilt Funds, Floating Rate Funds, Short Term Funds, Fixed Maturity Plans, and Liquid Funds.)	100	90	Low to Medium
Money market Securities	10	0	Low

The Scheme will only invest in third party mutual funds, and do not make any investments in schemes of the ING Mutual Fund.

The scheme will invest in Money Market Securities as per the prevailing regulations from time to time, only for the purpose of liquidity requirements. These percentages are adhered to at the point of investment. The portfolio is reviewed periodically to address any deviations from the aforementioned allocations due to market changes.

Subject to the SEBI Regulations, the asset allocation pattern indicated may change from time to time, keeping in view market conditions, market opportunities, and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the unitholders. Such changes in the asset allocation will be for short term and defensive considerations. Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the SEBI Regulations.

Change in Investment Pattern

The Trustees may from time to time modify the investment composition provided such modification is in accordance with the Scheme(s) objective and Regulations and as amended from time to time including by way of Circulars, Press Releases, Notification issued by SEBI or the Government of India to regulate the activities and growth of mutual funds, the intent being to protect the NAV of the Scheme and unitholders' interest.

Asset Allocation

The Fund does not set absolute targets for buying / selling individual Debt Funds which include Income Funds, Gilt Funds, Floating Rate Funds, Short Term Funds, Fixed Maturity Plans, and Liquid Funds. However, the portfolios will be critically reviewed on a periodic basis to assess the rise / fall in the funds and a decision to book profits / cut losses is taken based on prevalent market conditions and changing business environment.

D. Where will the Scheme invest?

Subject to the Regulations and other prevailing laws as applicable, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. Units of Debt Mutual Fund Schemes;
2. Units of Liquid Mutual Fund Schemes;
3. Units of Money Market Mutual Fund Schemes;
4. Money market securities (i.e. Commercial Papers, Commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time)
5. Any other instruments as may be permitted by SEBI from time to time.

E. What are the Investment Strategies?

Investment Approach and Strategy

The Allocation of funds between the different debt funds specified in the asset allocation pattern depends primarily on the interest rate outlook. When interest rates are expected to harden, the ideal combination of funds include those that have relatively low interest rate risk. Hence the portfolios have a higher weightage to the Liquid funds, Floating Rate Funds and Fixed-Maturity-Plans and other Debt Funds with average maturity less than 1-year.

Conversely, when interest rates are expected to ease, the fund seeks to generate higher returns by higher weightage to Debt funds which have average maturity more than 1 year.

The direction of the interest rates are determined through consideration of the following factors:

- RBI stance of Monetary Policy
- Inflation rate and expectations of movement in the Inflation rate
- Economic growth
- Banks commercial credit demand growth versus banks' deposit growth
- Movement in interest rates among Other major economies

Based on the above factors and the relative strength of each of the factors, the Multi Manager investment team assesses the level of interest rate exposure which the portfolio should bear and accordingly calibrate the allocation to the funds in line with the allocation range specified above.

ING INCOME GROWTH MULTI MANAGER FOF SCHEME

A. Type of the Scheme

An Open Ended Fund of Funds Scheme

B. What is the Investment Objective and Policy of the Scheme

Investment Objective

The primary objective of the Scheme is to generate returns by investing primarily in a portfolio of debt funds, liquid funds, money market funds and equity funds accessed through the diversified investment styles of underlying scheme selected in accordance with the ING Multi Manager Investment process.

There can be no assurance that the investment objective of the Scheme will be realized.

C. How will the Scheme allocate its Assets

The scheme will invest predominantly in income funds and a certain portion in growth funds. Accordingly the scheme is named as "ING Income Growth Multi Manager FoF scheme" wherein the word 'Income' denotes investments in debt funds and 'Growth' denotes investments in equity funds.

The Scheme has two plans and each plan will maintain separate portfolios:
15% Equity Plan: Under normal market conditions, the plan approximately invest 85% of its net assets in debt funds, liquid funds, money market funds and money market securities and the balance of about 15% in equity funds.
30% Equity Plan: Under normal market conditions, the plan approximately invest 70% of its net assets in debt funds, liquid funds, money market funds and money market securities and the balance of about 30% in equity funds.

Indicative Asset Allocation

Under normal circumstances, the asset allocation is as follows:

15% Equity Plan:

Instruments	**Indicative allocations (% of total assets)**		**Risk Profile**
	Maximum	**Minimum**	
Equity Funds	20	0	High
Debt funds, liquid funds, money market funds	100	80	Low to Medium
Money Market Securities	10	0	Low

30% Equity Plan:

Instruments	**Indicative allocations (% of total assets)**		**Risk Profile**
	Maximum	**Minimum**	
Equity Funds	35	0	High
Debt funds, liquid funds, money market funds	100	65	Low to Medium
Money Market Securities	10	0	Low

The Scheme will only invest in third party mutual funds, and not make any investments in schemes of ING Mutual Fund.

The scheme invests in Money Market Securities as per the prevailing regulations from time to time, only for the purpose of liquidity requirements. These percentages are adhered to at the point of investment. The portfolio is reviewed periodically to address any deviations from the aforementioned allocations due to market changes.

Subject to the SEBI Regulations, the asset allocation pattern indicated may change from time to time, keeping in view market conditions, market opportunities, and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the unitholders. Such changes in the asset allocation will be for short term and defensive considerations. Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the SEBI Regulations.

Change in Investment Pattern

The Trustees may from time to time modify the investment composition provided such modification is in accordance with the Scheme(s) objective and Regulations and as amended from time to time including by way of Circulars, Press Releases, Notification issued by SEBI or the Government of India to regulate the activities and growth of mutual funds, the intent being to protect the NAV of the Scheme and unitholders' interest.

Asset Allocation

The Fund does not set absolute targets for buying / selling individual equity / debt / money-market funds. However, the portfolios of the each plan will be critically reviewed on a periodic basis to assess the rise / fall in the funds and a decision to book profits / cut losses is taken based on prevalent market conditions and changing business environment.

D. Where will the Scheme invest?

Subject to the Regulations and other prevailing laws as applicable, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. Units of Equity Mutual Fund Schemes;
2. Units of Debt Mutual Fund Schemes;
3. Units of Liquid Mutual Fund Schemes;
4. Units of Money Market Mutual Fund Schemes;
5. Money market securities (i.e. Commercial Papers, Commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time)
6. Any other instruments as may be permitted by SEBI from time to time

ING 5 STAR MULTI MANAGER FOF SCHEME

A. Type of the Scheme

The Scheme is an Open-ended Fund of Funds Scheme that primarily invests in equity funds.

B. What is the Investment Objective and Policy of the Scheme

Investment Objective

The primary objective of the Scheme is to generate long term capital appreciation primarily from a portfolio of equity funds accessed through the diversified investment styles of underlying schemes selected in accordance with the ING Multi Manager Investment process.

There can be no assurance that the investment objective of the Scheme will be realized.

C. How will the Scheme allocate its Assets

Indicative Asset Allocation

Depending on the market conditions the assets of the Scheme is allocated in a diverse capitalization range of equity funds, Debt Funds, liquid funds, money market funds and money market securities. Under normal circumstances, it is anticipated that the asset allocation shall be as follows:

Instruments	**Indicative allocations (% of total assets)**		**Risk Profile**
	Maximum	**Minimum**	
Equity funds	100	65	High
Debt funds, liquid funds, money market funds	35	0	Medium to Low
Money Market Securities	10	0	Low

The Scheme invests in third party mutual funds, and do not make any investments in schemes of ING Mutual Fund.

The Scheme invests in a mix of diversified equity schemes, mid cap/ small cap/ large cap oriented schemes and sectoral based schemes. However, the overall combination will always be comparable to other diversified equity schemes of third-party AMC's.

The scheme invests in Money Market Securities as per the prevailing regulations from time to time, only for the purpose of liquidity requirements. These percentages are adhered to at the point of investment. The portfolio would be reviewed periodically to address any deviations from the aforementioned allocations due to market changes.

Subject to the SEBI Regulations, the asset allocation pattern indicated may change from time to time, keeping in view market conditions, market opportunities, and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the unitholders. Such changes in the asset allocation will be for short term and defensive considerations. Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the SEBI Regulations.

D. Where will the Scheme invest?

Subject to the Regulations and other prevailing laws as applicable, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. Units of Equity Mutual Fund Schemes;
2. Units of Debt Mutual Fund Schemes;
3. Units of Liquid Mutual Fund Schemes;
4. Units of Money Market Mutual Fund Schemes;
5. Money market securities (i.e. Commercial Papers, Commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time)
6. Any other instruments as may be permitted by SEBI from time to time

Change in Investment Pattern

The Trustees may from time to time modify the investment composition provided such modification is in accordance with the Scheme(s) objective and Regulations and as amended from time to time including by way of Circulars, Press Releases, Notification issued by SEBI or the Government of India to regulate the activities and growth of mutual funds, the intent being to protect the NAV of the Scheme and unitholders' interest.

Asset Allocation

The Fund does not set absolute targets for buying / selling individual equity / debt / money-market funds. However, the portfolios will be critically reviewed on a periodic basis to assess the rise / fall in the funds and a decision to book profits / cut losses is taken based on prevalent market conditions and changing business environment.

ING GLOBAL COMMODITIES FUND

A. Type of the Scheme

An Open-ended Fund of Funds Scheme that shall invest in units of global mutual funds which invest in commodity related securities.

B. What is the Investment Objective of the Scheme

<u>Investment Objective</u>

The primary objective of the Scheme is to achieve long-term capital growth by investing primarily in units of global mutual funds which invest in commodity related securities.

There can be no assurance that the investment objective of the Scheme will be realized.

C. How will the Scheme allocate its Assets

<u>Indicative Asset Allocation</u>

It is anticipated that the asset allocation under the scheme shall be as follows:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	
Global mutual funds which invest in commodity related securities.	100	65	High
Debt funds, liquid funds, money market funds	25	0	Low to Medium
Money Market Securities	10	0	Low

ING Global Commodities Fund shall not invest in Schemes of ING Mutual Fund under its Single Manager Schemes of ING Mutual Fund. ING Global Commodities Fund shall not invest in those overseas mutual fund/unit trusts which have an exposure to Indian securities market through Participatory Notes.

Foreign Exchange Risk- To manage risks associated with foreign currency and interest rate exposure, the Mutual Fund may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated by SEBI/RBI from time to time.

Change in Investment Pattern

The Trustees may from time to time modify the investment composition provided such modification is in accordance with the Scheme(s) objective and Regulations and as amended from time to time including by way of Circulars, Press Releases, Notification issued by SEBI or the Government of India to regulate the activities and growth of mutual funds, the intent being to protect the NAV of the Scheme and unitholders' interest.

Asset Allocation

The Fund does not set absolute targets for buying / selling individual equity / debt / money-market funds. However, the portfolios will be critically reviewed on a periodic basis to assess the rise / fall in the funds and a decision to book profits / cut losses is taken based on prevalent market conditions and changing business environment.

D. Where will the Scheme invest?

Subject to the Regulations and other prevailing laws as applicable, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. Units of Global mutual funds which invest in commodity related securities;
2. Units of Debt Mutual Fund Schemes;
3. Units of Liquid Mutual Fund Schemes;
4. Units of Money Market Mutual Fund Schemes;
5. Money market securities (i.e. Commercial Papers, Commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time)
6. Any other instruments as may be permitted by SEBI from time to time.

E. What are the Investment Strategies?

<u>Investment Approach and Strategy</u>

The corpus of the Scheme will be invested into in units of global mutual funds which invest in commodity related securities. Whilst our overall intention is to create a FoF Scheme which seeks to out perform the customized benchmark for the Scheme i.e. 40% Dow Jones World Basic Materials Index + 40% Dow Jones World Oil and Gas Index + 20% MSCI AC World in INR terms, over rolling 12 months periods, the individual funds selected may not have the same benchmark as our product. An example of this is possible selection of a Global Mining or Global

Resources Fund which also invests purely in commodities related securities, but which may have a more restricted benchmark. This may be appropriate from time to time to our overall strategy to create a FoF Scheme which is able to fulfill its objective.

Fund Selection Strategy

The Scheme will invest in units of global mutual funds which invest in commodity related securities. These funds will be selected with a view of out performing the investment objective of the fund (benchmark). The fund selection process reflects the Multi-Manager investment process, which seeks to look at combining/blending funds together to create a risk-adjusted solution which is optimal for investors in this asset class. The key determinants in fund selection are;

1. Track record of the fund relative to its benchmark;
2. Appropriateness of the fund relative to ING Global Commodity Fund's objective;
3. Quality of the fund management team; and
4. Reputation of the AMC which has launched the scheme.

The Multi Manager Investment process has a history of being able to identify appropriate mutual funds for investment and construct portfolio with the aim of providing a sound risk-adjusted solution in comparison to the out performance objective.

Fee Sharing Arrangement

The AMC may enter into a revenue/cost sharing agreement with the overseas mutual fund. The initial issue expenses, management fees and other expenses charged by ING Global Commodities Fund and ING Latin America Equity Fund including management fees and recurring expenses charged by underlying Schemes will be within the overall limit on expenses as prescribed under Regulation 52(6).

<u>Note</u>: However, as mandated vide SEBI Circular SEBI/IMD/CIR No 18 / 198647 /2010, the AMC shall not enter into any revenue sharing arrangement with the underlying funds in any manner and shall not receive any revenue by whatever means/head from the underlying fund effect from March 15, 2010. Any commission or brokerage received from the underlying fund shall be credited into concerned scheme's account with effect from March 15, 2010.

ING MULTI MANAGER EQUITY FUND

A. Type of the Scheme

An Open Ended Diversified Equity Scheme

B. What is the Investment Objective of the Scheme

<u>Investment Objective</u>

The primary objective of the Scheme is to provide long-term capital appreciation by investing predominantly in equity and equity-related securities accessed on the basis of advice from a panel of third party investment advisors selected in accordance with the ING Multi Manager Investment process.

There can be no assurance that the investment objective of the Scheme will be realized.

C. How will the Scheme allocate its Assets

<u>Indicative Asset Allocation</u>

The corpus of the Scheme will be invested primarily in a diverse capitalization range of equity shares and in equity-related securities. The Scheme may also invest a part of its corpus in debt securities (including securitized debt), money-market instruments and Debt and Liquid Mutual Fund schemes and Exchange traded funds in order to manage liquidity or to protect the interests of the investors from adverse movements.

It is anticipated that the asset allocation under the scheme shall be as follows:

Instruments*	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	
Equity and equity related securities	100	65	High
Debt Securities including Securitized Debt, Money market instruments, liquid and debt mutual fund schemes	35	0	Medium to Low

* If permitted by SEBI under extant regulations / guidelines, not more than 75% of the net assets of the scheme shall be deployed in securities lending. The Scheme would limit its exposure, with regards to securities lending, for a single intermediary, to the extent of 25% of the total net assets of the scheme at the time of lending. Investment in foreign equity and equity related securities shall be to a maximum of 35% of net assets of the scheme. The Scheme may take derivative positions subject to a maximum of 80% of the net assets of the Scheme for the purposes of hedging and portfolio balancing in the manner permissible under SEBI (Mutual Funds) Regulations, 1996 as amended from time to time. Investment in securitized debt shall be upto 100% of the debt component. No investments shall be made in foreign securitized debt.

**These percentages would be adhered to at the point of investment.

Investments in Units of Third Party Mutual Funds

For the purpose of further diversifications and liquidity, the scheme may invest in other equity schemes, Exchange Traded Funds (ETFs), liquid or debt mutual fund schemes managed by Third Party Mutual Funds without charging any fees on such investments, provided that aggregate investments made in Schemes of Mutual Funds shall not exceed 5% of the Net Asset Value of the Fund.

Considering the inherent characteristics of the scheme, equity positions would have to be built up gradually and also sold off gradually. This would necessarily entail having large cash position before the portfolio is fully invested and during periods when equity positions are being sold off to book profits / losses or to meet redemption needs.

Under normal circumstances at least 75% of the scheme's assets would be invested in equity and equity related instruments.

Subject to the SEBI Regulations, the asset allocation pattern indicated may change from time to time, keeping in view market conditions, market opportunities, and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the asset allocation will be for short term and defensive considerations. Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the SEBI Regulations.

Change in Investment Pattern

The Trustees may from time to time modify the investment composition provided such modification is in accordance with the Scheme objective and Regulations and as amended from time to time including by way of Circulars, Press Releases, Notification issued by SEBI or the Government of India to regulate the activities and growth of Mutual Funds, the intent being to protect the Net Asset Value of the Scheme and unitholders' interest.

D. Where will the Scheme invest?

Subject to the Regulations and other prevailing laws as applicable, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

1. Equity and equity related instruments (both domestic and foreign) including convertible bonds and debentures and warrants carrying the right to obtain equity shares.

2. ADRs / GDRs issued by the Indian companies, subject to the guidelines issued by the Reserve Bank of India and Securities and Exchange Board of India.
3. Units issued by Mutual Funds/Exchange Traded Funds (both domestic and foreign)
4. Derivative instruments permitted by SEBI / RBI.
5. Securities issued / guaranteed by the Central, State and local governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
6. Debt obligations of domestic government agencies and statutory bodies, which may or may not carry a Central / State Government guarantee.
7. Corporate debt (of both public and private sector undertakings).
8. Debt obligations of banks (both public and private sector) and financial institutions.
9. Money market instruments
10. Bills of Exchange / Promissory Notes.
11. Securitised Debt.
12. Floating rate debt instruments.
13. The non-convertible part of convertible securities.
14. Any other domestic fixed income securities.
15. Pass through, Pay through or other Participation Certificates representing interest in a pool of assets including receivables.
16. Any other instruments as may be permitted by SEBI from time to time.
17. Liquid and debt Mutual Fund Schemes.

The securities mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations and private placement, rights offers or negotiated deals. The Scheme may participate in securities lending as permitted under the Regulations.

E. What are the Investment Strategies?

Equity market movements are dependent on a variety of top down macro-economic factors and bottom up micro-economic factors. Investment advisers utilize different styles of investing to construct a portfolio. Certain styles work in certain market conditions and at other times may not work so well. This fund aims to benefit from the combination of investment styles which should allow for consistency of investment returns regardless of the market conditions.

This process also allows a broader search of sectors and stocks than is available from one single investment adviser. As a result there is less of a possibility that an attractive sector or stock opportunity is not identified by the multi manager investment process.

Features of Debt Market and Instruments available

The Indian Debt market is facing major shift in the recent times. The substantial growth in Mutual Fund collections in the past few years have provided an easy route for the investors to channelise their savings into the debt market, which otherwise is largely dominated by Banks and other Institutional investors.
At present, the Indian debt market is dominated by issues of Central Government bonds, Corporate Debentures and PSU Bonds. The new securitised instruments are also very attractive in the primary market. Risk associated with securitised Debt or PTCs are credit risk, liquidity risk and price risk/interest rate risk. The other instruments available for investment are Commercial Papers, Certificate of Deposits, Government guaranteed bonds, etc.

Brief details about the instruments are given below as on May 30, 2014

Instruments Profile	Listed/ Unlisted	Current Yield Range as on 30th April	Liquidity	Risk
Central Government Securities	Listed	8.40%-9.00%	High	Low
Corporate Debentures / PSU Bonds	Listed	9.20%-9.40%	Moderate	Low
CDs (short term)	Unlisted	8.55%-8.70%	High	Low
Call Money	Unlisted	7.69%	High	Low

A brief description about yields presently available on Central Govt. Securities /Bonds & Debentures of various maturities is as follows:

	=<1yr	2-6yr	7-10yr	11-20yr
Central Government Securities	8.27%-8.57%	8.03%-8.73%	8.54%-8.99%	8.61%-8.84%
Debentures / Bonds (AAA rated)	8.88-8.90%	9.00%-9.25%	9.05%-9.30%	-

The price and yield on various debt instruments fluctuate from time to time depending upon the macro economic situation, inflation rate, overall liquidity position, foreign exchange scenario, etc. Also, the price and yield varies according to maturity profile, credit risk etc.

ING LATIN AMERICA EQUITY FUND

A. Type of the Scheme

An Open Ended Fund of Funds Scheme

B. What is the Investment Objective and Policy of the Scheme

Investment Objective

The primary investment objective of the Scheme is to seek capital appreciation by investing predominantly in ING (L) Invest Latin America Fund. The Scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus. The Scheme may also invest a certain portion of its corpus in money market securities, in order to meet liquidity requirements from time to time.

There can be no assurance that the investment objective of the Scheme will be realized.

C. How will the Scheme allocate its Assets

Indicative Asset Allocation

It is anticipated that the asset allocation under the scheme shall be as follows:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	
ING (L) Invest Latin America Fund	100	65	High
Money Market Instruments including reverse repo	20	0	Low to Medium
Other overseas mutual fund schemes	35	0	High

Subject to the SEBI Regulations, the asset allocation pattern indicated may change from time to time, keeping in view market conditions, market opportunities, and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the asset allocation will be for short term and defensive considerations. Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the SEBI Regulations.

Overview of ING (L) Invest Latin America Fund

ING (L) Invest Latin America Fund is a fund approved by the Commission de Surveillance du Secteur Financier (CSSF). The ING (L) Invest Latin America Fund is benchmarked against the MSCI EM Latin America 10/40 Index. The sub-fund essentially invests in a diversified portfolio of equities and/or other transferable securities (warrants on transferable securities) issued by companies established, listed or traded in Latin America (including the Caribbean). The sub-fund may also invest, on an ancillary basis, in other transferable securities (including warrants on transferable securities of the sub-fund's net assets), money market instruments, and deposits.

The Manager of the Fund is ING Investment Management Luxembourg S.A. The Manager was incorporated in Luxembourg in 1997.

The Manager shall delegate to ING Asset Management BV (the "Investment Sub-manager") discretionary investment management powers with respect to the assets of ING (L) Invest Latin America Fund.

The returns of ING (L) Invest Latin America Fund as on May 30, 2014 are as under:

Cumulative Performance % (USD)

Particulars	1 year	3 Years	5 Years
ING L INV-LATIN AMERICA-PC	-7.46	-31.51	10.68
MSCI EM Latin America 10/40 Id	-4.75	-19.70	30.21

Annualized Performance (%) (USD)

Particulars	1 year	3 Years	5 Years
ING L INV-LATIN AMERICA-PC	-7.46	-11.85	2.05
MSCI EM Latin America 10/40 Id	-4.75	-7.05	5.42

Calendar Year Performance % (USD)

Particulars	2009	2010	2011	2012	2013	2014 YTD
ING L INV-LATIN AMERICA-PC	101.17	17.95	-27.56	7.00	-17.23	2.35
MSCI EM Latin America 10/40 Id	102.19	17.33	-18.57	9.58	-13.36	2.93

Past performance may or may not be sustained in future.

D. Where will the Scheme invest?

Consistent with the objective of the Scheme and subject to Regulations, the corpus of the Scheme will be invested in any of (but not exclusively) the following securities:

- Money Market instruments permitted by SEBI/RBI including call, repo, Collateralised Borrowing & Lending Obligations (CBLO)
- Certificate of Deposits (CDs);
- Commercial Paper (CPs);
- Units of ING (L) Invest Latin America Fund or in the units of other similar overseas mutual fund schemes

Investment in Overseas Financial Assets

To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls, taxation or political circumstances as well as the application to it of other restrictions on investment.

In terms of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 each mutual fund is permitted to make overseas investments up to a maximum of US$ 300 million. Further, in terms of SEBI circular SEBI/IMD/CIR No.2/122577/08 dated April 08, 2008 the aggregate ceiling for the entire mutual funds industry is US$ 7 billion. The permissible investments by mutual funds are i) ADRs/ GDRs issued by Indian or foreign companies ,ii) Equity of overseas companies listed on recognized stock exchanges overseas iii) Initial and follow on public offerings for listing at recognized stock exchanges overseas iv) Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies v) Money market instruments rated not below investment grade vi) Repos in the form of investment, where the counterparty is rated not below investment grade; repos should not however, involve any borrowing of funds by mutual funds vii) Government securities where the countries are rated not below investment grade viii) Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities ix) Short term deposits with banks overseas where the issuer is rated not below investment grade x) Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets). The restriction on the investments in mutual fund units upto 5% of net assets and prohibits charging of fees, shall not be applicable to investments in mutual funds in foreign countries made in accordance with SEBI Guidelines. However, the management fees and other expenses charged by the mutual fund in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund scheme shall not exceed the total limits on expenses as prescribed under Regulation 52(6). Where the scheme is investing only a part of the net assets in the foreign mutual fund(s), the same principle shall be applicable for that part of investment.

The overseas securities markets offer new investment and portfolio diversification opportunities by enabling investments in the overseas markets. However, such investments also entail additional risks. Such investment opportunities may be pursued by the Mutual Fund provided they are considered appropriate in terms of the overall investment objectives of the Scheme. The Scheme may then, if necessary, seek applicable permission from SEBI and RBI to invest abroad in accordance with the investment objectives of the Scheme and in accordance with any guidelines issued by SEBI/RBI from time to time.

To manage risks associated with foreign currency and interest rate exposure, the Mutual Fund may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated by SEBI/RBI from time to time.

These investments shall be made subject to any/all approvals, conditions thereof as may be stipulated by SEBI/RBI and provided such investments do not result in expenses to the Scheme in excess of the ceiling, if any, on expenses prescribed by SEBI for offshore investment, and if no such ceiling is prescribed by SEBI, the expenses to the Scheme shall be limited to the level which, in the opinion of the Trustee, is reasonable and consistent with costs and expenses attendant to international investing.

E. What are the Investment Strategies?

<u>Investment Approach and Strategy</u>

The ING Latin America Equity Fund in India will act as a feeder fund into the Luxembourg based ING (L) Invest Latin America Fund.

The investment strategy of the Luxembourg based fund is to identify and invest primarily in a diversified portfolio of shares and/or transferable securities issued by companies incorporated, quoted or traded in Latin America (including the Caribbean). The fund’s approach encompasses bottom-up investment process supported by top-down macroeconomic analysis and quantitative screening. The investment process will aim to add value by also following theme based approach which shall enable to capture all relevant long term growth drivers.

<u>DERIVATIVES AND HEDGING PRODUCTS (Applicable only to ING Multi Manager Equity Fund)</u>

SEBI has permitted all mutual funds to participate in derivatives trading subject to observance of guidelines issued by it in this behalf. Pursuant to this, mutual funds may use various derivative products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance Unitholders' interest.

Accordingly, the Fund may use derivative instruments like stock index futures, options on stocks and stock indices, interest rate swaps, forward rate agreements or such other derivative instruments as may be introduced from time to time as permitted under the Regulations and guidelines.

Exposure to Derivatives

The Scheme may take derivative positions subject to a maximum of 80% of the net assets of the Scheme for the purposes of hedging and portfolio balancing in the manner permissible under SEBI Regulations from time to time.

i. *Position limit for Mutual Fund in index options contracts:*

   a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.
   b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

ii. *Position limit for Mutual Fund in index futures contracts:*

   a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.
   b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. *Additional position limit for hedging:*

   In addition to the position limits at point (i) and (ii) above, the Mutual Fund may take exposure in equity index derivatives subject to the following limits:

   a. Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund’s holding of stocks.
   b. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund’s holding of cash, government securities, T-Bills and similar instruments.

iv. *Position limit for Mutual Fund for stock based derivative contracts:*

   The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts is defined in the following manner:

   a. For stocks having applicable market-wise position limit (MWPL) of Rs. 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower.
   b. For stocks having applicable market-wise position limit (MWPL) less than Rs. 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crore which ever is lower.

v. *Position limit for each scheme of a Mutual Fund:*

   The position limits for each scheme of mutual fund and disclosure requirements shall be identical to that prescribed for a sub-account of a FII. Therefore, the scheme-wise position limit / disclosure requirements shall be

a. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of: 1% of the free float market capitalisation (in terms of number of shares) or 5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).
b. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
c. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

Further, in terms of SEBI Circular Cir/IMD/DF/11/2010 dated August 18, 2010, following provisions are applicable:

1. The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme.
2. Mutual Funds shall not write options or purchase instruments with embedded written options.
3. The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.
4. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
5. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:
    a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
    b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.
    c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
    d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
6. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.
7. Definition of Exposure in case of Derivative Positions: Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

Position	**Exposure**
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option Bought	Option Premium Paid * Lot Size * Number of Contracts

8. Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.

The following information provides a basic idea as to the nature of the derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

Interest Rate Swaps (IRS) and Forward Rate Agreements (FRA)

Benefits

Bond markets in India are not very liquid. Investors run the risk of illiquidity in such markets. Investing for short-term periods for liquidity purposes has its own risks. Investors can benefit if the Fund remains in call market for the liquidity and at the same time take advantage of fixed rate by entering into a swap. It adds certainty to the returns without sacrificing liquidity.

IRS

An IRS is an agreement between two parties (counter parties) to exchange, on particular dates in the future, one series of cash flows (fixed interest) for another series of cashflows (variable or floating interest) in the same currency and on the same principal for an agreed period of time. The exchange of cashflows need not occur on the same date. As floating rate instruments tend to be relatively less liquid, swapping a fixed rate instrument into floating returns can help in improving the liquidity of the fund.

FRA

A FRA is an agreement between two counter parties to pay or to receive the difference between an agreed fixed rate (the FRA rate) and the interest rate prevailing on a stipulated future date, based on a notional amount, for an agreed period. In short, in a FRA, interest rate is fixed now for a future period. The special feature of FRAs is that the only payment is the difference between the FRA rate and the reference rate and hence are single settlement contracts. As in the case of IRS, notional amounts are not exchanged.

Basic Structure of a Swap

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the "benchmark rate" (MIBOR), which is fixed by the National Stock Exchange (NSE) or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily interest rate risk. This is usually routed through an intermediary who runs a book and matches deals between various counterparties.

The steps will be as follows

- Assuming the swap is for Rs.20 crore 1 June, 2001 to 1 December, 2001. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).
- On 1 June, 2001 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Securities Dealers Association (ISDA).
- On a daily basis, the benchmark rate fixed by NSE will be tracked.
- On 1 December, 2001 the following will be calculated :
- The Scheme is entitled to receive interest on Rs. 20 crore at 12% for 184 days i.e. Rs. 1.21 crore, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
- On 1 December, 2001, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 crore, the Scheme will pay the difference to the counter party. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.
- Effectively the Scheme earns interest at the rate of 12% p.a. for 6 months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 crore, without borrowing for 6 months fixed.

Swaps have its own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

Index Futures
Benefits

- Investment in stock index futures can give exposure to the index without directly buying the individual stocks. Appreciation in index stocks can be effectively captured through investment in Stock Index Futures.
- The Fund can sell futures to hedge against market movements effectively without actually selling the stocks it holds.

The stock index futures are instruments designed to give exposure to the equity market indices. The Bombay Stock Exchange and the National Stock Exchange have started trading in index futures of 1, 2 and 3 month maturities. The pricing of an index future is the function of the underlying index and interest rates.

Illustration

Spot Index: 1070; 1 month Index Future Price on day 1: 1075; Fund buys 100 lots; Each lot has a nominal value equivalent to 200 Units of the underlying index

Situation 1: Let us say that on the date of settlement, the future price = closing spot price = 1085

Profits for the Fund = (1085-1075)* 100 lots * 200 = Rs 200,000

Situation 2: Let us say that on the date of settlement, the future price = Closing spot price = 1070

Loss for the Fund = (1070-1075)* 100 lots * 200 = (Rs 100,000)

The net impact for the Fund will be in terms of the difference between the closing price of the index and cost price (ignoring margins for the sake of simplicity). Thus, it is clear from the example that the profit or loss for the Fund will be the difference of the closing price (which can be higher or lower than the purchase price) and the purchase price. The risks associated with index futures are similar to the one with equity investments.

Additional risks could be on account of illiquidity and hence mispricing of the future at the time of purchase.

Buying Options

Benefits of buying a call option

Buying a call option on a stock or index gives the owner the right, but not the obligation, to buy the underlying stock / index at the designated strike price. Here the downside risks are limited to the premium paid to purchase the option.

Illustration

If the Fund buys a 1 month call option on Stock 'X' at a strike of Rs. 190, the current market price being say Rs.191. The Fund will have to pay a premium of say Rs. 15 to buy this call. If the stock price goes below Rs. 190 during the tenure of the call, the Fund avoids the loss it would have incurred had it straightaway bought the stock instead of the call option. The Fund gives up the premium of Rs. 15 that has to be paid in order to protect the Fund from this probable downside. If the stock goes above Rs. 190, it can exercise its right and own Stock 'X'at a cost price of Rs. 190, thereby participating in the upside of the stock.

Benefits of buying a put option

Buying a put option on a stock originally held by the buyer gives him / her the right, but not the obligation, to sell the underlying stock at the designated strike price. Here the downside risks are limited to the premium paid to purchase the option.

Illustration

If the Fund owns Stock 'X' and also buys a three-month put option on Stock 'X' at a strike of Rs. 190, the current market price being say Rs.191. The Fund will have to pay a premium of say Rs. 12 to buy this put.

If the stock price goes below Rs. 190 during the tenure of the put, the Fund can still exercise the put and sell the stock at Rs. 190, avoiding therefore any downside on the stock below Rs. 190. The Fund gives up the fixed premium of Rs. 12 that has to be paid in order to protect the Fund from this probable downside. If the stock goes above Rs. 190, say to Rs. 220, it will not exercise its option. The Fund will participate in the upside of the stock, since it can now sell the stock at the prevailing market price of Rs. 220.

Valuation of Derivative Products

The traded derivatives shall be valued at market price in conformity with the stipulations of sub clauses (i) to (v) of clause 1 of the Eighth Schedule to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.

The valuation of untraded derivatives shall be done in accordance with the valuation method for untraded investments prescribed in sub clauses (i) and (ii) of clause 2 of the Eighth Schedule to the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.

Risk factors

- Credit Risk: The credit risk is the risk that the counter party will default obligations and is generally negligible, as there is no exchange of principal amounts in a derivative transaction.
- Market risk: Derivatives carry the risk of adverse changes in the market price.
- Illiquidity risk: The risk that a derivative cannot be sold or purchased quickly enough at a fair price, due to lack of liquidity in the market.
- The Mutual Fund pays the daily compounded rate. In practice however there can be a difference in the actual rate at which money is lent in the call market and the benchmark, which appears and is used.

Derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value. Also, the market for derivative instruments is nascent in India.

The Fund shall adhere to the guidelines issued by the RBI from time to time for FRA and IRS's and other derivative products would be adhered to. The Scheme may take derivative positions subject to a maximum of 80% of the net assets of the Scheme for the purposes of hedging and portfolio balancing in the manner permissible under SEBI Regulations.

A hedge is designed to offset a loss on a portfolio with a gain in the hedge position. The Mutual Fund may use derivative instruments primarily to hedge the value of Scheme against potential adverse movements in securities prices. At the same time, however, an accurately correlated hedge will result in a gain in the Scheme's position being offset by a loss in the hedge position. As a result the use of derivatives could limit any potential gain from an increase in value of the position hedged. In addition, an exposure to derivatives in excess of the hedging requirement can lead to losses. IRS and FRA's do also have inherent credit and settlements risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Reporting requirements for transactions in derivatives

The AMC shall cover the following aspects in their reports to the Trustees periodically, as provided for in the Regulations:

- Transactions in derivatives, both in volume and value terms.
- Market value of cash or cash equivalents/securities held to cover the exposure.
- Any breach of the exposure limit laid down in this Offer Document.
- Shortfall, if any, in the assets covering investment in derivative products and the manner of bridging it.

The Trustees shall offer their comments on the above aspects in the report filed with SEBI under sub regulation (23) (a) of regulation 18 of the Regulations.

INVESTMENT PROCESS OF MULTI MANAGER INVESTMENT SOLUTION

(Common for all Fund of Funds Schemes)**

1. **Investment Philosophy**

ING Multi Manager investment solution is based on the principle of broad diversification to reduce risk and provide consistent and competitive returns over time. This diversification philosophy is applied across and within each asset class.

What makes Multi Manger unique is, its combination of active management at every stage of the investment process and the seamless implementation of investment decisions.

Active at every stage of the investment process:

ING believes that an expert Multi Manager investment solution adds value and manages risk through active management across each stage of the investment process, including selection and allocation of assets and investment in underlying schemes of mutual funds. ING Multi Manager uses tactical allocation across asset classes to capture opportunities in changing market conditions, as well as actively managing the allocations to individual underlying schemes of mutual funds to ensure that it takes advantage of investment styles that are likely to endure secular, cyclical or fundamental weakness.

ING Multi Manager research has shown that a significant amount of value addition can come from Tactical Asset Allocation (TAA) and underlying scheme selection.

ING Multi Manager believes that no single investment style is capable of consistently outperforming its market benchmark for each asset class over all time periods. Within each asset class, diversification is achieved by using a number of different underlying schemes. Each underlying scheme is selected on the basis that while it is likely to outperform its benchmark over the medium to long term (1-3 years), they will be prone to some short periods of underperformance. From a Scheme perspective, ING Multi Manager understands that in order to outperform a benchmark, the Scheme must accept some risk (tracking error) relative to the benchmark. ING Multi Manager aims to reduce this overall Scheme risk by combining different investment approaches used by underlying schemes of mutual funds, thereby exploiting the correlation of returns between the selected underlying schemes. As a result, when combined into a FoF Scheme, underlying schemes with different but complementary investment styles should produce a more consistent Scheme return over the long term than might be achieved by any one underlying scheme.

ING Multi Manager believes that consistent incremental returns over a time will lead to superior medium to long-term performance. ING Multi Manager's performance history in Australia, where the process has been in place since 1993, supports the investment philosophy.

2. **Detailed Investment_Process**

The above diagram illustrates the evolutionary nature of the ING Multi Manager Investment process. The process begins with the more strategic stages of the investment process (steps 1-5) that are reviewed and monitored on a less frequent basis. Steps 6-8 represent the more active stages of the investment process and are reviewed and monitored more frequently. The infinity sign symbolises the unique ongoing nature of this process and its active approach that draws on the overlap between each element of the process. The details of the investment steps are described below:

a. Set Objectives

ING Multi Manager defines risk and return objectives for each FoF Scheme.

b. Asset Class Selection

ING Multi Manager determines the various asset classes which are investible as per Regulations and the investment objectives of the Scheme. Multi Manager may introduce new asset classes when available.

c. Strategic Asset Allocation

ING Multi Manager, as per each FoF Scheme's objectives allocates capital to various investible asset classes. The key inputs in the strategic asset allocation process are forecast investment returns, which rely on a deep understanding of market dynamics.

d. Asset Class Portfolio Construction

Initially, ING Multi Manager selects a benchmark which defines each asset class. In constructing a portfolio for the relevant asset class, Multi Manager seeks to outperform the selected benchmark on a risk-adjusted basis.

e. Underlying Scheme Selection

ING Multi Manager then selects underlying schemes of mutual funds within the chosen portfolio construction in each asset class. Each underlying scheme has a distinct investment style, a proven investment process and a strong track record of performance.

A number of quantitative techniques are used to assess the performance of different schemes. We would adopt the following techniques to assess the performance of the schemes:

- Risk-to-Reward Ratio
- Correlation of Funds

a) Risk-to-Reward

Investment returns on their own, do not give any indication of the amount of risk taken by the fund to achieve the returns. This ratio is termed the "risk-to-reward ratio". Risk is measured in terms of the standard deviation (volatility) of investment returns.

As an illustration, consider two hypothetical funds with NAV's as shown below. Fund A has total returns of 63.27% over the period against 50.49% for Fund B. However, the volatility of the monthly returns for Fund A is significantly higher than that for Fund B. But after adjusting for risk, Fund B has a better risk-to-reward ratio.

	NAV of Fund A	Monthly returns	NAV of Fund B	Monthly returns
January	10.2754	-	18.7634	-
February	11.2453	9.44%	19.0245	1.39%
March	12.9876	15.49%	21.2247	11.57%
April	12.5674	-3.24%	21.2187	-0.03%
May	11.7854	-6.22%	20.2375	-4.62%
June	14.1876	20.38%	22.3452	10.41%
July	16.6534	17.38%	24.8754	11.32%
August	17.0023	2.10%	25.8576	3.95%
September	17.9887	5.80%	26.9574	4.25%
October	14.9876	-16.68%	27.0093	0.19%
November	15.8894	6.02%	27.9834	3.61%
December	16.7765	5.58%	28.2376	0.91%

Total return	**63.27%**	**50.49%**
Standard Deviation	**10.93%**	**5.23%**
Risk Reward ratio	**5.8**	**9.7**

As a result, Fund B has a superior performance than Fund A, on this parameter. Fund B has provided a higher return per unit of risk than Fund A. Lower volatility also leads to greater consistency of investment returns.

b) Correlation of Returns

ING utilizes a Multi Manager process, as a result it looks for Fund Managers with differing characteristics to combine efficiently into a Fund. Fund Managers with lower correlation provide diversification benefits to the Fund.

As an example below the monthly returns of two Funds, C & D has the following correlation.

Fund C Returns %	**Fund D Returns %**	**Fund 50:50 Returns %**
1.2	-0.1	0.6
2.3	-1.4	0.5
4.5	1.1	2.8
-2.3	0.6	-0.9
1.2	-0.8	0.2
0.8	1.1	1.0
-0.8	0.1	-0.4
-3.1	2.1	-0.5
1.1	0.4	0.8
4.1	-2.1	1.0
0.2	1.2	0.7
-2.4	0.5	-1.0

Correlation of Fund C and D is -0.54. This means that they are negatively correlated and will reduce volatility when combined in a Fund. The Fund holding 50% in Fund C and 50% in Fund D provides lower volatility due to the correlation benefits of Fund C and D.

Investment Returns		
C	D	Combined
6.7%	2.7%	4.8%

Standard Deviation of Portfolio		
C	D	Combined
8.4%	4.1%	3.5%

Thus revisting the risk-to-reward ratio the Combined Fund, which is a combination of Fund C and Fund D, has superior risk-to-reward characteristics.

Risk-to-Reward		
C	D	Combined
0.8	0.7	1.4

f. Tactical Asset Allocation

ING Multi Manager looks at factors around the world such as economic growth, inflation and government policies – and assess how these impacts the performance of each asset class. The ING Investment Team then adjusts to gain a greater exposure to the asset classes expected to perform well at that particular time in the market cycle.

g. Active Manager Allocation

ING Multi Manager blends complementary underlying schemes of mutual funds styles and adjusts / allocates the portfolio in favour of the underlying schemes expected to perform well during a particular market cycle.

h. Monitoring and Ongoing Review

Once selected, underlying schemes of the mutual funds are closely monitored and evaluated on their ongoing performance.

ING Multi Manager looks at qualitative factors such as construction of portfolios and investment methods, as well as quantitative measures like investment returns of each underlying schemes compared with pre-set benchmarks and competitors.

The investment committee of ING Multi Manager regularly reviews the Multi Manager process and the performance of the each Scheme.

3. Multi Manager Investment Committee (IC)

The IC is chaired by the CEO of the AMC and consists of the Multi Manager Investment staff, product development staff and the Compliance Manager and representatives of ING Asia Pacific Regional Office. The role of the IC is to support and give guidance to the Multi Manager Investment Team. The Committee meets periodically to review progress and decisions made by the Multi Manager Investment Team.

4. Investment Decision Making

Throughout the investment process, there is a high level of interaction within the ING Multi Manager Investment Team and IC. The process is enhanced through the experience and market research undertaken by the team on a daily basis, and the IC provides an independent forum to discuss the team's strategy.

The ongoing interaction of the ING Multi Manager Investment Team with the underlying scheme managers of mutual funds is what sets the team apart and allows the team to add value in its own right rather than merely delegating the task of alpha generation to the underlying schemes. The team is in a strong position to judge when the market environment is conducive to active asset allocation, underlying scheme tilts and allocation, style-tilting or pure alpha generation at the underlying scheme level.

5. Underlying Scheme Selection

The objective of the Multi Manager underlying scheme screening and review process is as followed:

- To identify high calibre managers of underlying schemes ;
- To develop a deep understanding of the managers' of the underlying schemes investment processes and styles such that the forward looking (qualitative) and historic (quantitative) elements of the blending process are balanced; and
- To develop a blend of underlying schemes of mutual funds with complimentary investment styles
- To ensure that there is a pipeline of 'back-up' underlying schemes.

6. Monitoring and ongoing review

Risk is monitored at both the underlying scheme and aggregate portfolio level.

Manager Risk	**Management of Risk**
Style diversification	Appropriate blend of styles in each asset class
Capability	Rigorous screening and monitoring of underlying schemes in a particular asset class
Stability	Corporate strength and capability assessed
Performance to objectives	Objectives defined and performance rigorously assessed
Aggregate Portfolio Risk	**Management of Risk**
Style analysis	Monthly style analysis of portfolios
Turnover	Monthly monitoring by the Investment Team

The risks above are managed and monitored primarily through the meetings with managers of the underlying schemes. The procedure for these meetings and the content of the data to be tabled at each meeting is detailed below:

- Reports for each asset class are submitted to each member of the Multi Manager Investment Team before the meeting, to independently review each portfolio to familiarise themselves with the portfolio changes.
- Each underlying scheme portfolio is reviewed in terms of performance, positions and exposures.
- The relevant manager of the selected underlying schemes of mutual funds is contacted if any issues need to be explained.
- Members of the Multi Manager Investment Team prepare a portfolio analysis report for each asset class.

7. Manager Changes

The Multi Manager Investment Team distils the analysis for each asset class or underlying scheme analysis into a detailed report that is for internal review and debate. The main output of this review is the nomination of potential underlying scheme candidates.

The report is then submitted to the IC who is responsible for reviewing the report, testing the report's logic and analytical process and ratifying the selection.

Once the IC has approved an underlying scheme, the Multi Manager Investment Team starts investment in the respective scheme(s).

8. Compliance monitoring

All portfolios are stress tested periodically, using proprietary systems to ensure that portfolios comply with the mandate of the Scheme(s). The results of this stress testing are forwarded to the IC.

9. Role of CEO in investment decisions

The CEO is an integral part of the investment committee. The Committee reviews investment decisions of the Investment Team. The CEO is also responsible for the guidelines which are set for structuring the investment process and approves the process for investment decision making.

INVESTMENT PROCESS OF MULTI MANAGER INVESTMENT SOLUTION (Applicable for ING Multi Manager Equity Fund)

1. Investment Philosophy

ING Multi Manager will manage the fund on the basis of advice received from a panel of Third Party Investment Advisors (TPIA) selected by the Investment Team under ING Multi Manager Investment process.

ING Multi Manager is an active Manage The Manager (MTM) investment solution that is based on the principle of broad diversification to reduce risk and provide consistent and competitive returns over time. This diversification philosophy is applied across and within each asset class.

What makes ING Multi Manager unique is, its combination of active management at every stage of the investment process and the seamless implementation of investment decisions.

Active at every stage of the investment process

ING Multi Manager believes that an expert (MTM) investment solution adds value and manages risk through an active management across each stage of the investment process, including selection and allocation of assets and selection of Third Party Investment Advisors. ING uses tactical allocation across asset classes to capture opportunities in changing market conditions, as well as actively selecting Investment Advisors to ensure that it takes advantage of investment styles that are likely to endure secular, cyclical or fundamental weakness.

ING Multi Manager Research has shown that a significant amount of value addition can come from Tactical Asset Allocation (TAA) and Third Party Investment Advisor selection.

ING Multi Manager believes that no single Third Party Investment Advisor's style is capable of consistently outperforming its market benchmark for each asset class over all time periods. Within each asset class, diversification is achieved by taking advice from a number of different Investment Advisors. Each Investment

Advisor is selected on the basis that they have a distinct investment style, a proven process and a strong track record of performance. From a Scheme perspective, Multi Manager understands that in order to outperform a benchmark, the Scheme must accept some risk (tracking error) relative to the benchmark. Multi Manager aims to reduce this overall Scheme risk by combining different investment approaches used by Investment Advisors, thereby exploiting the correlation of returns due to advice from a panel of Investment Advisors. As a result, when combined into a Scheme, advice from Investment Advisors with different but complementary investment styles should produce a more consistent Scheme return over the long term than might be achieved by any one Investment Manager.

ING Multi Manager believes that consistent incremental returns over time will lead to superior medium to long-term performance. ING Multi Manager's performance history in Australia, where the process has been in place since 1993, supports the investment philosophy.

2. Detailed Investment Process

The above diagram illustrates the evolutionary nature of the ING Multi Manager Investment process. The process begins with the more strategic stages of the investment process (steps 1-5) that are reviewed and monitored on a less frequent basis. Steps 6-8 represent the more active stages of the investment process and are reviewed and monitored more frequently. The infinity sign symbolises the unique ongoing nature of this process and its active approach that draws on the overlap between each element of the process. The details of the investment steps are described below:

a. Set Objectives

ING Multi Manager defines risk and return objectives for each MTM Scheme.

b. Asset Class Selection

ING determines the various asset classes which are investible as per Regulations and investment objectives of the Scheme. Multi Manager may introduce new asset classes as and when available, subject to compliance with necessary Regulations.

c. Strategic Asset Allocation

ING Multi Manager, as per the Scheme's objectives allocates capital to various investible asset classes. The key inputs in the strategic asset allocation process are forecast investment returns, which rely on a deep understanding of market dynamics.

d. Asset Class Portfolio Construction

Initially ING Multi Manager selects a benchmark which defines each asset class. In constructing a portfolio for the relevant asset class, ING seeks to outperform the selected benchmark on a risk-adjusted basis.

Major factors affecting prices of equities

- Future corporate earnings
- Corporate actions
- Interest rate movements
- Broad trends in global equity markets

Major factors affecting prices of securities (debt and money markets)

The major factors affecting prices of securities (debt and money markets) are:

- Interest rate movements.
- Exchange rate fluctuations.
- Economic factors e.g. changes in fiscal deficit, inflation rates, etc.
- Monetary factors i.e. changes in money supply, liquidity in the system, government's borrowing programme, etc.
- Political factors - major upheavals in the political system can affect prices.
- Changes in credit ratings.

e. Investment Advisor Selection

ING Multi Manager then selects a panel of Third Party Investment Advisors within the chosen portfolio construction in each asset class. Each such Investment Advisor has a distinct investment style, a proven investment process and a strong track record of performance.

f. Tactical Asset Allocation

ING Multi Manager looks at both global and domestic factors such as economic growth, inflation and government policies – and assess how these impacts the performance of each asset class. The ING Investment Team then adjusts asset allocation to gain a greater exposure to the asset classes expected to perform well at that particular time in the market cycle.

g. Active Advisor Allocation

ING Multi Manager allocates money to securities recommended by empanelled Third Party Investment Advisors on an active basis. Typically, advisors selected for any asset class would have complementary investment styles.

h. Monitoring and Ongoing Review

Once selected, Third Party Investment Advisors are closely monitored and evaluated on the performance of securities recommended by them from time to time.

ING Multi Manager looks at qualitative factors such as the way Third Party Investment Advisors construct their portfolios and their investment methods, as well as quantitative measures like the returns of the portfolios/schemes managed by each Third Party Investment Advisor compared with pre-set benchmarks and their competitors.

The investment committee of ING Multi Manager regularly reviews the MTM process and the performance of the securities recommended by Third Party Investment Advisors from time to time.

3. **Relationship between ING Multi Manager and Third Party Investment Advisors**

- Third party Investment Advisors will act in an advisory capacity. The relationship between ING Multi Manager and Third Party Investment Advisor will be governed by an Advisory Agreement;
- Third Party Investment Advisors, under this structure, will advise the AMC on securities selection and portfolio construction. ING Multi Manager would pay a fee to such investment advisors for their advisory services;
- Assets always remain in the name of the Fund and shall be held by the custodian appointed by the AMC and at no time are transferred to the Third Party Investment Advisor;
- ING Multi Manager shall carry out trades through brokers empanelled with it on the basis of advice received from third party investment advisors, except in cases where ING Multi Manager Investment Team- OIT is of the opinion, keeping in mind the interest of unitholders of the scheme, that it is not advisable to carry out the trades as advised. Such exceptions would be recorded in writing by OIT;
- ING Multi Manager shall rely on the research carried out by the appointed Investment Advisors. Documents and justifications for such buy / sell recommendation would be available with the Investment advisors;
- ING Investment Management (India) Pvt. Ltd. as a Portfolio Manager or under approval of 24(2) of the SEBI (Mutual Funds) Regulations, 1996 would never act as an advisor to ING Multi-Manager Schemes.

4. **ING Investment Committee (IC)**

The IC is chaired by the CEO of the AMC and consists of the Multi Manager Investment staff, product development staff and the Compliance Manager and representatives of ING Asia Pacific Regional Office. The role of the IC is to support and give guidance to the Multi Manager Investment Team. The Committee meets periodically to review progress and decisions made by the Multi Manager Investment Team.

5. **Investment Decision Making**

Throughout the investment process, there is a high level of interaction within the Multi Manager Investment Team and IC. The process is enhanced through the experience and market research undertaken by the team on a daily basis, and the IC provides an independent forum to discuss the team's strategy.

The ongoing interaction of the ING Multi Manager Investment Team with the Third Party Investment Advisors is what sets the team apart and allows the team to add value in its own right rather than merely delegating the task of alpha generation to the Investment Advisors. The team is in a strong position to judge when the market environment is conducive to active asset allocation, Investment Advisor allocation, style-tilting or pure alpha generation at the individual investment advisor's level.

6. **Third Party Investment Advisor Selection**

ING Multi Manager shall:

- Identify high caliber Third Party Investment Advisors in each asset class;
- Develop a deep understanding of the third party investment advisors' investment processes and styles;
- Develop a blend of third party investment advisors with complimentary styles. The key factors in selection of such advisors include investment style, a proven process and a strong track record of performance. Once selected, ING shall closely monitor and constantly evaluate the third party investment advisors;
- Ensure that there is a pipeline of 'back-up' third party investment advisors; and
- In case of investments in money market instruments/liquid, mutual fund schemes, and exchange traded derivative instruments, OIT may directly invest without taking advice from third party investment advisors.

7. **Monitoring and Ongoing Reviews**

Risk is monitored at both the Third Party Investment Advisor level and aggregate portfolio level.

Advisor Risk	**Management of Risk**
Style diversification	Appropriate blend of Investment Advisors for each asset class
Capability	Rigorous screening and monitoring of Investment Advisors capability in the asset class.
Stability	Corporate strength and capability assessed
Performance to objectives	Objectives defined and performance rigorously assessed.
Aggregate Portfolio Risk	**Management of Risk**
Style analysis	Periodic style analysis of portfolios
Asset allocation	Daily / Weekly review
Stock exposure	Regular monitoring
Credit quality	Periodic monitoring
Turnover	Monthly monitoring
Cash exposure	Daily monitoring
Derivative exposure	Limit are set and monitored on a regular basis

The risks above are managed and monitored primarily through the frequent meetings with Third Party Investment Advisors. The procedure for these meetings and the content of the data to be tabled at each meeting is detailed below:

- The portfolio asset allocation for each Investment Advisor will be determined.
- Reports for each asset class are submitted to each member of the Investment Team before the meeting, to independently review each portfolio to familiarise themselves with stocks held, sold or purchased.
- Each Investment Advisor's recommendations/advice on securities selection/portfolio construction is reviewed in terms of performance, positions and exposures.
- The Investment Advisor is contacted if any issues need to be explained. The response must be documented.
- Members of the Investment Team prepare a portfolio analysis report for each asset class.

8. **Investment Advisor Changes**

The ING Multi Manager Investment Team distils the analysis for each asset class or Investment Advisor analysis into a detailed report for internal review and debate. The main output of this review is the nomination of potential Investment Advisor candidates.

The report is then submitted to the IC who is responsible for reviewing the report, testing the report's logic and analytical process and ratifying the selection.

Once the IC has approved an Investment Advisor candidate, Multi Manager starts commercial negotiations with the Third Party Investment Advisor.

9. **Compliance Monitoring**

The monitoring of the Funds managed by Multi Manager is facilitated by close integration with the custodian, Deutsche Bank AG. Deutsche Bank AG and Multi Manager will be responsible for monitoring of all physical holdings and derivative positions against ING mandated limits on daily basis. Any potential (eg derivative or cash holdings approaching maximum limits) or actual breaches are reported immediately to the ING Investment Team and must be resolved as soon as possible. Daily derivative exposure reports are issued simultaneously to the ING Investment team and the Compliance Department. All exposures are then reported to the IC.

ING Multi Manager will reconcile their portfolios with the Custodian in order to arrive at a fully reconciled record of holdings, exposures and transactions.

10. **Role of CEO in investment decisions**

The CEO is an integral part of the investment committee as its Chairman. The Committee approves investment decisions of the ING Multi Manager Investment Team. The CEO is also responsible for the guidelines which are set for structuring the investment process and approves the process for investment decision making. The AMC relies on the research of appointed Investment advisors. Hence, a detailed research report analyzing various factors for each investment advice shall be maintained by the appointed Investment Advisor. In case of non acceptance of appointed investment advisors advice a detailed recording with reasons will be documented by OIT. The OIT shall maintain records in support of each purchase and sale of securities and shall also record the reasons for subsequent purchase and sales in the same scrip.

PORTFOLIO TURNOVER

The schemes have no explicit constraints either to maintain or limit the portfolio turnover. Portfolio turnover will depend upon the circumstances prevalent at any time and would also depend on the extent of volatility in the market. A higher churning to the portfolio could attract higher transaction costs of the nature of brokerage; demat charges, stamp duty, custodian transaction charges, etc.

F. Fundamental Attributes

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time:

i) Type of Scheme;

ii) Investment Objectives & Investment Pattern – Investment objective & investment pattern is provided under the heading information about the scheme.

iii) Terms of Issue
- Liquidity provisions such as listing, repurchase, redemption.
- Aggregate fees and expenses charged to the scheme.
- Any safety net or guarantee provided.

In accordance with Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time, the Trustees shall ensure that no change in the fundamental attributes of the Scheme and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. How will the Scheme(s) benchmark its performance?

The Scheme(s) / Plan(s) performance will be compared with their respective benchmark(s) as per the table below:

Scheme/Plan	Benchmark
ING Asset Allocator Multi Manager FoF Scheme	CRISIL Balanced Fund Index
ING Active Debt Multi Manager FoF Scheme	CRISIL Composite Bond Fund Index
ING Income Growth Multi Manager FoF Scheme – 15% Equity Plan	15% CNX Nifty Index + 85% CRISIL Composite Bond Fund Index
ING Income Growth Multi Manager FoF Scheme – 30% Equity Plan	30% CNX Nifty Index + 70% CRISIL Composite Bond Fund Index
ING 5 Star Multi Manager FoF Scheme	CNX Nifty Index
ING Global Commodities Fund	40% Dow Jones World Basic Materials Index + 40% Dow Jones World Oil and Gas Index + 20% MSCI AC World in INR terms
ING Multi Manager Equity Fund	CNX Nifty Index
ING Latin America Equity Fund	MSCI EM Latin America 10/40 ND Index

However, the Schemes' performance may not be strictly comparable with the performance of the Indices due to the inherent differences in the construction of the portfolios. The Boards may review the benchmark selection process from time to time, and make suitable changes as to use of the benchmark, or related to composition of the benchmark, whenever it deems necessary.

Justification

The Scheme(s)/Plan(s) are being benchmarked against the respective Indices mentioned above, since the composition of the Indices is in line with the investment objective of the respective Scheme(s)/Plan(s) and is most suited for comparing performance of the Scheme(s)/ Plan(s). It will also enable the investors to arrive at a more informed judgement on scheme(s) performances.

H. Who manages the Schemes?

Scheme	Fund Manager
ING Asset Allocator Multi Manager FoF Scheme	Mr. Shravan Kumar Sreenivasula
ING Active Debt Multi Manager FoF Scheme	
ING Income Growth Multi Manager FoF Scheme (15% & 30% Equity Plan)	
ING 5 Star Multi Manager FoF Scheme	
ING Global Commodities Fund	
ING Multi Manager Equity Fund	
ING Latin America Equity Fund	

Name, Age & Qualification	Brief Experience	Name of other schemes under his management
Mr. Shravan Kumar Sreenivasula Vice President &	• Vice President & Fund Manager – Equity, ING Investment Management (India) Pvt. Ltd (April 2012 – Till Date)	• ING RetireInvest Fund Series I • ING Financial Planning Fund – Cautious Plan, Conservative Plan,

Fund Manager – Equity 36 years MBA, B,Tech (IIT, Kharagpur)	• Asst. Vice President – Portfolio Manager- Equities, ING Investment Management (India) Pvt. Ltd (April 2008 – Till March 2012) • Senior Research Analyst- Television Eighteen India Ltd (July 2007 - March 2008) • Senior Consultant- Capegemini India Pvt. Ltd. (May 2006 - June 2007) • Program Analyst- Infosys Technologies Ltd (September 2001 - April 2005).	Prudent Plan and Aggressive Plan • ING Global Real Estate Fund

I. What are the investment restrictions?

As per the Seventh Schedule of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time the following investment restrictions apply in respect of the Scheme at the time of making investments. However, all investments by the Scheme will be made in accordance with the investment objective, investment strategy and investment pattern described previously.

1. A mutual fund scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act. Such investment limit may be extended to 20% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of Asset Management Company :

   Provided that such limit shall not be applicable for investments in Government securities:

   Provided further that investment within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with the Board.

2. A mutual fund scheme shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the scheme. All such investments shall be made with the prior approval of the Board of Trustees and the Board of Asset Management Company.

3. No mutual fund scheme shall invest more than thirty percent of its net assets in money market instruments of an issuer:

   Provided that such limit shall not be applicable for investments in Government securities, treasury bills and collateralized borrowing and lending obligations.

4. No mutual fund under all its schemes should own more than ten per cent of any company's paid up capital carrying voting rights.

5. Transfers of investments from one scheme to another scheme in the same mutual fund shall be allowed only if,—

   (a) such transfers are done at the prevailing market price for quoted instruments on spot basis.

   Explanation.—"Spot basis" shall have same meaning as specified by stock exchange for spot transactions;

   (b) the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

6. A scheme may invest in another scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate inter scheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund :

   Provided that this clause shall not apply to any fund of funds scheme.

7. Every mutual fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:

   Provided that a mutual fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by the Board:

   Provided further that a mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the Board.

   Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.

8. Every mutual fund shall get the securities purchased or transferred in the name of the mutual fund on account of the concerned scheme, wherever investments are intended to be of long-term nature.

9. Pending deployment of funds of a scheme in terms of investment objectives of the scheme, a mutual fund may invest them in short term deposits of schedule commercial banks, subject to such Guidelines as may be specified by the Board.

10. No mutual fund [scheme] shall make any investment in,—
    (a) any unlisted security of an associate or group company of the sponsor; or
    (b) any security issued by way of private placement by an associate or group company of the sponsor; or
    (c) the listed securities of group companies of the sponsor which is in excess of 25 per cent of the net assets.

11. No scheme of a mutual fund shall make any investment in any fund of funds scheme.

12. No mutual fund scheme shall invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company :

    Provided that, the limit of 10 per cent shall not be applicable for investments in case of index fund or sector or industry specific scheme.

13. A mutual fund scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments in case of open ended scheme and 10% of its NAV in case of close ended scheme.

14. A fund of funds scheme shall be subject to the following investment restrictions:
    (a) A fund of funds scheme shall not invest in any other fund of funds scheme;
    (b) A fund of funds scheme shall not invest its assets other than in schemes of mutual funds, except to the extent of funds required for meeting the liquidity requirements for the purpose of repurchases or redemptions, as disclosed in the Scheme Information Document of fund of funds scheme.

    The Trustee may alter the above restrictions from time to time to the extent that changes in the Regulations may allow and as deemed fit in the general interest of the Unit Holders.

J. How has the Schemes performed?

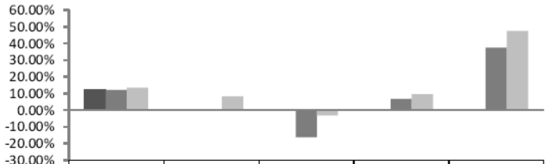
ING Asset Allocator Multi Manager FoF Scheme (As on March 31, 2014)

Performance of the scheme

Compounded Annualised Returns	Scheme Returns %	Scheme Returns % Direct Plan	Benchmark Returns %
Returns for the last 1 Year	12.04%	12.23%	13.28%
Returns for the last 3 Years	-2.10%	NA	5.88%
Returns for the last 5 Years	6.58%	NA	13.85%
Since Inception	5.88%	3.49%	9.19%

Performance as on 31st Mar'2014. Returns for the period less than one year -Absolute, Returns for the period more than one year - CAGR. **Benchmark: Crisil Balanced Fund Index.** Returns are for Growth Option & Direct Plan. The Scheme returns are calculated assuming that all payouts during the period have been reinvested in the units of the Scheme at the then prevailing NAV. Allotment Date: 17th August 2006. **Past performance may or may not be sustained in future.**

Absolute Returns for each financial year for the last 5 years



	Apr'13 to Mar'14	Apr'12 to Mar'13	Apr'11 to Mar'12	Apr'10 to Mar'11	Apr'09 to Mar'10
Scheme Returns - Direct	12.23%	NA	NA	NA	NA
Scheme Returns	12.04%	-0.02%	-16.23%	6.60%	37.46%
Benchmark Returns	13.28%	8.18%	-3.17%	9.37%	47.31%

Past performance may or may not be sustained in future.

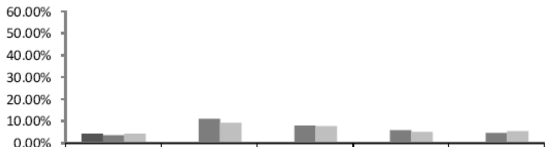
ING Active Debt Multi Manager FoF Scheme

Performance of the scheme

Compounded Annualised Returns	Scheme Returns %	Scheme Returns % Direct Plan	Benchmark Returns %
Returns for the last 1 Year	3.60%	3.89%	4.32%
Returns for the last 3 Years	7.53%	NA	7.07%
Returns for the last 5 Years	6.59%	NA	6.33%
Since Inception	7.40%	5.24%	6.47%

Performance as on 31st Mar'2014. Returns for the period less than one year - Absolute, Returns for the period more than one year - CAGR. **Benchmark: Crisil Composite Bond Fund Index.** Returns are for Growth Option & Direct Plan. The Scheme returns are calculated assuming that all payouts during the period have been reinvested in the units of the Scheme at the then prevailing NAV. Allotment Date: 29th December 2006. **Past performance may or may not be sustained in future.**

Absolute Returns for each financial year for the last 5 years



	Apr'13 to Mar'14	Apr'12 to Mar'13	Apr'11 to Mar'12	Apr'10 to Mar'11	Apr'09 to Mar'10
Scheme Returns - Direct	3.89%	NA	NA	NA	NA
Scheme Returns	3.60%	11.10%	7.98%	5.85%	4.53%
Benchmark Returns	4.32%	9.24%	7.68%	5.06%	5.41%

Past performance may or may not be sustained in future.

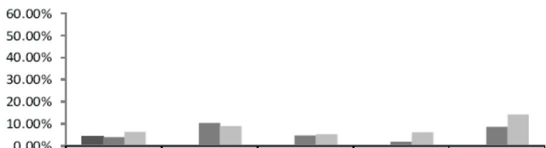
ING Income Growth Multi Manager FoF Scheme – 15% Equity Plan

Performance of the scheme

Compounded Annualised Returns	Scheme Returns %	Scheme Returns % Direct Plan	Benchmark Returns %
Returns for the last 1 Year	3.91%	4.12%	6.43%
Returns for the last 3 Years	6.34%	NA	6.91%
Returns for the last 5 Years	5.90%	NA	8.19%
Since Inception	4.59%	3.24%	7.06%

Performance as on 31st Mar'2014. Returns for the period less than one year - Absolute, Returns for the period more than one year - CAGR. **Benchmark: 15% CNX Nifty Index; + 85% Crisil Composite Bond Fund Index.** Returns are for Growth Option & Direct Plan. The Scheme returns are calculated assuming that all payouts during the period have been reinvested in the units of the Scheme at the then prevailing NAV. Allotment Date: 2nd May 2006. **Past performance may or may not be sustained in future.**

Absolute Returns for each financial year for the last 5 years



	Apr'13 to Mar'14	Apr'12 to Mar'13	Apr'11 to Mar'12	Apr'10 to Mar'11	Apr'09 to Mar'10
Scheme Returns - Direct	4.12%	NA	NA	NA	NA
Scheme Returns	3.91%	10.42%	4.77%	1.91%	8.68%
Benchmark Returns	6.43%	9.06%	5.24%	6.16%	14.26%

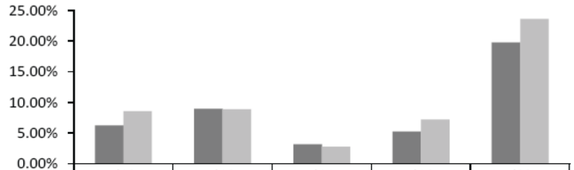
Past performance may or may not be sustained in future.

ING Income Growth Multi Manager FoF Scheme – 30% Equity Plan

Performance of the scheme	Compounded Annualised Returns	Scheme Returns %	Scheme Returns % Direct Plan	Benchmark Returns %
	Returns for the last 1 Year	6.22%	N.A	8.53%
	Returns for the last 3 Years	6.08%	N.A	6.68%
	Returns for the last 5 Years	8.51%	N.A	9.98%
	Since Inception	5.65%	N.A	7.64%

Performance as on 31st Mar'2014. Returns for the period less than one year - Absolute, Returns for the period more than one year - CAGR. **Benchmark: 30% CNX Nifty Index; +70% Crisil Composite Bond Fund Index.** Returns are for Growth Option & Direct Plan. The Scheme returns are calculated assuming that all payouts during the period have been reinvested in the units of the Scheme at the then prevailing NAV. Allotment Date: 2nd May 2006. **Past performance may or may not be sustained in future**

Absolute Returns for each financial year for the last 5 years



	Apr'13 to Mar'14	Apr'12 to Mar'13	Apr'11 to Mar'12	Apr'10 to Mar'11	Apr'09 to Mar'10
Scheme Returns	6.22%	8.94%	3.12%	5.24%	19.75%
Benchmark Returns	8.53%	8.84%	2.75%	7.20%	23.60%

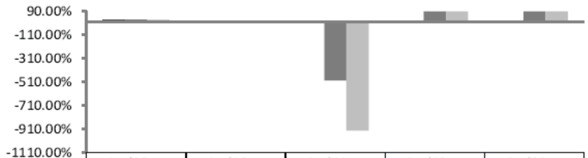
Past performance may or may not be sustained in future.

ING 5 Star Multi Manager FoF Scheme

Performance of the scheme	Compounded Annualised Returns	Scheme Returns %	Scheme Returns % Direct Plan	Benchmark Returns %
	Returns for the last 1 Year	18.72%	19.84%	17.82%
	Returns for the last 3 Years	5.95%	NA	4.74%
	Returns for the last 5 Years	19.42%	NA	17.27%
	Since Inception	8.67%	5.24%	7.13%

Performance as on 31st Mar'2014. Returns for the period less than one year - Absolute, Returns for the period more than one year - CAGR. **Benchmark: CNX Nifty Index.** Returns are for Growth Option & Direct Plan. The Scheme returns are calculated assuming that all payouts during the period have been reinvested in the units of the Scheme at the then prevailing NAV. Allotment Date: 16th January 2007. **Past performance may or may not be sustained in future**

Absolute Returns for each financial year for the last 5 years



	Apr'13 to Mar'14	Apr'12 to Mar'13	Apr'11 to Mar'12	Apr'10 to Mar'11	Apr'09 to Mar'10
Scheme Returns - Direct	20.02%	NA	NA	NA	NA
Scheme Returns	18.89%	5.31%	-4.99	12.11	82.23
Benchmark Returns	17.98%	7.31%	-9.23	11.14	73.76

Past performance may or may not be sustained in future.

ING Global Commodities Fund

Performance of the scheme	Compounded Annualised Returns	Scheme Returns %	Scheme Returns % Direct Plan	Benchmark Returns %
	Returns for the last 1 Year	10.06%	10.58%	17.81%
	Returns for the last 3 Years	-2.08%	NA	6.87%
	Returns for the last 5 Years	10.28%	NA	15.40%
	Since Inception	5.60%	1.45%	7.74%

Performance as on 31st Mar'2014. Returns for the period less than one year - Absolute, Returns for the period more than one year - CAGR. **Benchmark: 40% Dow Jones World Basic Materials Index + 40% Dow Jones World Oil and Gas Index + 20% MSCI AC World in INR terms.** Returns are for Growth Option & Direct Plan. The Scheme returns are calculated assuming that all payouts during the period have been reinvested in the units of the Scheme at the then prevailing NAV. Allotment Date:17th September 2008. **Past performance may or may not be sustained in future.**

Absolute Returns for each financial year for the last 5 years

	Apr'13 to Mar'14	Apr'12 to Mar'13	Apr'11 to Mar'12	Apr'10 to Mar'11	Apr'09 to Mar'10
Scheme Returns - Direct	10.67%	NA	NA	NA	NA
Scheme Returns	10.14%	-8.82%	-6.52%	21.98%	42.46%
Benchmark Returns	17.97%	4.19%	-0.67%	20.68%	38.96%

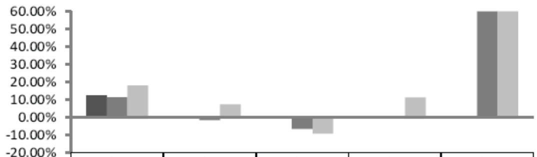
Past performance may or may not be sustained in future.

ING Multi Manager Equity Fund

Performance of the scheme	Compounded Annualised Returns	Scheme Returns %	Scheme Returns % Direct Plan	Benchmark Returns %
	Returns for the last 1 Year	11.11%	12.32%	17.82%
	Returns for the last 3 Years	0.72%	NA	4.74%
	Returns for the last 5 Years	11.75%	NA	17.27%
	Since Inception	1.01%	1.51%	7.41%

Performance as on 31st Mar'2014. Returns for the period less than one year - Absolute, Returns for the period more than one year - CAGR. **Benchmark: CNX Nifty Index.** Returns are for Growth Option & Direct Plan. The Scheme returns are calculated assuming that all payouts during the period have been reinvested in the units of the Scheme at the then prevailing NAV. Allotment Date: 30th April 2007. **Past performance may or may not be sustained in future.**

Absolute Returns for each financial year for the last 5 years



	Apr'13 to Mar'14	Apr'12 to Mar'13	Apr'11 to Mar'12	Apr'10 to Mar'11	Apr'09 to Mar'10
Scheme Returns - Direct	12.42%	NA	NA	NA	NA
Multi Manager Equity Fund	11.20%	-1.63%	-6.58%	0.48%	69.76%
Benchmark Returns	17.98%	7.31%	-9.23%	11.14%	73.76%

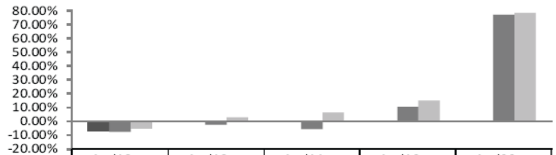
Past performance may or may not be sustained in future.

ING Latin America Equity Fund

Performance of the scheme	Compounded Annualised Returns	Scheme Returns %	Scheme Returns % Direct Plan	Benchmark Returns %
	Returns for the last 1 Year	-7.53%	-7.05%	-5.24%
	Returns for the last 3 Years	-5.21%	NA	1.17%
	Returns for the last 5 Years	10.73%	NA	16.23%
	Since Inception	-0.02%	-8.68%	5.58%

Performance as on 31st Mar'2014. Returns for the period upto one year - Absolute, Returns for the period more than one year - CAGR. **Benchmark: MSCI EM Latin America 10/40 ND Index.** Returns are for Growth Option & Direct Plan. The Scheme returns are calculated assuming that all payouts during the period have been reinvested in the units of the Scheme at the then prevailing NAV. Allotment Date: 7th August, 2008. **Past performance may or may not be sustained in future.**

Absolute Returns for each financial year for the last 5 years



	Apr'13 to Mar'14	Apr'12 to Mar'13	Apr'11 to Mar'12	Apr'10 to Mar'11	Apr'09 to Mar'10
Scheme Returns - Direct	-7.11%	NA	NA	NA	NA
Scheme Returns	-7.59%	-2.44%	-5.54%	10.45%	77.00%
Benchmark Returns	-5.28%	2.88%	6.29%	14.99%	78.21%

Past performance may or may not be sustained in future.

NOTE: Returns for the period upto one year - Absolute, Returns for the period more than one year - CAGR. Returns are for Growth Option. The Scheme returns are calculated assuming that all payouts during the period have been reinvested in the units of the Scheme at the then prevailing NAV. Past performance may or may not be sustained in future.

K. Investment by the AMC

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during the Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

III. UNITS AND OFFER

This section provides details you need to know for investing in the Scheme.

A. New Fund Offer (NFO)

New Fund Offer, New Fund Offer Period, New Fund Offer Price, Minimum Amount for Application in the NFO, Minimum Target Amount, Maximum Amount to be raised & Refund and Special Products / facilities available during the NFO

These sections are not applicable as these are Continuous Offer of Units of the Scheme(s) at NAV based prices subject to applicable load.

B. Ongoing Offer Details

1. Plans / Options / Sub-options offered under the Scheme(s)

The following table details the Plans / Options available in the respective Scheme(s):

Scheme	Plans/Modes	Options	Sub-options
ING Asset Allocator Multi Manager FoF Scheme	Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund.	Growth/ Dividend	Dividend option offers Pay-out and Reinvestment facilities
ING Active Debt Multi Manager FoF Scheme	Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund.	Growth/ Dividend	*Dividend option offers Pay-out and Reinvestment facilities
ING Income Growth Multi Manager FoF Scheme	15% Equity Plan & 30% Equity Plan Both the above plans have Through Distributor and Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund.	Each plan offers Option A - Growth/ Option A- Dividend	Dividend option offers Pay-out and Reinvestment facilities
ING 5 Star Multi Manager FoF Scheme	Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund.	Growth/ Dividend	Dividend option offers Pay-out and Reinvestment facilities
ING Global Commodities Fund	Through Distributor / Direct Plan* *Direct Plan launched wef	Growth/ Dividend	Dividend option offers Pay-out and Reinvestment facilities

	January 1, 2013 for investing directly into the fund.		
ING Multi Manager Equity Fund	Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund.	The Scheme offers Option A. Option A offers Growth and Dividend options.	Dividend option offers Pay-out and Reinvestment facilities
ING Latin America Equity Fund	- Through Distributor / Direct Plan* *Direct Plan launched wef January 1, 2013 for investing directly into the fund.	Growth/ Dividend	Dividend Pay-out and Reinvestment options are available under the Dividend option.

2. Dividend

The Scheme will declare dividends at such frequency as may be decided by the Trustees. However, it must be distinctly understood that the actual declaration of dividends under the Schemes and the frequency thereof will, inter-alia, depend upon the disposable surplus of the Scheme. The decision of the Trustees in this regard shall be final.

The dividends that may be paid out of the net surplus of the Schemes will be paid only to those Unitholders whose names appear in the register of Unitholders on the notified record date. The dividends will be at such rate as may be decided by the AMC in consultation with the Trustees.

3. Who can invest?

The following are eligible to apply for the purchase of / subscription to Units of the Scheme (subject, wherever relevant, to purchase of / subscription to Units of Mutual Funds being permitted under respective constitutions and relevant statutory Regulations):

1. Indian resident adult individuals either singly or jointly (not exceeding three);
2. Minor through parent/lawful guardian;
3. Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals whether incorporated or not and societies registered under the Societies Registration Act, 1860 (so long as the purchase of Units is permitted under the respective constitutions);
4. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private Trusts authorised to invest in mutual fund schemes under their trust deeds;
5. Trustee of private trusts authorised to invest in mutual fund scheme under the Trust Deed;
6. Partnership Firms;
7. Karta of Hindu Undivided Family (on behalf of the HUF);
8. Banks and Financial Institutions;
9. Non-resident Indians/Persons of Indian origin residing abroad (NRIs) on a full repatriation basis or on non-repatriation basis;

10. Foreign Institutional Investor (FIIs) registered with SEBI either directly or through sub-accounts registered with SEBI on full repatriation basis (as per SEBI / RBI rules and regulations);
11. Provident/Pension/Gratuity fund or such other funds as may be permitted under law to invest
12. Scientific and Industrial Research Organizations;
13. International Multilateral Agencies approved by the Government of India;
14. Army, Air Force, Navy and para-military funds and other eligible institutions;
15. A Mutual Fund through its schemes, including Fund of Funds (only in case of non fund of funds schemes)
16. Any other category, who are / may become eligible on account of changes in relevant laws and regulations.

Note: This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.

Overseas Corporate Bodies (OCBs) shall not be allowed to invest in the Scheme(s). These would be firms and societies, which are held directly or indirectly but ultimately to the extent of at least 60% by NRIs and trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons (OCBs). The AMC shall also have the right to reject the application of any other entity that becomes ineligible to invest on account of changes in law or regulation.

Subscriptions from residents in the United States of America, Canada and subscriptions from NRI's residing in Cuba, Iran, Myanmar, North Korea, Sudan and Syria shall not be accepted by the Schemes of ING Mutual Fund.

The Mutual Fund reserves the right to include/exclude new/existing categories of investors to invest in the Scheme(s) from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any."

The AMC, under powers delegated by the Trustee, shall have absolute discretion to reject any application, prevent further transactions by a Unitholder, if after due diligence, the AMC believes that the transaction is suspicious in nature as regards money laundering.

As per the directives issued by SEBI, it is mandatory for Applicants to mention their Bank Account numbers in their applications for purchase/redemption of Units.

4. Where can you submit the filled up applications:

Application for subscription/redemption can be submitted at the Official Points Of Acceptance of transaction mentioned on the back cover page.

5. How to Apply?

Please refer to the SAI and Application form for the instructions.

6. Listing

Being open ended Schemes under which Sale and Repurchase of Units will be made on continuous basis by the Mutual Fund the Units of the Scheme are not proposed to be listed on any stock exchange. However, the Mutual Fund may at its sole discretion list the Units of the Scheme on one or more stock exchanges at a later date.

7. The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.

Presently the AMC does not intend to reissue the repurchased units. The trustee reserves the right to reissue the repurchased units at a later date after issuing adequate public notices and taking approvals, if any, from SEBI.

8. Restrictions, if any, on the right to freely retain or dispose of units being offered.

Refer SAI for details on Suspension of sale and redemption of units.

9. Ongoing Offer Period (This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.)

Not Applicable, as all the open ended schemes are open for ongoing offer.

10. Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.

At the applicable NAV subject to prevailing entry load.

11. Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.

At the applicable NAV subject to prevailing exit loads.

Note: Switch out from any Scheme of ING Mutual Fund shall be allowed to ING Global Commodities Fundand ING Latin America Equity Fund at applicable NAV, subject to applicable loads. However, switch out from ING Global Commodities Fund and ING Latin America Equity Fund shall be allowed only to ING Liquid Fund, at applicable NAV subject to applicable loads.

In case of 'switch' transactions from one scheme to another the allocation shall be in line with redemption payouts. All switches will be subject to minimum application amount in the target Schemes.

12. Cut off timing for subscriptions/ redemptions/ switches

For subscriptions/switch-ins for an amount of less than Rs. 2 Lakh: In respect of valid applications received upto 3.00 pm by the Mutual fund alongwith a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the day on which application is received shall be applicable.

In respect of valid applications received after 3.00 pm by the Mutual Fund alongwith a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the next business day shall be applicable.

Where the application is received with an outstation cheque or demand draft which is not payable on par at the place where it is received – closing NAV of day on which the cheque or demand draft is credited.

For Redemptions/Switch outs: In respect of valid applications received upto 3:00 pm by the Mutual Fund, closing NAV of the day of receipt of application shall be applicable. In respect of valid applications received after 3:pm by the Mutual Fund, the closing NAV of the next business day shall be applicable.

For subscriptions/switch-ins for an amount of Rs. 2 Lakh or more: In respect of valid applications received upto cut off time ie 3.00 pm and funds for the entire amount of subscription/purchase/switch-in as per application/request are credited to the bank account of the respective Schemes before cut-off time i.e. available for utilization before the cut-off time without availing any credit facility whether intraday/otherwise, closing NAV of the day on which the funds are available for utilization shall be applicable.

In respect of valid applications received after 3.00 and funds for the entire amount of subscription/purchase/switch-in as per application/request are credited to the bank account of the respective Schemes after cut-off time i.e. available for utilization after the cut-off time without availing any credit facility whether intraday/otherwise, closing NAV of the next business day shall be applicable.

Irrespective of the time of receipt of application, where the funds for the entire amount of subscription/purchase/switch in as per application/request are credited to the bank account of the respective schemes before cut off time on any subsequent business day ie available for the utilization before the cutoff time on any subsequent business day, the closing NAV of such subsequent Business day on which the funds are available for utilization shall be applicable.

Aggregation of multiple applications for NAV applicability

All transactions as per conditions given below shall be aggregated and closing NAV of the day on which funds are available for utilization to be applied where the aggregated amount of the investment is Rs.2.00 lacs and above.

a. All transactions received on the same day (as per Time stamp rule).
b. Transactions include purchases, additional purchases, excluding Switches, SIP/STP and triggered transactions.
c. Aggregations shall be on the basis of investor/s PAN. In case of joint holding, transactions with similar holding structures shall be aggregated, irrespective of amount of individual applications.
d. Only transactions in the same scheme (including transactions at Plan/option level (dividend, Growth, Direct) shall be clubbed.
e. Transactions in the name of minor received through guardian shall not be aggregated with the transaction in the name of same guardian.

For Switches

Valid applications for 'switch-in' shall be treated as applications for subscriptions and 'switch-out' shall be treated as applications for Redemption and the provisions of the Cut-off time and the Applicable NAV mentioned in the Scheme Information Document as applicable to Subscriptions and Redemption shall be applied to the 'switch-out' applications. In case of 'switch' transactions from one scheme to another scheme the allocation shall be in line with redemption payouts.

Switch of investments from through Distributor mode with Broker Code at the time of investment to Direct Plan, shall be subject to applicable exit load, if any. For any subsequent switch-out or redemption of investment from Direct Plan, no exit load shall be charged.

Switch of investments from Direct Plan to through Distributor mode, shall not be subject to exit load. However for any subsequent switch-out or redemption of investment from the through distributor mode, exit load shall be charged, based on the original date of investment in Direct Plan.

13. Where can the applications for purchase/redemption switches be submitted?

Application for subscription/redemption can be submitted at the official points of acceptance of transaction mentioned on the back cover page.

14. Minimum Application / Purchase Amount / Minimum Additional Investment Amount / Minimum Amount for Redemption / Switches

Scheme	Minimum Application Amount	Additional Investment Amount	Minimum Redemption Amount
ING Asset Allocator Multi Manager FoF Scheme	Rs. 5,000/- and in multiples of Re. 1 thereafter	Rs. 1,000/- and in multiples of Re. 1 thereafter	Rs.1000 or a minimum of 100 units
ING Active Debt Multi Manager FoF Scheme	Rs. 5,000/- and in multiples of Re. 1 thereafter	Rs. 1,000/- and in multiples of Re. 1 thereafter	Rs.1000 or a minimum of 100 units
ING Income Growth Multi Manager FoF Scheme	Rs. 5,000/- and in multiples of Re. 1 thereafter	Rs. 1,000/- and in multiples of Re. 1 thereafter	Rs.1000 or a minimum of 100 units
ING 5 Star Multi Manager FoF Scheme	Rs. 5,000/- and in multiples of Re. 1 thereafter	Rs. 1,000/- and in multiples of Re. 1 thereafter	Rs.1000 or a minimum of 100 units
ING Global Commodities Fund	Rs. 5,000/- and in multiples of Re. 1 thereafter	Rs. 1,000/- and in multiples of Re. 1 thereafter	Rs.1000 or a minimum of 100 units
ING Multi Manager Equity Fund	Rs. 5,000/- and in multiples of Re. 1 thereafter	Rs. 1,000/- and in multiples of Re. 1 thereafter	Rs.1000 or a minimum of 100 units

ING Latin America Equity Fund	Rs. 5,000/- and in multiples of Re. 1 thereafter	Rs. 1,000/- and in multiples of Re. 1 thereafter	Rs.1000 or a minimum of 100 units

Transaction charges shall be deducted on purchase/ subscription received from first time Mutual Fund investors and investors other than first time Mutual Fund investors through the distributors (who have opted to receive the transaction charges) as under:

(i) **First Time Mutual Fund Investors (across Mutual Funds):** Transaction charge of Rs. 150/- for subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor of the first time investor and the balance shall be invested.

(ii) **Investor other than First Time Mutual Fund Investors:** Transaction charge of Rs. 100/- per subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor of the investors and the balance shall be invested.

However, transaction charges in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more. The Transaction Charges shall be deducted in 3 or 4 installments.

(iii) **Transaction charges shall not be deducted/applicable for:**

(a) Purchases /subscriptions for an amount less than Rs. 10,000/-;
(b) Transactions other than purchases/subscriptions relating to new inflows such as Switch/Systematic Transfer Plan (STP), etc.;
(c) Purchases /subscriptions made directly with the Fund without any ARN code (i.e. not routed through any distributor).
(d) If the distributor has not opted to receive transaction charges.

(e) As per SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09, dated June 30, 2009, upfront commission todistributors shall continue to be paid by the investor directly to the distributor by a separate cheque based on his assessment of various factors including the service rendered by the distributor.

(f) A distributor has the option to “opt-in” or “opt-out” of levying transaction charge based on type of the product and not at investor level.

15. Minimum balance to be maintained and consequences of non maintenance.

Not Applicable

16. Special Products / Facilities available / offered to Investors under the Schemes

a) Systematic Investment Plan (SIP)

Unitholders can benefit by investing specified Rupee amounts at regular intervals for a continuous period. The SIP allows the Unitholders, to invest a fixed amount of Rupees at regular intervals for purchasing additional Units of the Schemes at NAV based prices. This concept is called Rupee Cost Averaging.

SIP Option is available for investors on the commencement of on-going sale and redemption under the Scheme after the New Fund Offer Period. By investing an equivalent amount at regular intervals, each month for example, you do not have to worry about catching market highs and lows, because your monthly contribution will buy more Units when prices are low and fewer when Unit prices are high. The net result may be that, over a long period of time, your average cost could be lower than the average market price, and when you eventually sell your Units, your gain could be higher than if you had invested a lump sum. Thus by investing, a fixed amount of Rupees at regular intervals, Unitholders can take advantage of the benefits of Rupee Cost Averaging, at the same time saving a fixed amount of rupees each month.

Unitholders can enroll themselves for SIP by making a written request, either, at any of the Investor Service Centres

There are two options available under SIP viz-Monthly option and quarterly option, the details of which are given below:

	Monthly Option	Quarterly Option
Minimum amount of SIP	Rs 1000/-	Rs 3000/-
Additional amount in multiples of	Rs 100/-	Rs 100/-
Dates of SIP cheques	1st , 10th , 15th ,or 27th of the month	1st , 10th 15th or 27th of April, July, October, January
Minimum no. of cheques	6	4

Investors may note that the default date shall be 10th. The minimum number of days between two installments for SIP shall be 30 days and if 3 consecutive SIP installments are dishonored, the SIP would automatically cease.

However the AMC reserves the right to accept SIP applications of different amounts, dates and number of cheques.

The investors/unitholders shall have the option to hold units in demat mode for their Systematic Investment Plan (SIP) transactions in accordance with the provisions specified for respective schemes and in terms of the guidelines/ procedural requirements issued by National Securities Depository Limited and Central Depository Services (India) Limited, from time to time. Accordingly, for such transactions units will be allotted based on the applicable Net Asset Value and on the realization of funds the said units will be credited to investor's demat account on weekly basis.

Auto Debit facility through ECS Debit:

Auto Debit facility through ECS Debit is made available to the investors of ING Mutual Fund. To avail of the Auto Debit facility, the investor has to fill up the 'Registration cum Mandate Form for ECS Debit' accompanied by a cheque for the first SIP installment and the balance installments shall be invested as per the mandate through auto debit. This facility is available only at selective centres as given in the above-referred form. Where the time gap between the date of the first SIP installment and the first ECS Debit is less than 30 days, the first ECS Debit shall automatically shifted to same date of the ECS debit mandate in the next month

The AMC at its own discretion reserves its right to increase the number of centres or curtail this facility at one or more centres as deemed appropriate.

The AMC / Mutual Fund reserves the right to change the above load structure at its own discretion with prospective effect within the limits prescribed and as per the SEBI Regulations.

b) Systematic Withdrawal Plan (SWP)

Unitholders have the benefit of availing the choice of Systematic Withdrawal Plan. The SWP allows the Unitholder to withdraw a specified sum of money each month/quarter from his investments in the Schemes. SWP is ideal for investors seeking a regular inflow of funds for their needs. It is also ideally suited to retirees or individuals, who wish to invest lumpsum and withdraw from the investment over a period of time.

The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder. The Unitholder may avail of this Option by writing to any of the Investor Service Centres, after the close of the New Fund Offer Period.

Unitholders may change the amount of withdrawals or the period of withdrawals by giving a 15 days written notice. The SWP may be terminated on a written notice by a Unitholder and it will terminate automatically if all the Units are liquidated or withdrawn from the account or the holdings fall below Rs.1000 under the monthly option or Rs 3000 under the quarterly option (subject to the Unitholder failing to invest sufficient funds to bring the value of their holdings to the minimum amount of Rs. 5000 after the completion of SWP, within 30 days after the balance shall have fallen below the minimum holdings) or upon the Mutual Fund's receipt of notification of death or incapacity of the first Unitholder.

There are two options available under SWP viz-Monthly option and quarterly option, the details of which are given below:

	Monthly Option	Quarterly Option
Minimum value of SWP	Rs 1000/- or 50 units	Rs 3000 or 150 units
Additional amount in multiples of	Rs 100/- or 10 units	Rs 100/- or 10 units
Dates of SWP Request	5th of the month	5th of April, July, October, January

Contingent Deferred Sales Charge (CDSC)/Exit Load if any is applicable to SWP. At present there is no CDSC/Exit load for SWP for purchases/switch in made for Rs 10 crores and below. However the AMC reserves the right to accept SWP applications of different amounts, dates and frequency.

c) Systematic Transfer Plan (STP)

Under Systematic Transfer Plan (STP), the Unit holder will have to invest a lump sum amount in one scheme with an instruction to the Fund that the entire or a part of this investment will be transferred systematically to another scheme. Under this plan the fund will endeavour to transfer the investments on a daily (Zoom Investment Pac), monthly or quarterly basis. However, the AMC/Fund reserves the right to change the frequency of transfer as may deem fit. The number of switches / transfers and amount will be fixed at the time of initial investment itself and that installment will be rounded off to the lowest Rs.100 (in case of monthly/quarterly STP). The last installment will be the balance amount based on the appreciation / depreciation of the investments. Terms and conditions for Systematic Transfer Plan (STP) is as under:

1. The Minimum amount of STP per transfer will be Rs.1000/- and in multiples of Rs.100/-.(in case of monthly/quarterly STP)
2. The transfer will be by way of minimum of 6 monthly / 4 quarterly switches.

STP facility is also allowed when the unit holder provides instructions to the Fund to transfer only the appreciated amount in respect of his investments in one scheme to another scheme. STP facility will also be available for existing investments.

An STP request can be made on the first, tenth, fifteenth and twenty seventh business day of the month / quarter in respect of both the Schemes with reference to which the Unitholder is giving transfer instruction. The Unit holder may change the instructions (but not below the specified minimum) by giving written notice to the Registrars and Transfer Agent of the Fund. The Fund may close a Unitholder’s account if, as a consequence of STP, all the Units are withdrawn or the holdings fall below minimum initial application amount of respective scheme (subject to the Unit holder failing to invest sufficient funds to bring the value of their holdings to the minimum initial application amount of respective scheme, within 30 days after the balance shall have fallen below the minimum holding / minimum application amount).

An STP instruction received from any joint owner in case the mode of holding is "any one or survivor" is binding on all joint owners. If a certificate has been issued, it must be returned to the Fund before Unit Holder opts for this Facility.

The STP Facility may be terminated on appropriate written notice by the Unit Holder and it will terminate automatically if all the Units are liquidated or withdrawn from the account or pledged or upon the Fund's receipt of notification of death or incapacity of the Unit Holder.

The AMC / Mutual Fund reserves the right to accept STP of different amounts, dates and frequency and to change the norms relating to STP from time to time. Investors are requested to read the Scheme Information Documents of the respective Schemes to which STP facility is requested before indicating the choice of STP.

Note: STP from Multi Manager Schemes to Single Manager Schemes of ING Mutual Fund and vice a versa is allowed.

However, STP from/to ING Global Commodities Fund& ING Latin America Equity Fund are not available.

ZOOM INVESTMENT PAC (ZIP)

Zoom Investment Pac (ZIP) is a systematic investment vehicle to transfer a pre-fixed amount on a daily basis from ING Liquid Fund (Regular Plan – Growth Option) (‘From Scheme’) to the existing equity schemes (‘To Scheme’)* of ING Mutual Fund.

‘To Scheme’ includes, ING Core Equity Fund, ING Tax Savings Fund, ING Large Cap Equity Fund, ING Balanced Fund, ING Dividend Yield Fund, ING Midcap Fund, ING Gilt Fund – Provident Fund- Dynamic Plan, ING Income Fund, ING Short Term Income Fund, ING 5 Star Multi Manager FoF Scheme, ING Multi Manager Equity Fund and ING Asset Allocator Multi Manager FoF Scheme. AMC reserves the right to modify the list of “From Scheme” and “To Schemes”.

Features of ZIP:

1. The minimum transfer amount is Rs.99/- and in multiples of Re.1/-thereafter (except for ING Tax Savings Scheme where the minimum amount shall be Rs 500/- and in multiples of Rs. 500/- thereafter)
2. The investment should be made only in ING Liquid Fund (Regular Plan – Growth Option). Minimum investment amount is Rs. 5,000/-
3. The form can be used to switch existing investment (from any scheme) to ING Liquid Fund. The switch has to be in amount only and not units.
4. The Trustees reserve the right to change the load structure with prospective effect subject to the maximum limits as prescribed by the Regulations.
5. If the funds transferred to 'To Schemes' of ING Mutual Fund is redeemed, then applicable loads would be levied. (not applicable to tax savings scheme as the units are locked-in for a period of 3 years from the date of allotment)
6. If the 'To Scheme" is not selected then the default scheme would be "ING Core Equity Fund".
7. In the "To Scheme" if no investment option is ticked, default option will be 'Growth Option'.
8. If no dividend option type is selected in the "To Scheme", default option type will be 'Reinvestment'.
9. The amount would be transferred to "To Scheme" as per the trigger amount. If no amount is selected then the default trigger would be Rs. 999/-. In case of ING Tax Savings Fund the default trigger option would be Rs. 1,000/-.
10. The daily transfer amount cannot be changed at a later date.
11. The first ZIP transaction will begin on the 5th business day from the day of investment made in ING Liquid Fund based on the clear funds available.
12. The daily transfers will be effected only on business days.
13. The daily transfer will be processed on the basis of amount and not on units.
14. If the residual amount in 'From Scheme' is less than the daily transfer amount mentioned in the application form, then the residual amount will be compulsorily redeemed and paid out. This is applicable to ING Tax Savings Fund ONLY.
15. For all other equity schemes (except for ING Tax Savings Fund), the residual amount will be transferred with the last ZIP installment.
16. If the total investment amount in ING Liquid Fund is lesser than the amount to be utilized for daily transfers (as mentioned in the application form) to any equity schemes, then the investment will continue to remain in ING Liquid Fund and the said daily transfer will not be effected.
17. If the total investment amount to be transferred is not mentioned then the entire invested amount in the scheme will be transferred.
18. Termination on the ZIP transfer, if any, requested by the investor will be effective from the 7th business day from the date of submission of the request.
19. If redemption is put for all units or entire amount in ING Liquid Fund during the ZIP transfer then the ZIP would cease off after the redemption payout.
20. If redemption is put for part amount in ING Liquid Fund then only the balance amount left would be transferred as ZIP.
21. The minimum holding in shall be Rs 99/-
22. The cut-off time for the application would be as per the Scheme Information Document of the respective schemes.

The systematic transfer through a single application form can be made to only one existing equity scheme. In case the investor desires to transfer amounts to more than one existing equity scheme, separate applications have to be made with respect to the same.

17. Account Statement

Pursuant to Regulation 36 of SEBI (Mutual Funds) Regulations, 1996, as amended from time to time and as per SEBI circular no. Cir/ IMD/ DF/16/ 2011 dated September 8, 2011 with effect from October 01, 2011 the following changes or modification will be carried out to the provisions relating to sending the account statements to the investors/unitholders:

- **For units held in non-dematerialized mode (i.e. Account Statement mode):**

(i) On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted will be sent by way of an email and/or SMS to the applicant's registered e-mail address and/or mobile number within 5 Business Days from the date of receipt of transaction request from the investors/unitholders;

(ii) Thereafter, a Consolidated Account Statement ('CAS') will be sent by mail/e-mail for each calendar month to the investors/unitholders in whose folios transactions have taken place during the month, on or before 10th of the succeeding month. CAS shall contain details relating to all the transactions carried out by the investors/unitholders across all schemes of all mutual funds during the month and holding at the end of the month. For this purpose, transactions shall include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions.

(iii) For the purpose of sending CAS, common investors/unitholders across mutual funds shall be identified by their Permanent Account Number (PAN).

(iv) In the event the account has more than one registered holder, the first named Unit holder shall receive the CAS;

Further, a CAS every half yearly (September/ March) shall be issued, on or before tenth day of succeeding month, detailing holding at the end of the six month, across all schemes of all mutual funds, to all such investors in whose folios no transaction has taken place during that period. The half yearly consolidated account statement will be sent by e-mail to the investors/unitholders whose e-mail address is available, unless a specific request is made to receive in physical. In case of a specific request received from the investors/unitholders, the AMC/Fund will provide the account statement to the investors/unitholders within 5 Business Days from the receipt of such request.

Note: - Since the CAS shall not be received by the investors/unitholders for the folios not updated with PAN details, the investors/unitholders are requested to ensure that the folios are updated with their PAN.

- **For units held in dematerialized mode:**

Investors/Unitholders who have opted to hold units in dematerialized mode will receive a confirmation specifying the number of units allotted by way of email and/or SMS at the Investors'/Unitholders' registered e-mail address and/or mobile number within 5 Business Days from the date of receipt of transaction request from the investors/unitholders. Further, such investors/unitholder will receive the holding or transaction statement directly from his/her/its depository participant at such frequencies as may be defined in the Depository Act, 1996 or regulation made thereunder.

18. Dividend

The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend. In the event of failure of dispatch of dividend within the stipulated 30 day period, the AMC shall be liable to pay interest @ 15% per annum to the unit holders.

The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking account details are available with Mutual Fund for Investor. In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).

19. Redemption

The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.

Multiple Bank Account
The AMC/ Mutual Fund provides a facility to the investors to register multiple bank accounts (currently up to 5 for Individuals/HUF and 10 for Non - Individuals) for receiving
redemption/ dividend proceeds etc. by providing necessary documents. Investors must specify any one account as the "Default Bank Account". Default Bank Account will be
used for all dividend payouts and redemption payouts under circumstances mentioned below:

1. No other registered bank account is specified in the specific redemption request for receiving redemption proceeds.
2. A new non-registered bank account is specified in the specific redemption request for receiving redemption proceeds.
3. Maturity proceeds of investments in closed ended products.

20. Delay in payment of redemption / repurchase proceeds

The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).

C. Periodic Disclosures

Net Asset Value This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.	:	The AMC will calculate and disclose the NAV and will be published in two daily newspapers on every business day. **In case of non Fund of Funds schemes**: The Mutual Fund shall declare the Net asset value of the scheme on every business day on AMFI's website www.amfiindia.com by 9:00 P.M. and also on www.ingim.co.in. **In case of Fund of Funds Schemes other than ING Global Commodities Fund and ING Latin America Equity Fund**: The NAV shall be rounded off up to four decimals. The NAV of the Plan (s) shall be calculated and announced by 10.00 a.m. of the following business day. **In case of ING Global Commodities Fund and ING Latin America Equity Fund:** The AMC shall calculate, announce and update the NAVs on the web site of Association of Mutual Funds in India - AMFI (www.amfiindia.com), the NAV of the Scheme by 9.00 p.m. on the following business day. Accordingly, the NAV of "T" day shall be declared on T+1 business day and shall appear in newspaper on T+2 business day. In case of any delay, the reasons for such delay would be explained to AMFI by the T+2 business day. If the NAVs for the T day are not available before commencement of business hours on the T+2 business day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs.
Half yearly Disclosures: Portfolio / Financial Results This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.	:	As required by the Regulations, the Mutual Fund shall before the expiry of one month from the close of each half-year that is on 30th September and on 31st March, disclose its full scheme portfolio/ financials in format prescribed by SEBI by publishing it in one national English language daily newspaper circulating in whole of India and in a newspaper published in the language of the region where the head office of the Mutual Fund is situated or by sending to unitholders. Also as required by the Regulations the Mutual Fund shall disclose the holdings in the Scheme's portfolio on www.ingim.co.in before the expiry of one month from the closure of each half-year
Half Yearly Results (Unaudited)	:	As required by the Regulations, the Mutual Fund shall before the expiry of one month from the closure of each half year that is on 30th September and on 31st March host a soft copy of half – yearly unaudited financial results on its website and that of AMFI www.amfiindia.com. A notice advertisement communicating the investors that the financial results shall be hosted on the website shall be published in one national English daily newspaper and in a newspaper in the language of the region where the Head Office of the fund is situated.

<table>
<tr><td>Annual Report</td><td>:</td><td>As required by the Regulations, in case of unit holders whose email addresses are available with the Mutual Fund, the scheme annual reports or abridged summary would only be sent by email. For investors, whose email addresses are not available with the mutual fund, the AMCs shall send physical copies of scheme annual reports or abridged summary. In case of any request from unit holders for physical copies notwithstanding their registration of email addresses, AMCs shall provide the same without demur. The scheme wise Annual Report of the Mutual Fund or an abridged summary thereof in abridged summary form, shall be sent as soon as practical after 31st March each year but not later than four months thereafter as the Trustees may decide, for the period ending 31st March. The Mutual Fund will make all disclosures required by the Regulations. The AMCs shall display the link of the scheme annual reports or abridged summary prominently on their websites and make the physical copies available for inspection at the head office of the Mutual Fund and a copy shall be made available to the Unit holders on request.</td></tr>
<tr><td>Associate Transactions</td><td>:</td><td>Please refer to Statement of Additional Information (SAI).</td></tr>
<tr><td>Taxation</td><td>:</td><td>Equity Scheme(s)
<table>
<tr><th></th><th>Resident Investors</th><th>Mutual Fund</th></tr>
<tr><td>Tax on Dividend</td><td>Nil</td><td>Nil [Ref Note 1 & 2]</td></tr>
<tr><td>Capital Gains
Long Term</td><td>Ref Note 3</td><td>Nil</td></tr>
<tr><td>Short Term</td><td>Ref Note 4</td><td>Nil</td></tr>
</table>
*This chart is prepared on assumption that the investment in units of Mutual Fund would be characterised as capital assets in the hands of the unit holder.
**Investors may be subject to Minimum Alternate Tax / Alternate Minimum Tax under section 115JB / section 115JC of the Income-tax Act, 1961 (‘the Act’) respectively.
Notes:

ING Mutual Fund is a Mutual Fund registered with SEBI and as such is eligible for benefits under Section 10(23D) of the Act. Accordingly, its entire income is exempt from tax.
Dividend distribution by an equity oriented mutual fund will not attract distribution tax under section 115R of the Act.
Sale / redemption of units in an equity oriented fund are liable to Securities Transaction Tax. Long term capital gains arising from sale / redemption of units of an EOF are exempt from tax.
Short term capital gains arising on the transfer of units of equity oriented mutual fund which are subject to Securities Transaction Tax are liable to tax at 15.45%
</td></tr>
</table>

(education cess at 3%) for a domestic company whose net income is less than Rs.1 crore, at 16.2225% (surcharge at 5% and education cess at 3%) whose net income exceeds Rs.1 crore but less than 10 crores and at 16.995% (surcharge at 10% and education cess at 3%) whose net income exceeds Rs. 10 crores.

5. Short term capital gains arising on the transfer of units of equity oriented mutual fund which are subject to Securities Transaction Tax are liable to tax at 15.45% (education cess at 3%) for non-corporate investors whose net income is less than Rs.1 crore and at 16.995% (surcharge at 10% and education cess at 3%) whose net income exceeds Rs.1 crore.

Debt Scheme(s)

	Resident Investors	Mutual Fund
Tax on Dividend	Nil	Nil [Refer Note 1, 2 & 3]
Capital Gains Long Term	Refer Note 4	Nil
Short Term	Refer Note 5	Nil

*This chart is prepared on assumption that the investment in units of Mutual Fund would be characterised as capital assets in the hands of the unit holder.
**Investors may be subject to Minimum Alternate Tax / Alternate Minimum Tax under section 115JB / section 115JC of the Income-tax Act, 1961 ('the Act') respectively.

Notes:

1. ING Mutual Fund is a Mutual Fund registered with SEBI and as such is eligible for benefits under Section 10(23D) of the Act. Accordingly, its entire income is exempt from tax.

2. Mutual Funds (other than equity oriented funds) not being money market or liquid fund, are required to pay dividend distribution tax at the rate of 14.1625% % (including surcharge @10%, education cess @2% and Secondary and higher education cess at the rate of 1%) from 01 April 2013 to 31 May 2013, and at the rate of 28.325% (including surcharge @ 10%, education cess @ 2% and secondary and higher education cess at the rate of 1%) from 01 June 2013, in the case of distributions to individuals and HUFs. For distribution made to persons other than an individual or a HUF, a rate of 33.99% (including surcharge @10%, education cess @2% and Secondary and higher education cess at the rate of 1%) is applicable.

3. Mutual Funds (other than equity oriented funds), which is a money market mutual fund or a liquid fund,

		are required to pay dividend distribution tax at the rate of 28.325% (including surcharge @10%, education cess @2% and Secondary and higher education cess at the rate of 1%), in the case of distributions to individuals and HUFs. For distribution made to persons other than an individual or a HUF, a rate of 33.99% (including surcharge @10%, education cess @2% and Secondary and higher education cess at the rate of 1%) is applicable. 4. Under Section 112 of the Act, capital gains arising on the transfer of long term capital assets are subject to tax at the rate of 20%. The capital gains will be computed by deducting expenditure incurred in connection with such transfer and indexed cost of acquisition of the unit from the sale consideration. Further, the maximum tax payable on long term capital gains on such units is restricted to 10% of capital gains calculated without indexation of the cost of acquisition. 5. Short term capital gains arising to a unit holder will be taxed at the normal rate applicable to that unit holder as per the provisions of the Act. The capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition of the unit from the sale consideration. The taxable/total income and the tax payable arising from short term capital gains shall be computed in accordance with the tax rates applicable to the investor. **For further details on taxation please refer to the clause on Taxation in the SAI.**
Investor services	:	Mr. Vishal Shah, Vice President - Operations 601 A, 6th floor, Trade Centre, Opposite MTNL Exchange, Bandra Kurla Complex, Bandra (E) Mumbai – 400051 Tel: 3385 7999 E-mail Id: information@in.ing.com

D. Computation of NAV

The NAV of Units under the Scheme shall be calculated by either of the following methods shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or fair value of the Scheme's investments + Current Assets-Current Liabilities and Provisions}}{\text{No. of Units outstanding under the Scheme}}$$

The NAV shall be rounded off up to four decimals in case of fund of funds schemes and 2 decimal in case of equity schemes. The NAV of the Scheme shall be calculated and announced as of the close of every Business Day. Calculation of the Scheme’s NAV will be subject to such rules or regulations that SEBI may issue from time to time and will be subject to audit on an annual basis.

The NAV shall be calculated and announced on each Business Day.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the Schemes.

A. New Fund Offer (NFO) Expenses

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc.

This section is not applicable as this is Continuous Offer of Units of the Scheme(s) at NAV based prices.

B. Annual Scheme Recurring Expenses

SEBI vide SEBI (Mutual Funds) (Amendment) Regulations, 2012 w.e.f October 1, 2012, had amended the provisions related to annual recurring expenses charged by fund of fund schemes. As per the amendment, in case of a fund of funds scheme, the total expenses of the scheme including weighted average of charges levied by the underlying schemes shall not exceed 2.50 per cent of the daily net assets of the scheme.

The estimate of the ongoing fees and expenses of operating the scheme on an annual basis, expressed as a percentage of the amount of the schemes daily net assets is given in the table below. The purpose of the tables is to assist the investor in understanding the various heads of costs and expenses that an investor in the scheme will bear directly or indirectly.

<table>
<tr><th>Expense Head</th><th>% of daily Net Assets - Through Distributor All Schemes</th><th>% of daily Net Assets – Direct Plan ING Asset Allocator Multi-Manager FoF Scheme, ING 5 Star Multi-Manager FoF Scheme and ING Active Debt Multi-Manager FoF Scheme</th><th>% of daily Net Assets – Direct Plan (Fund of Fund) ING Global Commodities Fund and ING Latin America Equity Fund</th><th>% of daily Net Assets – Direct Plan (Fund of Fund) ING Income Growth Multi-Manager FoF Scheme – 15% Equity Plan and 30% Equity Plan</th></tr>
<tr><td>Investment Management and Advisory Fees</td><td rowspan="10">Upto 2.50% @ (including weighted average of charges levied by the underlying schemes)</td><td rowspan="10">Upto 2.25% # (including weighted average of charges levied by the underlying schemes)</td><td rowspan="10">Upto 2.00% $ (including weighted average of charges levied by the underlying schemes)</td><td rowspan="10">Upto 2.30% * (including weighted average of charges levied by the underlying schemes)</td></tr>
<tr><td>Trustee fee</td></tr>
<tr><td>Audit fees</td></tr>
<tr><td>Custodian fees</td></tr>
<tr><td>RTA Fees</td></tr>
<tr><td>Marketing & Selling expense incl. agent commission</td></tr>
<tr><td>Cost related to investor communications</td></tr>
<tr><td>Cost of fund transfer from location to location</td></tr>
<tr><td>Cost of providing account statements and dividend redemption cheques and warrants</td></tr>
<tr><td>Costs of statutory Advertisements</td></tr>
</table>

Cost towards investor education & awareness (at least 2 bps)				
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.				
Service tax on expenses other than investment and advisory fees				
Service tax* on brokerage and transaction cost				
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (a)	Upto 2.50% @ (including weighted average of charges levied by the underlying schemes)	Upto 2.25% # (including weighted average of charges levied by the underlying schemes)	Upto 2.00% $ (including weighted average of charges levied by the underlying schemes)	Upto 2.30% * (including weighted average of charges levied by the underlying schemes)
Additional expenses under regulation 52 (6A) (c)	Upto 0.20% @	Upto 0.20% #	Upto 0.20% $	Upto 0.20% *
Additional expenses for gross new inflows from specified cities	Upto 0.30% @	-	-	-

@There are no sub-limits under any of the expense head specified above and the total expense ratio of up to 2.50% (other than Direct Plan/ Through Distributor)/ 2.00% (Direct Plan - ING Global Commodities Fund and ING Latin America Equity Fund) / 2.25% (Direct Plan - ING Asset Allocator Multi-Manager FoF Scheme, ING 5 Star Multi-Manager FoF Scheme and ING Active Debt Multi-Manager FoF Scheme) / 2.30% (Direct Plan - ING Income Growth Multi-Manager FoF Scheme – 15% Equity Plan and 30% Equity Plan) is fungible amongst the different expense heads.

In case of **ING Multi Manager Equity Fund**

Expense Head	**% of daily Net Assets - Through Distributor All Schemes**	**% of daily Net Assets – Direct Plan ING Multi Manager Equity Fund**
Investment Management and Advisory Fees	Upto 2.50% @ (including weighted average of charges levied by the underlying schemes)	Upto 2.00% $ (including weighted average of charges levied by the
Trustee fee		
Audit fees		
Custodian fees		
RTA Fees		
Marketing & Selling expense incl. agent commission		
Cost related to investor communications		
Cost of fund transfer from location to		

location		underlying schemes)
Cost of providing account statements and dividend redemption cheques and warrants		
Costs of statutory Advertisements		
Cost towards investor education & awareness (at least 2 bps)		
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.		
Service tax on expenses other than investment and advisory fees		
Service tax* on brokerage and transaction cost		
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)(i)	Upto 2.50% (including weighted average of charges levied by the underlying schemes)	Upto 2.00% (including weighted average of charges levied by the underlying schemes)
Additional expenses under regulation 52 (6A) (c)	Upto 0.20%	Upto 0.20%
Additional expenses for gross new inflows from specified cities	Upto 0.30%	-

@There are no sub-limits under any of the expense head specified above and the total expense ratio of up to 2.50% (other than Direct Plan/ Through Distributor)/ 2.00% (Direct Plan) is fungible amongst the different expense heads.

Commission/ Distribution expenses will not be charged In case of Direct Plan. Thus, it is estimated that the expense ratio of the Direct Plan would be lower by at least 10% p.a vis-a-vis through Distributor Plan.
$ Commission/ Distribution expenses will not be charged In case of Direct Plan. Thus, it is estimated that the expense ratio of the Direct Plan would be lower by at least 20% p.a vis-a-vis through Distributor Plan.
***** Commission/ Distribution expenses will not be charged In case of Direct Plan. Thus, it is estimated that the expense ratio of the Direct Plan would be lower by at least 8% p.a vis-a-vis through Distributor Plan.

These estimates are made in good faith by the Investment Manager and are subject to change, both inter se and as an increase or decrease in the estimated total annual recurring expenses. Though the Investment Manager will make efforts to keep the recurring expenses to the minimum, actual expenses under any head and / or the total expenses may be more or less than the estimates. The Investment Manager retains the right to charge the actual expenses to the Fund, however the expenses charged will not exceed the statutory limit prescribed by the Regulations.

Further in case of non fund of fund Scheme the total expense ratio will not exceed 2.50% of daily Net Assets (in case it is an equity oriented fund) or will not exceed 2.25% of daily Net Assets (in case it is an debt oriented fund).

	In case Equity Oriented	In case Debt Oriented
First 100 Crores of daily net assets	2.50%	2.25%
Next 300 Crores of daily net assets	2.25%	2.00%
Next 300 Crores of daily net assets	2.00%	1.75%
Balance assets	1.75%	1.50%

The AMC may charge total Annual Scheme Recurring Expenses, on daily net assets, including Investment Management & Advisory (IMA) fees within the limits specified under Regulation 52 (6) of SEBI (Mutual Fund) Regulations, 1996 (SEBI Regulations) with no sub-limits on IMA fees.

As the Fund of Funds Scheme will be investing in underlying schemes of Third Party Mutual Funds, so as to ensure a proper mechanism of paying out brokerage on investments made in the case of Fund of Funds, a pool account would be created wherein the brokerage and trail commission of the target schemes invested into by the Fund of Fund Scheme would be pooled into. From this pooled account, the obligations on account of brokerage and trail commission would be serviced. The authorised brokers/distributors will be paid brokerage including trail commission directly out of this pool account.

The Asset Management Company shall have the pool account (pertaining to brokerage and trail commission) audited by the internal auditors at regular intervals and the auditors report certifying that the funds in the said Account have been utilised for the intended purpose shall be placed before the Trustees.

Note: With effect from March 15, 2010 the AMC has not entered into any revenue sharing agreement with any underlying funds and the brokerage & the trail commissions received from the underlying funds under the existing arrangements are credited back to the respective schemes.

The annual expense estimates shown above are based on a corpus size of the minimum targeted amount of the Scheme. Investors should note that the information provided are estimates made on a best effort basis and the expense categories may vary once the Scheme is in operation. The above expenses are subject to inter-se change and may increase / decrease as per actuals and / or any change in the Regulations.

The purpose of the above table is to assist the investor in understanding the various costs and expenses that an investor in the Scheme(s) will bear directly or indirectly. The above expenses are subject to change and may increase / decrease as per actual and / or any change in the Regulations. These estimates have been made in good faith as per information available to the AMC and the total expenses may be more than as specified in the table above.

However, as per the Regulations, the total recurring expenses that can be charged to any of the Scheme(s) in this Scheme Information Document shall be subject to the applicable guidelines. Expenses over and above the permitted limits will be borne by the AMC. The recurring expenses of the Scheme(s) shall be as per the limits prescribed under sub-regulation 6 of Regulation 52 of the SEBI Regulations and shall not exceed the limits prescribed hereunder.

1. Service Tax:
   - The AMC may charge service tax on IMA fees to the Schemes of the Fund in addition to the maximum limit of TER as prescribed in Regulation 52 (6) of SEBI Regulations.
   - Service tax on other than IMA fees, if any, shall be borne by the Scheme of the Fund within the maximum limit of TER as per Regulation 52 (6) of SEBI Regulations.
   - Service tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the scheme
   - Service tax on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under Regulation 52 (6) of SEBI Regulations.

2. Additional expenses, not exceeding 20 basis points of daily net assets of the Scheme may be charged to the Scheme towards IMA fees and / or under various heads of recurring expenses

specified under Regulation 52(2) and 52 (4) of SEBI Regulations respectively, in addition to the limits specified under Regulation 52 (6) of SEBI Regulations,

3. Additional TER may be charged up to 30 basis points on daily net assets of the Scheme as per Amendment Regulations, if the new inflows from beyond top 15 cities are at least (a) 30% of gross new inflows in the Scheme or (b) 15% of the average assets under management (year to date) of the Scheme, whichever is higher.

   In case inflows from beyond top 15 cities is less than the higher of (a) or (b) above, additional TER on daily net assets of the Scheme shall be charged as follows:

$$\frac{\text{Daily net assets X 30 basis points X New inflows from beyond top 15 cities}}{\text{365* X Higher of (a) or (b) above}}$$

(*) 366, wherever applicable.

Provided further that expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities.

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the Scheme in case the said inflows are redeemed within a period of one year from the date of investment.
**Top 15 cities shall mean top 15 cities based on Association of Mutual Fund in India (AMFI) data on 'AUM by Geography – Consolidated Data for Mutual Fund Industry' as at the end of previous financial year

The AMC may charge service tax on IMA fees to the Schemes in addition to the maximum limit of total expenses as prescribed in Regulation 52(6) of SEBI Regulations.

4. Brokerage and transaction costs incurred for the purpose of execution of trade may be capitalized to the extent of 12bps and 5bps for cash market transactions and derivatives transactions respectively. Any payment towards brokerage and transaction cost, over and above the said 12 bps and 5bps for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC or by the trustee or sponsors.

   The above expenses are subject to increase/decrease as per actuals and/or any change in the Regulations.

   The purpose of the above table is to assist the investor in understanding the various costs and expenses that an investor in the Scheme(s) will bear directly or indirectly. The above expenses are subject to change and may increase / decrease as per actual and / or any change in the Regulations. These estimates have been made in good faith as per information available to the AMC and the total expenses may be more than as specified in the table above. However, as per the Regulations, the total recurring expenses that can be charged to any of the Scheme(s) in this Common Scheme Information Document shall be subject to the applicable guidelines. Expenses over and above the permitted limits will be borne by the AMC. The recurring expenses of the Scheme(s) shall be as per the limits prescribed under sub-regulation 6 of Regulation 52 of the SEBI Regulations and shall not exceed the limits prescribed hereunder.

Additionally at least 2 basis points on daily net assets within the maximum limit of overall expense Ratio shall be annually set apart for investor education and awareness initiatives.
Subject to Regulations, expenses over and above the prescribed limit shall be borne by the Asset Management Company.

The total recurring expenses shall be as permitted under the Regulation 52 of SEBI (MF) Regulations and pursuant to SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 and SEBI (Mutual Funds) Second Amendment Regulations, 2012.

Transaction charges for investments through distributors

The AMC/Fund shall deduct the transaction charges on purchase/ subscription received from first time Mutual Fund investors and investors other than first time Mutual Fund investors through the distributors (who have opted to receive the transaction charges for the Product) as under:

(iv) **First Time Mutual Fund Investors (across Mutual Funds):** Transaction charge of Rs. 150/- for subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor of the first time investor and the balance shall be invested.

(v) **Investor other than First Time Mutual Fund Investors:** Transaction charge of Rs. 100/- per subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor of the investors and the balance shall be invested.

However, transaction charges in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more. The Transaction Charges shall be deducted in 3 or 4 installments.

(vi) **Transaction charges shall not be deducted/applicable for:**

(a) Purchases /subscriptions for an amount less than Rs. 10,000/-;
(b) Transactions other than purchases/subscriptions relating to new inflows such as Switch/Systematic Transfer Plan (STP), etc.;
(c) Purchases /subscriptions made directly with the Fund without any ARN code (i.e. not routed through any distributor).
(d) If the distributor has not opted to receive transaction charges.

As per SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09, dated June 30, 2009, upfront commission to distributors shall continue to be paid by the investor directly to the distributor by a separate cheque based on his assessment of various factors including the service rendered by the distributor.

A distributor has the option to "opt-in" or "opt-out" of levying transaction charge based on type of the product and not at investor level.

C. Load Structure

Load is an amount which is paid by the investor to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (www.ingim.co.in) or may call at the toll free number **1800 200 2267** or your distributor.

The following entry and exit loads will be applicable to an investor purchasing units of the Schemes:

Scheme Name	Load Structure
ING Asset Allocator Multi-Manager FoF Scheme, ING 5 Star Multi-Manager FoF Scheme, ING Global Commodities Fund, ING Multi Manager Equity Fund	**Entry load**: NIL **Exit Load /CDSC**: if redeemed on or before 365 days from the date of allotment: 1% if redeemed after 365 days from the date of allotment: NIL
ING Active Debt Multi-Manager FoF Scheme	**Entry Load:** Nil **Exit Load/ CDSC:** Nil
ING Income Growth Multi-Manager FoF Scheme	**For both 15% Equity Plan & 30% Equity Plan:** **For Option A:** **Entry Load**: Nil **Exit Load**: Nil
ING Latin America	**Entry load**: NIL

Equity Fund	**Exit Load /CDSC**: if redeemed on or before 365 days from the date of allotment: 1% if redeemed after 365 days from the date of allotment: NIL. The load charged by the underlying scheme (entry load/exit load) may impact the returns to the investors. The load structure of the underlying scheme may change from time to time. In case of SIP, each installment shall be treated as a separate application & the same load structure will be applicable. Exit Load / CDSC if any are applicable to Systematic Withdrawal Plans.

In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors by a separate cheque based on the investors' assessment of various factors including the service rendered by the distributor.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI Registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

The AMC/Trustee retains the right to change / impose Exit Load / CDSC, subject to SEBI Regulations. Any imposition or enhancement in the load shall be applicable on prospective investments only. However, AMC shall not charge any load on issue of bonus units and units allotted on reinvestment of dividend for existing as well as prospective investors. At the time of changing the load structure, the AMC may consider the following measures to avoid complaints from investors about investment in the schemes without knowing the loads:

(i) The addendum detailing the changes may be attached to Scheme Information Document and Key Information Memorandum. The addendum may be circulated to all the distributors/brokers so that the same can be attached to all Scheme Information Document and Key Information Memorandum already in stock or the Scheme Information Document will be updated as per regulatory requirements in respect of changes in the load structure as per the addendum issued.
(ii) Arrangements may be made to display the addendum in the Scheme Information Document in the form of a notice in all the investor service centres and distributors/brokers office.
(iii) The introduction of the exit load/ CDSC alongwith the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load/CDSC.
(iv) A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
(v) Any other measures which the Mutual Fund/Trustee/AMC may feel necessary.

With effect from August 1, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the Unitholder by the Fund on redemption of units shall be retained by each of the Schemes in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the Unitholder as exit load/ CDSC shall be credited to the respective Scheme immediately.

The investor is requested to check the prevailing load structure of the Scheme before investing.

D. <u>Waiver of Load for Direct Applications</u>

Not Applicable

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed. – Nationale Nederlanden Interfinance B.V. is the Sponsor of the Fund and no penalty has been imposed on it in the country where the principal activities (in terms of income / revenue) are carried out or where the headquarters of the Sponsor(s) is situated.
2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed. – Not Applicable.
3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed. – No penalties have been awarded by SEBI under the SEBI Act or any of its regulations against the Sponsor, any company associated with the sponsor in any capacity including the AMC, directors or key personnel of the AMC and Trustees. No penalties have been awarded against the Sponsor and its associates, by any financial regulatory body, including stock exchanges, for defaults in respect of shareholders, debenture holders and depositors. No penalties have been awarded for any economic offence and violation of any securities laws against any of these entities.
4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of **the directors and/ or key personnel** are a party should also be disclosed separately. - None
5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed. – None.

The Schemes under this Combined Scheme Information Document were approved by the Board of Trustees of ING Mutual Fund.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and the guidelines there under shall be applicable.

For ING Investment Management (India) Private Limited
(Investment Manger to ING Mutual Fund)

Sd/-

June 26, 2014 **Nityanand Prabhu**
Mumbai **Managing Director & CEO**

CONTACT US:

The following offices of ING Investment Management (India) Pvt. Ltd. (AMC) will act as designated Official Point of Acceptance of Transaction (OPA)

Mumbai
601A, 6th Floor, Trade Centre, Bandra Kurla Complex, Bandra East, Mumbai - 400 051.
Tel: 022 40827999

Chennai
B R Complex, Door Nos. 27/28 Woods Road, Off. Mount Road, Chennai – 600002
Tel: 044 -60502234/ 60502235, Fax No. 022-67762001

New Delhi
Flat No. 507, Ambadeep, Kasturba Gandhi Marg, New Delhi – 110001
Tel: 011-32319400, Fax No. 022-66466528

In addition to the above AMC locations, CAMS Investor Service Centres & Transaction Points are designated as OPA's. Details of CAMS locations are available on our website www.ingim.co.in

REGISTERED OFFICE:

ING Investment Management (India) Pvt. Ltd, 601 A, 6th floor, Trade Centre, Opposite MTNL Exchange, Bandra Kurla Complex, Bandra (E), Mumbai – 400051Website: www.ingim.co.in

For Investors: Email: information@in.ing.com • Call: **1800 200 2267**

For Associates: Email: advisor@in.ing.com • Call: **044 30212664 / 665 / 666**