

ING VP Money Market Portfolio - Class R

STABILITY
OF PRINCIPAL
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ING funds are managed by ING Investments, LLC. ING Investments is an independently managed subsidiary of ING Groep N.V. (ING) with more than \$34.6 billion in assets as of June 30, 2002. ING Investments offers more than 68 open-end funds, 1 closed-end fund and more than 42 variable portfolios featuring domestic and international, growth domestic and international value, and fixed income portfolios designed to help meet the needs of serious investors.



Risk: Conservative
Investment Style *: Money Market

FUND FACTS¹

Inception date: **August 1, 1975**

Investment advisory fee for period ended December 31, 2001: **0.25%**

Other Expenses: **0.09%**

Total fund annual expenses for period ended December 31, 2001: **0.34%**

Investment Adviser

ING Investments, LLC. Subadviser:
Aeltus Investment Management, Inc.
(Aeltus)

Portfolio Manager

VP Money Market Portfolio is managed by a team of Aeltus fixed-income specialists led by Jennifer J. Thompson. Ms. Thompson has primary responsibility for managing the VP Money Market Portfolio. Ms. Thompson joined ING Group in 1998 and has over ten years of investment experience. Prior to joining ING Group, she spent one year working for Trusco Capital Management as a Fixed Income Portfolio Manager. Prior to joining Trusco, Ms. Thompson spent five years at Fidelity Management and Research Company, where she worked as a Senior Investment Analyst in the Money Market Group.

Investment Objective

Seeks to provide high current return, consistent with preservation of capital and liquidity, through investment in high-quality money market instruments.

Strategy

Invests in a diversified portfolio of high-quality fixed income securities denominated in U.S. dollars, with short remaining maturities. These securities include U.S. Government securities (such as U.S. Treasury bills and securities issued or sponsored by U.S. Government agencies), corporate debt securities, commercial paper, asset-backed securities, mortgage-related securities and certain obligations of U.S. and foreign banks, each of which must be highly rated by independent rating agencies or, if unrated, considered by Aeltus (the Portfolio's subadviser) to be of comparable quality. Aeltus seeks to maintain a dollar-weighted average portfolio maturity of 90 days or less.

Principal Risks

It is possible to lose money by investing in the Fund. There is no guarantee the Fund will achieve its investment objective. Shares of the Fund are not bank deposits and are not guaranteed, endorsed or insured by any financial institution, Federal Deposit

Insurance Corporation (FDIC) or other government agency. The Fund does not strive to maintain a \$1.00 net asset value per share. A weak economy, strong equity markets and changes by the Federal Reserve in its monetary policies all could affect short-term interest rates and, therefore, the value and yield of the Fund's shares. Risks also include adverse changes in the actual or perceived creditworthiness of issuers and adverse changes in the economic or political environment.

Important Information

*Determined using Fund Company and/or Morningstar Category information.

(1) The Company may receive compensation from each of the funds or the funds' affiliates based on an annual percentage of the average net assets held in that fund by the Company. The percentage paid may vary from one fund company to another. For certain funds, some of this compensation may be paid out of 12b-1 fees or service fees that are deducted from fund assets. Any such fees deducted from fund assets are disclosed in this Fund Expense Table and the fund prospectuses. The Company may also receive additional compensation from certain funds for administrative, recordkeeping or other services provided by the Company to the funds or the funds' affiliates. These additional payments are made by the funds or the funds' affiliates to the Company and do not increase, directly or indirectly, the fees and expenses shown above. See 'Fees - Fund Expenses' for additional information.

ING Investments, LLC, the investment adviser to each Portfolio, has entered into written expense limitation agreements with each Portfolio (except Balanced, Growth and Income, Bond and Money Market) under which it will limit expenses of the Portfolios, excluding interest, brokerage and extraordinary expenses, subject to possible reimbursement to ING Investments, LLC within three years. The amount of each Portfolio's expenses waived or reimbursed during the last fiscal year by the Portfolio's

investment adviser is shown under the heading 'Fees and Expenses Waived or Reimbursed' in the table above. For each Portfolio, the expense limits will continue through at least December 31, 2002.

If you participate in a retirement plan under Internal Revenue Code Sections 403(b) or 457 that is not subject to ERISA and is funded by an annuity contract through ILIAC's Variable Annuity Accounts B and C, this material must be accompanied by the current Portfolio Update, Performance Update, and a Prospectus Summary for the contract. You can obtain a free copy of the prospectus for the fund and/or the separate account prior to making an investment decision or at any time by calling your local representative or 1-800-262-3862. If a different toll-free number is shown on the first page of the Prospectus Summary, please call that number. Read carefully before investing.

Securities are offered through ING Financial Advisers, LLC (member SIPC) or other broker-dealers with which it has a selling agreement.



PORTFOLIO UPDATE

ING VP Money Market Portfolio - Class R

AS OF SEPTEMBER 30, 2002 (shown in percentages)

Fund Facts

Market Benchmark ¹	Money Fund Report Averages™ - All Taxable
Total Net Assets	\$1.6 billion
Beta*	N/A

Top Ten Holdings

WYETH CORP	4.4
WFS FINANCIAL OWNER TRUS	3.2
PERMANENT FINANCING	3.2
LONG LANE MASTER TRUSTIV	3.0
VERIZON GLOBAL FUNDING	2.9
MORGAN STANLEY DEAN	2.4
DELAWARE FUNDING CORP	2.4
PFIZER INC.	2.4
MERRILL LYNCH & CO INC	2.4
IBM	2.4

S&P Ratings ***

Tier 1	100.0
Average	Tier 1

Statistical Data

Weighted Average Quality Rating	Tier 1
7-Day Yield††	1.18

Maturity in Days

1 - 30 Days	44.2
31 - 60 Days	23.7
61 - 90 Days	6.3
Greater than 90 Days	25.7

Asset Allocation

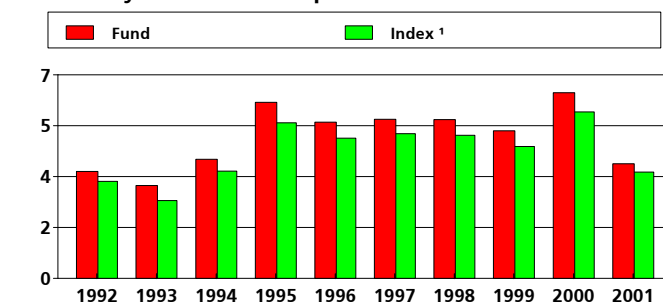
Investment Grade Corporate Bonds	4.7
Cash & Equivalents	95.3

Average annual total returns

	Qtr [†]	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Fund	0.39	1.85	4.32	4.69	4.70	N/A
Index ¹	0.32	1.56	3.86	4.21	4.20	N/A

[†] Return Not Annualized

Calendar year returns for periods ended 12/31



Fund	3.68	3.19	4.09	6.05	5.37	5.47	5.46	5.08	6.38	3.94
Index ¹	3.34	2.67	3.69	5.35	4.82	4.97	4.92	4.54	5.72	3.65

¹The Money Fund Report Averages™ - All Taxable is an average of the returns of over 250 money market mutual funds surveyed each month by IBC/Donoghue, Inc. Please note that indexes are unmanaged and their returns do not take into account any of the fees and expenses of the mutual funds to which they are compared. Individuals cannot invest directly in any index.

*Beta is a means of measuring the volatility of a security or portfolio of securities in comparison with the market as a whole. A beta of 1 indicates that the security's price will move with the market. A beta higher than 1 indicates that the price will be more volatile than the market and a beta of less than 1 means that it will be less volatile.

***Standard & Poor's is an independent rating agency.

††The current yield more closely reflects current earnings and does not reflect contract charges. An investment in this fund is not insured nor guaranteed by the Federal Deposit Insurance Corporation nor any other government agency. The fund is a money market fund which does not strive to maintain a stable \$1.00 net asset value. While the fund's investment objective includes the preservation of capital, it is possible to lose money by investing in the fund.

Results are historical and are not intended to portray future performance. Investment return and the principal value of an investment will fluctuate so that, when sold, an investment may be worth more or less than the original cost.

Important Information

Average annual total returns and calendar year returns are net of all fund expenses, but do not include retirement plan charges which, if included, would reduce the total return. Performance results assume reinvestment of all earnings and do not include the deduction of any fund sales charges, which are waived under the terms of this retirement program.