

**PENSION PLAN FOR EMPLOYEES OF ING CANADA INC. AND ITS AFFILIATED COMPANIES
(FORMERLY WELLINGTON PLAN) ("PLAN")
REGISTRATION NO. 0338541**

SURPLUS SHARING AGREEMENT

THIS AGREEMENT made as of the 19th day of July, 2006

BETWEEN:

ING CANADA INC., a corporation incorporated under the laws of Canada (the "**Company**")

AND

SIDNEY HARRIS, as representative respondent for certain members of the Pension Plan for Employees of ING Canada Inc. and Its Affiliated Companies (formerly Wellington Plan) as it has been amended from time to time (the "**Plan**") and in particular, those members who ceased to be employees of the Wellington Insurance Company ("**Wellington**") between the period of November 1, 1989 and June 30, 1990 as a result of the relocation of the corporate head office of Wellington from Toronto to London, Ontario (hereinafter referred to as the "**Class Members**")

WHEREAS effective September 14, 1995, Internationale Nederlanden Canada Corporation (now known as ING Canada Inc.) purchased the shares of Wellington from the London General Insurance Group Inc.;

AND WHEREAS, at the time of the purchase, Wellington maintained the Plan for its employees;

AND WHEREAS Wellington had partially wound up the Plan effective June 30, 1990 as a result of a reorganization of its corporate head office ("**Partial Wind Up**");

AND WHEREAS, in connection with the Partial Wind Up, an Actuarial Report on the Special Termination Settlement of the Plan as at June 30, 1990 dated September, 1990 was filed with the Superintendent of Pensions (now known as the Superintendent of Financial

Services) (“**Superintendent**”), together with a balance sheet contained in a letter from the actuary dated March 4, 1992 (collectively, the “**Partial Wind Up Report**”);

AND WHEREAS the Partial Wind Up Report indicated that there were surplus assets attributable to the Partial Wind Up (“**Surplus**”);

AND WHEREAS the Company commenced a class proceeding in the Ontario Superior Court of Justice on February 9, 2006 (the “**Class Proceeding**”) to, amongst other things, secure a declaration that the terms of the Plan and Trust relating thereto permit the Company to distribute the Surplus from the Plan;

AND WHEREAS pursuant to the Order of Mr. Justice Cullity dated March 28, 2006 (the “**Certification Order**”), this application has been certified as a class proceeding and Sidney Harris has been appointed as Representative Respondent for the Class Members;

AND WHEREAS the time period for opt-outs in respect of certification has passed and no Class Member has opted out of the application;

AND WHEREAS the Company and the Representative Respondent have agreed to distribute the Surplus from the Plan upon the terms set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the mutual promises contained herein, the Company and the Representative Respondent (herein collectively referred to as the “**Parties**”) agree to the sharing of the Surplus between and among the Company and the Class Members upon the following terms and conditions:

A. Definitions

“**Actuary**” means Towers Perrin, the actuarial firm retained by the Company for purposes of the Plan.

“**Agreement**” means this Surplus Sharing Agreement made as of July 19, 2006, between the Company and Sidney Harris, as Representative Respondent.

“**Commuted Value**” means the commuted value of a Class Member’s pension benefit from the Plan as determined in accordance with the *Pension Benefits Act* (Ontario) and regulations thereunder;

“**Total Distributable Surplus**” has the meaning set out in Section 2 of this Agreement.

“**Trustee**” means RBC Dexia Investor Services Trust, trustee of the Plan as appointed by the Company.

B. Recitals form part of this Agreement

1. This Agreement has been entered into in the context set forth in the above Recitals, the truth and accuracy of which is acknowledged by the Parties. The Recitals shall form part of the Agreement.

C. Total Distributable Surplus

2. The Actuary has estimated that the amount of the Surplus in the Plan to be distributed to the Class Members and the Company (the “**Total Distributable Surplus**”) was approximately \$4,462,000 as at June 30, 2006.

3. The Parties acknowledge and agree that the value of the Total Distributable Surplus shall ultimately be determined by the Company, acting reasonably, and shall be net of the Expenses (as defined in Section 12) to the extent approved by the Ontario Superior Court of Justice for payment from the Plan.

D. Allocation of the Total Distributable Surplus

4. The Class Members, in aggregate, shall receive from the Total Distributable Surplus an amount equal to 37.5 per cent of the Total Distributable Surplus (the “**Class Members’ Surplus Share**”).

5. The Company shall be entitled to retain in the Plan the Total Distributable Surplus less the amount of the Class Members’ Surplus Share (the “**Company’s Surplus Share**”).

E. Allocations to Class Members

6. The Class Members' Surplus Share shall be allocated among the Class Members in proportion to the amount that the Commuted Value of each such member's pension benefit, as determined in the Partial Wind Up, bears to the total amount of the Commuted Values of all of the Class Members.

7. Where the amount allocated to a Class Member pursuant to Section 6 is less than \$500, such member shall receive an additional allocation from the Company's Surplus Share equal to the difference between the amount of the Class Member's Commuted Value and \$500 ("Company Supplement").

F. Surplus Application

8. The Company shall, as soon as practicable after approval of this Agreement by the Ontario Superior Court of Justice, make an application to the Superintendent for his consent to the distribution of the Total Distributable Surplus in accordance with this Agreement and all applicable pension laws.

9. The Parties agree to use their best efforts to ensure that the Superintendent is able to consider the Company's surplus application as soon as possible after the surplus application is filed. In this regard, the Parties shall work co-operatively to provide such information as the Superintendent may reasonably require to approve the surplus application and they shall use their best efforts to distribute the Surplus by December 31, 2006.

G. Distribution of Surplus

10. (a) Subject to receipt of the Superintendent's consent, the Class Members' Surplus Share and the Company Supplements shall be distributed to the persons entitled in accordance with the terms of this Agreement in the form of lump sum cash payments, less any applicable tax deductions, as soon as possible after the Total Distributable Surplus has been determined.

(b) Subject to receipt of the Superintendent's consent, the Company's Surplus Share, less the Company Supplements, shall remain in the Plan and shall not be distributed to the Company.

H. Court Proceedings

11. It is a condition precedent to this Agreement that the Company obtain an order from the Ontario Superior Court of Justice which declares that the Company is entitled to the Surplus attributable to contributions made to the Plan on and after January 1, 1974 and which approves the terms herein and authorizes the distribution of the Total Distributable Surplus as contemplated by this Agreement, subject to the Superintendent giving his consent to the distribution of the Total Distributable Surplus as contemplated by this Agreement (the "Court Order"). The Representative Respondent shall consent to a Court Order, on the terms contained herein.

I. Fees and Expenses

12. All reasonable fees and expenses of counsel for the Class Members ("Expenses") shall be paid on a full indemnity basis from the Surplus in accordance with the terms of the Certification Order.

J. Further Steps

13. The Parties shall fully cooperate with each other in carrying out the terms of this Agreement and shall take all steps necessary to give effect to this Agreement. In particular, and as set out above, the Parties shall use their best efforts to distribute the Class Members' Surplus Share on or before December 31, 2006.

K. Unlocated Sharing Group Members

14. Prior to the date of distribution, the Parties shall make all reasonable efforts to obtain valid current addresses for each Class Member. If any such member cannot be located or does not provide the Company with the information that the Company needs in order to distribute to that person his or her share of Surplus, the Company shall maintain the share of the Class Members' Surplus Share that relates to such person in the Plan or distribute the share in a manner acceptable to the Superintendent.

L. Releases

15. Upon the implementation of this Agreement, including court approval as described above, including without limitation the payment to the Class Members of the Class

Members' Surplus Share, the Class Members shall each provide a full and final release (in a form to be negotiated) discharging the Trustee, the Company and their respective affiliates, subsidiaries, predecessors and successors and all of their respective directors, officers, employees and agents, as the case may be, from all past, present and future demands, actions, causes of action, proceedings and claims whatsoever arising out of (i) the settlement, division and distribution of the Total Distributable Surplus between the Company and the Class Members, (ii) the distribution of the Class Members' Surplus Share among the Class Members, (iii) actions properly taken to implement the terms of this Agreement or any payment or act done in compliance with the terms of this Agreement, and (iv) the Class Proceeding.

M. General Provisions

16. The division of this Agreement in paragraphs is for convenience of reference only and shall not affect the construction or interpretation hereof.

17. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and laws of Canada applicable therein.

18. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or unenforceability of any other provision hereof and any such invalid or unenforceable provisions shall be deemed to be severable.

19. No provision of this Agreement shall be construed as an admission by any Party, of the existence of any liability to another Party with respect to any matter whatsoever.

20. This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof. There are no oral warranties or representations or other agreements between the Parties in connection with the subject matter hereof, except as specifically set forth or referred to herein. Unless otherwise provided herein, no waiver or termination of this Agreement shall be binding unless executed in writing by all Parties. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

21. This Agreement may be amended by written agreement of the Company and the Representative Respondent.

22. If the Superintendent refuses to consent to the distribution of the Total Distributable Surplus in accordance with the terms of this Agreement and the Company has exhausted all possible appeals for such decision of the Superintendent, this Agreement shall be null and void and of no further effect. The Company shall thereafter be free to continue with its application to the Court. In the event of such termination or termination for any other reason, the Expenses incurred to the date of termination shall be paid from the Plan and each of the Parties shall be discharged from any and all further obligations hereunder after payment of same.

23. This Agreement shall be binding upon and shall enure to the benefit of each of the Parties and each of the Class Members and their successors, assigns, designated beneficiaries, estates, officers, agents, directors, employees, associates, servants, heirs and insurers.

24. This Agreement may be executed by the Parties in separate counterparts each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument and any of the Parties may execute this Agreement by signature transmitted by facsimile and such signature shall be deemed to be an original signature. If any person does not, for whatever reason, become a Party to this Agreement, this Agreement shall nevertheless, bind all persons who do become Parties to this Agreement.


25. All amounts stated herein are in Canadian currency.


IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

ING CANADA INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:



Witness)
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SIDNEY HARRIS

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

ING CANADA INC.

Per:



Name:

Title:

**Françoise Guénette
Senior Vice-President, Corporate &
Legal Services, and Secretary**

Per:

Name:

Title:

Witness

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SIDNEY HARRIS

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

ING CANADA INC.

Per: *Rhonda Lawson*
Name: *RHONDA LAWSON*
Title: *SRVICE PRESIDENT AR*

Per: _____
Name: _____
Title: _____

Witness)
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SIDNEY HARRIS