

PIMCO Total Return Fund - Institutional Class



PIMCO is widely regarded as the country's premier fixed income investment manager. Founded in 1971 by Bill Gross, PIMCO was one of the first investment firms to specialize in active bond management. PIMCO has been a leader in the innovation of new fixed income securities and continues to seek new ways to add value for its clients. PIMCO is one of the largest active bond managers in the U.S. The PIMCO Total Return Fund is managed by Bill Gross, Morningstar's Fixed Income Manager of the Year for 1998 and 2000 and is the largest bond fund in the U.S.

Asset Class: **Bonds**
 Category: **Intermediate-Term Bond**

FUND FACTS

Inception date: **May 11, 1987**

Investment advisory fee for period ended March 31, 2007: **0.25%**

Other expenses: **0.18%**

Gross fund expense ratio for period ended March 31, 2007: **0.43%**

If offered through a retirement program, additional fees and expenses may be charged under that program.

Important Information

Category is interpreted by ING using Fund company and/or Morningstar category information.

Fees and expenses may be subject to change based on fund size or fee waiver arrangements; please refer to the prospectus for more information. More detailed information is included in the enrollment material. Other Expenses reflect an administrative fee of 0.18%.

If you participate in an IRC Sections 403(b), 401 or 457 retirement plan funded by an SEC-registered group annuity contract, this material must be accompanied by the current Performance Update and a Prospectus Summary for the contract.

You should consider the investment objectives, risks, and charges and expenses of the investment options offered through a retirement plan carefully before investing. The prospectus contains this and other information. Please read the prospectus carefully before investing. You can obtain a free prospectus for the Fund and/or the separate account prior to making an investment decision or at any time by contacting your local representative or 1-800-262-3862. If a different toll-free number is shown on the first page of the Prospectus Summary or in your enrollment material, please call that number.

Investment Adviser

Pacific Investment Management Company LLC (PIMCO)

Portfolio Manager

William H. Gross is the portfolio manager of the Fund.

Investment Objective

Maximum total return, consistent with preservation of capital and prudent investment management.

Strategy

The Fund seeks to achieve its investment objective by investing under normal circumstances at least 65 percent of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities. The average portfolio duration normally varies within two years (plus or minus) of the duration of the Lehman Brothers Aggregate Bond Index, which as of June 30, 2007 was 4.70 years. It invests primarily in investment grade debt securities, but may invest up to 10 percent of its total assets in high yield securities ("junk bonds") rated B or higher by Moody's or equivalently rated by S&P or Fitch, or, if unrated, determined by PIMCO to be of comparable quality. The Fund may invest up to 30 percent of its total assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar-denominated securities of foreign issuers. The Fund may invest up to 10 percent of its total assets in securities of issuers that are economically tied to emerging market countries. The Fund will normally limit its foreign currency exposure (from non-U.S. dollar-denominated securities or currencies) to 20 percent of its total assets. The Fund may invest all of its assets in derivative instruments, such as options, futures contracts or swap agreements, or in mortgage- or asset-backed securities. The Fund may not invest in equity securities. The Fund may, without limitation, seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs or dollar rolls). The "total return" sought by the Fund consists of income earned on the Fund's investments, plus capital appreciation, if any, which generally arises from decreases in interest

rates or improving credit fundamentals for a particular sector or security.

Principal Risks

Interest Rate Risk: As interest rates rise, the value of fixed-income securities held by the Fund are likely to decrease. **Credit Risk:** A fund could lose money if the issuer or guarantor of a fixed-income security is unable or unwilling to make timely principal and/or interest payments, or to honor its obligations. **Market Risk:** The market price of securities owned by a fund may go up or down, sometimes rapidly and unpredictably. **Issuer Risk:** The value of a security may decline for a number of reasons which directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services. **Liquidity Risk:** This risk exists when particular investments are difficult to purchase or sell. The Fund's investments in illiquid securities may reduce the returns of the Fund because it may be unable to sell the illiquid securities at an advantageous time or price. **Derivative Risk:** The Fund's investments in derivative are subject to the risk of mispricing or improper valuation. Changes in the value of a derivative may not correlate perfectly with the underlying asset, rate, or index, and it is possible to lose more than the principal amount invested when purchasing derivatives. **Mortgage Risk:** Rising interest rates tend to extend the duration of mortgage-related securities, making them more sensitive to changes in interest rates. **Foreign (Non-U.S.) Investment Risk:** A fund that invests in foreign securities may experience more rapid and extreme changes in value than a fund that invests exclusively in securities of U.S. companies. **Currency Risk:** Funds that invest directly in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, foreign (non-U.S.) currencies are subject to the risk that those currencies will decline in value relative to the U.S. dollar. **Leveraging Risk:** The use of leveraging may cause the Fund to liquidate portfolio positions to satisfy its obligations or meet segregation requirements when it may not be advantageous to do so. **Management Risk:** Subject to management risk because it is an actively managed investment portfolio.

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



PORTFOLIO UPDATE

PIMCO Total Return Fund - Institutional Class

Important Information

Past performance does not guarantee future results. For most recent month-end performance which may be lower or higher than the past performance data shown please call 1-800-262-3862. 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.

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. Please see the accompanying Performance Update for standardized product level returns. 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.

AS OF MARCH 31, 2008

(shown in percentages)

Fund Facts

Market Benchmark ¹	Lehman Brothers Aggregate Bond Index
Total Net Assets	\$125 billion
Beta*	1.21

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

Top Ten Holdings

Information not available at this time.

Credit Quality***

AAA	66.0
AA	14.0
A	8.0
BBB	5.0
BB	5.0
B	2.0

Asset Allocation

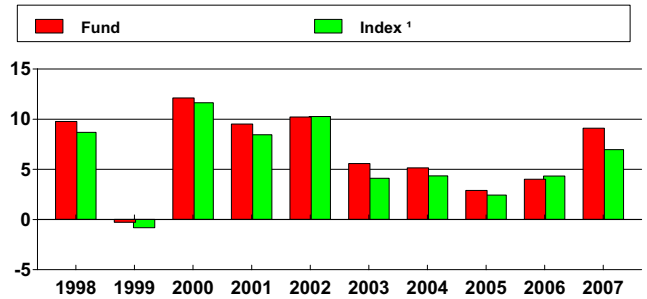
Agency Bonds & MBS	68.0
Investment Grade Corporate Bonds	12.0
US Treasury Bonds	-16.0
Emerging Markets	5.0
High Yield Bonds	3.0
Cash & Equivalents	23.0
Foreign Bonds	4.0
Municipal	1.0

Average annual total returns

	Qtr [#]	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Fund	3.33	10.84	6.56	5.58	6.92	N/A
Index ¹	2.17	7.67	5.48	4.58	6.04	N/A

[#] Return Not Annualized

Calendar year returns for periods ended 12/31



Fund	9.77	-0.28	12.12	9.52	10.22	5.57	5.15	2.89	4.01	9.10
Index ¹	8.69	-0.82	11.63	8.44	10.27	4.11	4.34	2.43	4.33	6.96

¹The Lehman Brothers Aggregate Bond Index is an unmanaged index composed of securities from the Lehman Brothers Government/Corporate Bond Index, Mortgage-Backed Securities Index, and the Asset-Backed Securities Index, including securities that are of investment-grade quality or better and have at least one year to maturity. Please note that indexes are unmanaged and their returns do not take into account any of the fees and expenses of the funds to which they are compared. Individuals cannot invest directly in any index.

***The credit quality of the securities in the portfolio is generally calculated by a national rating organization; if unrated, the investment manager may determine a comparable rating, which is included in the portfolio breakdown. The credit quality of the investment in the portfolio does not apply to the stability or safety of the Fund.