

ING Investment Management enters into an agreement with AGF Funds

ING Investment Management, Inc., a subsidiary of ING Canada Inc. (TSX – IIC. LV), announced today that it has concluded an agreement with AGF Funds Inc. aimed at merging the assets of a number of its ING Funds into AGF Funds. As part of the agreement, AGF Funds will also acquire the ING Canadian Dividend Income Fund which will be renamed AGF Dividend Income Fund. ING Investment Management, Inc. will continue to manage the assets of this fund as the exclusive sub-advisor.

As a result of this agreement, it is expected that approximately \$240 million in assets under management will be transferred to AGF Funds. The transaction is expected to close on or about July 22 and is subject to regulatory and unitholder approvals. Financial details of the agreement were not disclosed. However, upon completion, the transaction will not have any material impact on ING Canada's results.

John Lockbaum, Senior Vice President and Managing Director of ING Investment Management, Inc. said that “the transaction will provide our unitholders and their advisors access to the benefits offered by a large diversified mutual fund company like AGF. As product breadth, investment style diversification and wholesaling support are taking more and more importance among investors and advisors, the transaction was a logical decision in light of the quality of their commitment of resources into these areas.”

“Furthermore, the transaction will allow ING to focus more intensely on the distribution of quality third-party investment products to its current clients. As a result of the new relationship with AGF, we are looking forward to expanding our current product offering”, said Lockbaum.

According to the agreement, ING Investment Management, Inc. will transfer the assets of thirteen of its funds in comparable AGF Funds and the acquired units/shares of these AGF Funds will be distributed to the ING Funds unitholders. Furthermore, ING Investment Management, Inc. intends to terminate five of its international funds on or about July 8. These funds are no longer accepting new deposits, incoming transfers or switches as of today.

Unitholders are encouraged to contact their financial advisor or mutual fund dealer to discuss alternative investment options. To help facilitate the transition, ING Funds is waiving the redemption charges for the unitholders of the five funds that will be terminated. Any investments remaining in these funds on the termination date will be switched into the ING Canadian Money Market Fund which will then be merged into the AGF Canadian Money Market Fund.

The following table describes the planned transactions.

ING Canadian Money Market Fund	To be merged into AGF Canadian Money Market Fund
ING Canadian Bond Fund	To be merged into AGF Canadian Bond Fund
ING Canadian Balanced Fund	To be merged into AGF Canadian Balanced Fund
ING Canadian Equity Fund	To be merged into AGF Canadian Stock Fund
ING Canadian Small Cap Equity Fund	To be merged into AGF Canadian Small Cap Fund
ING US Equity Fund	To be merged into a new AGF Fund to be created
ING US Equity RSP Fund	To be merged into AGF RSP American Growth Fund
ING Global Equity Fund	To be merged into AGF World Companies Fund
ING Global Equity RSP Fund	To be merged into AGF RSP World Companies Fund
ING Europe Equity Fund	To be merged into AGF European Equity Class
ING Canadian Financial Services Fund	To be merged into AGF Global Financial Services Class
ING Canadian Resources Fund	To be merged into AGF Canadian Resources Fund Limited
ING Global Brand Names Fund	To be merged into AGF World Companies Fund
ING Canadian Dividend Income Fund	To become AGF Dividend Income Fund

Furthermore, the ING Austral-Asia Equity Fund, ING Emerging Markets Equity Fund, ING Global Communications Fund, ING Global Technology Fund and ING Japan Equity Fund will be closed and the proceeds will be invested into the ING Canadian Money Market Fund in advance of its merger into the AGF Canadian Money Market Fund.

AGF is one of Canada's premier investment management companies with offices across Canada and subsidiaries around the world. With approximately \$33 billion in total assets under management, AGF serves more than one million investors with offerings across the wealth continuum. AGF's products and services include a diversified family of over 50 mutual funds, AGF Harmony tailored investment program, AGF Private Investment Management and AGF Trust GICs, loans and mortgages.

ING Investment Management, ING Canada's investment management unit, has more than \$6 billion in assets under management. ING Canada is the largest provider of property and casualty insurance in the country, offering automobile, property and liability insurance to individuals and small to medium sized businesses through a number of insurance subsidiaries.

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