



## News Release

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### **BLACKSTONE LED INVESTOR GROUP ANNOUNCES LAUNCH OF INSPIHERE INSURANCE SOLUTIONS<sup>SM</sup>**

*Phillip J. Hildebrand Named as Chief Executive Officer*

**NEW YORK NY – July 7, 2009** –A group of private equity investors, including affiliates of The Blackstone Group, Goldman Sachs and Credit Suisse, has announced plans to launch Insphere Insurance Solutions<sup>SM</sup>. (<http://www.insphereinsurancesolutions.com>)

This new company expects to be the nation's largest independent career agent distribution group offering life, health, long-term care and retirement products for small businesses and the middle-income market. Long-time insurance industry executive Phillip J. Hildebrand has been named as chief executive officer for the new company.

"Insphere Insurance Solutions will be exclusively focused on the under-served small business and the middle income market," said Hildebrand. "This market has been largely ignored by major insurance carriers and agents who have migrated to serve more affluent consumers. This has resulted in a scarcity of distribution in this market."

The small business and middle market is the fastest growing segment in the industry. There are over 30 million middle-income households who are faced with significant financial challenges, including rising unemployment, growing concerns about healthcare inflation, loss of insurance benefits at their workplace, and uncertainty around future of Medicare and Social Security. A study by the Life Insurance and Market Research Association (LIMRA) found 44% of the middle market considered themselves under-insured on life insurance. Insuring this group would add \$9.5 trillion in insurance and \$17 billion in premiums, according to the report.

Even though the middle market has grown considerably over the past two decades, industry experts cite a dramatic decline in the number of carriers and insurance professionals who serve this market. The number of companies serving the middle market declined by some 37% over the last decade ending in 2006, and the number of overall agents declined by 16%.

The small business market is also a rapidly expanding, yet under-served segment. According to the U.S. Census Bureau, some 89% of all firms have fewer than 20 employees. A report by the national association of America's Health Insurance Plans found that 70% of

firms with less than 10 employees do not provide health insurance. As economic pressures have intensified, even those small businesses that currently offer health insurance to their employees are faced with the difficult decision to reduce or eliminate insurance coverage.

"We are currently in discussions with a number of leading life, health, long-term care and retirement carriers about our capabilities in reaching small business and the middle market," said Hildebrand.

As one of its initial solutions, Insphere Insurance Solutions announced its intention to enter into a marketing agreement with ING, a leading global banking and insurance company, to distribute the company's term life and universal life insurance products. The company expects to begin marketing ING insurance policies on a pilot basis in 90 days.

Insphere Insurance Solutions expects to be the largest independent career agent insurance distribution group in America, with a force of 3,500 agents and offices in over 40 states expected when the company commences services in 2010. Hildebrand noted that the company plans to grow geographically and into communities across the country, and will be actively recruiting experienced and new insurance field managers and agents, with an objective to double the number of dedicated independent Insphere Insurance Solutions agents over the next few years.

"Because of our size and scale, we expect to be able to offer significant infrastructure and support for field managers and agents including lead generation, training, compliance, marketing and technology capabilities. We also believe our compensation will be unique, with an equity compensation component expected to be offered to both field managers and agents" added Hildebrand.

Prior to being named CEO of Insphere Insurance Solutions, Hildebrand had over a 30-year career with New York Life, serving in several executive management positions with the company including Head of Distribution. He was named Vice Chairman in 2006. Hildebrand retired from New York Life in 2007 and has since served in other advisory and executive positions in the insurance industry.

### **About Insphere Insurance Solutions<sup>sm</sup>**

Insphere Insurance Solutions<sup>sm</sup> is unique as a specialist in small business and middle-income market life, health, long-term care and retirement insurance. The company will be the largest independent career agency distribution group, with a sales force of 3,500 agents and offices in more than 40 states when the company commences services in 2010. For more information about Insphere Insurance Solutions, visit <http://www.insphereinsurancesolutions.com>.

### **About the ING Family of Companies**

Life insurance products are issued by ReliaStar Life Insurance Company (Minneapolis, MN), ReliaStar Life Insurance Company of New York (Woodbury, NY) and Security Life of Denver Insurance Company (Denver, CO). Within the state of New York, only ReliaStar Life Insurance Company of New York is admitted, and its products issued. All are members of the ING family of companies.

Other than the ING companies identified, no other entities, whether distributing or listed on the material, are affiliated with the ING family of companies.

**CAUTIONARY STATEMENT FOR PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995**

This new release includes forward-looking statements relating to the development of Insphere Insurance Solutions ("Insphere") that are subject to certain risks, uncertainties and assumptions. Actual results may vary materially. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them to reflect changes that occur after that date. Factors that could cause actual results to differ materially include, but are not limited to, Insphere's ability to obtain applicable licenses and/or appointment and Insphere's success in entering into and maintaining satisfactory relationships with insurance carriers and agents.