

ING PRIME RATE TRUST
Form N-CSR
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OMB APPROVAL

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number: **811-5410**

ING Prime Rate Trust

(Exact name of registrant as specified in charter)

7337 E. Doubletree Ranch Rd., Scottsdale, AZ
(Address of principal executive offices)

85258
(Zip code)

CT Corporation System, 101 Federal Street, Boston, MA 02110

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(Name and address of agent for service)

Registrant's telephone number, including area code: **1-800-992-0180**

Date of fiscal year end: February 28

Date of reporting period: February 29, 2012

Item 1. Reports to Stockholders.

The following is a copy of the report transmitted to stockholders pursuant to Rule 30e-1 under the Act (17 CFR 270.30e-1):

Funds

Annual Report

February 29, 2012

ING Prime Rate Trust

E-Delivery Sign-up details inside

This report is submitted for general information to shareholders of the ING Funds. It is not authorized for distribution to prospective shareholders unless accompanied or preceded by a prospectus which includes details regarding the fund's investment objectives, risks, charges, expenses and other information. This information should be read carefully.

ING Prime Rate Trust

ANNUAL REPORT

February 29, 2012

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ING Prime Rate Trust

PORTFOLIO MANAGERS' REPORT

Dear Shareholders:

ING Prime Rate Trust (the "Trust") is a diversified, closed-end management investment company that seeks to provide investors with as high a level of current income as is consistent with the preservation of capital. The Trust seeks to achieve this objective by investing, under normal circumstances, at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in U.S. dollar denominated floating rate secured senior loans.

**PORTFOLIO CHARACTERISTICS
AS OF FEBRUARY 29, 2012**

Net Assets	\$ 851,278,497
Total Assets	\$ 1,282,623,484
Assets Invested in Senior Loans	\$ 1,187,115,776
Senior Loans Represented	358
Average Amount Outstanding per Loan	\$ 3,315,966
Industries Represented	35
Average Loan Amount per Industry	\$ 33,917,594
Portfolio Turnover Rate (YTD)	81%
Weighted Average Days to Interest Rate Reset	39
Average Loan Final Maturity	60 months
Total Leverage as a Percentage of Total Assets (including preferred shares)	28.38%

PERFORMANCE SUMMARY

The Trust declared \$0.09 of dividends during the fourth fiscal quarter and \$0.32 during the year ended February 29, 2012. Based on the average month-end net asset value ("NAV") per share of \$5.65 for the fourth fiscal quarter and \$5.81 for the year, this resulted in an annualized distribution rate⁽¹⁾ of 6.13% for the fourth fiscal quarter and 5.47% for the year. The Trust's total return for the fourth fiscal quarter, based on NAV, was 5.09% versus a total gross return on the S&P/LSTA Leveraged Loan Index (the "Index")⁽²⁾ of 3.50% for the same quarter. For the year ended February 29, 2012, the Trust's total return, based on NAV⁽³⁾, was 0.81%, versus a total gross return on the Index of 2.05%. The total market value return⁽³⁾ for the Trust's common shares during the fourth fiscal quarter was 8.96% and for the year ended February 29, 2012 was (3.11)%.

MARKET REVIEW

The past year in the loan market was marked by wide month-to-month swings in total return, as measured by the Index. There were seven months of positive returns and five months of negative returns, one of which was the second worst total return on record for the asset class. Meanwhile, loan prices moved down six percentage points during the first half of the fiscal year, and then recovered almost four percentage points during the latter half. The European market (measured by the S&P European Leveraged Loan Index,

or "ELLI") followed a similar trend with five months of negative performance, although it ended the 12-month period down 36 basis points ("bp") vs. a positive 205 bp return for the United States. Europe was generally assumed throughout the year to be facing a

(1) The distribution rate is calculated by annualizing dividends and distributions declared during the period and dividing the resulting annualized dividend by the Trust's average net asset value (in the case of NAV) or the average month-end NYSE Composite closing price (in the case of market). The distribution rate is based solely on the actual dividends and distributions, which are made at the discretion of management. The distribution rate may or may not include all investment income and ordinarily will not include capital gains or losses, if any.

(2) The **Index** is an unmanaged total return index that captures accrued interest, repayments, and market value changes. It represents a broad cross section of leveraged loans syndicated in the United States, including dollar-denominated loans to overseas issuers. Standard & Poor's ("S&P") and the Loan Syndications and Trading Association ("LSTA") conceived the Index to establish a performance benchmark for the syndicated leveraged loan industry. The Index is not subject to any fees or expenses. An investor cannot invest directly in an index.

(3) The total return is based on full reinvestment of dividends.

ING Prime Rate Trust

PORTFOLIO MANAGERS' REPORT (continued)

recession, attracting investors to the U.S. for its safe haven status. This backdrop helped the U.S. loan market finish 2011 on a relatively good note. December saw the rare occurrence of the U.S. stock market and the U.S. Treasuries both posting gains. At the time, these conditions were expected to continue as the loan pipeline was at a two-year low of \$5.1 billion.

Year-to-date, global capital markets have kept the strong momentum that started with the New Year. Optimism was fueled by a regular flow of good news on the U.S. economy, in particular the labor market, and developments in Europe. The sovereign debt crisis moved into a quiet phase with investors now seemingly relieved about the relatively full (if not voluntary) participation in Greece's debt swap. The ELLI posted a positive 3.25% return in January and February, compared to 2.97% for the Index.

The primary loan market has been fairly active in the U.S. year-to-date, although the vast majority of new loans has consisted of refinancings and thus added little net new supply to the loan universe. Strong loan market technical factors continue to allow issuers to tackle the pending maturity wall; about \$38 billion of loans due by end of 2015 have been extended or repaid. Demand has been coming mostly from new collateralized loan obligations ("CLO") \$3.4 billion in the first two months of 2012 as well as cross-over buying from high-yield funds. Recently, retail investors' appetite for loan funds has turned slightly positive, perhaps because their conviction about interest rates staying low indefinitely is starting to erode. In contrast, we continue to see heavy inflows into high-yield funds, pushing their spreads toward record tight levels that imply either a benign view on duration and recovery downside risks or a desperate reach for higher yields strictly in absolute terms. The Index's average loan price ended February at 93.79, as compared to over 104 for the Credit Suisse High-Yield Index.

**TOP TEN SENIOR LOAN ISSUERS
AS OF FEBRUARY 29, 2012
AS A PERCENTAGE OF:**

	TOTAL ASSETS	NET ASSETS
Univision Communications, Inc.	2.5%	3.8%
First Data Corporation	1.7%	2.5%
Caesars Entertainment Operating Company, Inc.	1.5%	2.3%
Reynolds Group Holdings Inc	1.5%	2.3%
Texas Competitive Electric Holdings Company LLC	1.4%	2.1%
Chrysler Group LLC	1.1%	1.6%
BJs Wholesale Club	1.1%	1.6%
Freescale Semiconductor	1.1%	1.6%
Asurion, LLC	1.0%	1.4%
Cengage Learning, Inc.	0.9%	1.4%

**TOP TEN INDUSTRY SECTORS
AS OF FEBRUARY 29, 2012
AS A PERCENTAGE OF:**

	TOTAL ASSETS	NET ASSETS
Health Care	9.6%	14.5%
Retailers (Except Food & Drug)	9.4%	14.1%
Business Equipment & Services	8.8%	13.2%
Electronics/Electrical	7.2%	10.9%
Radio & Television	4.7%	7.1%
Automotive	4.2%	6.3%
Telecommunications	4.2%	6.3%
Utilities	4.1%	6.2%
Cable & Satellite Television	3.9%	5.8%
Publishing	3.6%	5.5%

PORTFOLIO REVIEW

The major factor behind the Trust's underperformance for the reporting period was its positioning during 2011. The Trust pared back overall exposure to triple-B and double-B rated loans and replaced them with single-B assets, as it sought to increase yield without a meaningful shift in overall credit quality. The Trust also reduced its not-rated exposure from 11% to 3%. This was accomplished by downsizing its positions in non-U.S. names, which are typically not rated and underperformed during the period due to macro uncertainty, particularly in Europe. Toward the end of 2011, the Trust rotated out of lower yielding credits into loans with wider spreads and LIBOR floors. As of period-end, the Trust had a weighted average nominal spread of 4.17% compared to 3.89% as of the last fiscal quarter-end and 3.23% at the same time last year.

The Trust's sector selection was generally positive, although an allocation to poorly performing media sectors (publishing, radio and television) hindered returns. Regarding issuer allocation, the Trust held

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PORTFOLIO MANAGERS' REPORT (continued)

positions in four of the five largest contributors to Index performance during the period. This was partially offset by its position in three of the largest detractors, including Texas Competitive Electric Holdings Company LLC ("TXU"). While the Trust's position in TXU is meaningful at 1.48% of total assets, we remain significantly underweight in this asset relative to the Index. Derivatives did not have any material impact on the Trust's performance over the reporting period.

**Ratings Distribution
as of February 29, 2012**

Baa	0.33%
Ba	41.58%
B	49.23%
Caa and below	3.63%
Not rated*	5.23%

Ratings distribution shows the percentage of the Trust's loan commitments (excluding cash and foreign cash) that are rated in each ratings category, based upon the categories provided by Moody's Investors Service, Inc. Ratings distribution is based on Moody's senior secured facility ratings. Moody's ratings classification methodology: Aaa rating denotes the least credit risk; C rating denotes the greatest credit risk. Loans rated below Baa by Moody's are considered to be below investment grade. Ratings can change from time to time, and current ratings may not fully reflect the actual credit condition or risks posed by a loan.

* Not rated includes loans to non-U.S. borrowers (which are typically unrated) and loans for which the rating has been withdrawn.

OUTLOOK AND CURRENT STRATEGY

Recent fourth quarter 2011 earnings releases within the below-investment grade corporate sector in the U.S. have been generally good, in many cases exceeding consensus expectations. Of course, the question has increasingly turned to that of sustainability given macro headwinds but, thus far, we believe issuer-level credit fundamentals appear to be on solid footing. While the default rate is now so low that, in our opinion, it is bound to start rising at some point, we expect this environment of relatively low defaults to continue for the foreseeable future. The general market expectation is for a default rate of around 2.0% at year-end 2012, *i.e.*, below the historical average of 3.5%. On the technical side, the new issue supply has been fairly constant, and has been met with demand from new CLO transactions (\$3.4 billion in the first two months of 2012) as well as crossover buying from high-yield funds. Retail investors' appetite for loan funds has turned positive as well, possibly as they position their portfolios in anticipation of the eventual rise in interest rates.

Jeffrey A. Bakalar
Senior Vice President
Senior Portfolio Manager
ING Investment Management Co. LLC

Daniel A. Norman
Senior Vice President
Senior Portfolio Manager
ING Investment Management Co. LLC

ING Prime Rate Trust
April 2, 2012

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PORTFOLIO MANAGERS' REPORT (continued)

	Average Annual Total Returns for the Years Ended February 29, 2012			
	1 Year	3 Years	5 Years	10 Years
Based on Net Asset Value (NAV)	0.81%	22.06%	1.51%	4.77%
Based on Market Value	(3.11)%	23.51%	1.18%	4.89%
S&P/LSTA Leveraged Loan Index	2.05%	17.27%	4.45%	5.24%
Credit-Suisse Leveraged Loan Index	2.06%	16.23%	3.56%	4.97%

The table above illustrates the total return of the Trust against the Indices indicated. An index has no cash in its portfolio, imposes no sales charges and incurs no operating expenses. An investor cannot invest directly in an index.

Total returns based on NAV reflect that ING Investments, LLC (the Trust's "Investment Adviser") may have waived or recouped fees and expenses otherwise payable by the Trust.

Performance data represents past performance and is no guarantee of future results. Investment return and principal value of an investment in the Trust will fluctuate. Shares, when sold, may be worth more or less than their original cost. The Trust's future performance may be lower or higher than the performance data shown. Please log on to www.inginvestment.com or call (800) 992-0180 to get performance through the most recent month end.

Calculation of total return assumes a hypothetical initial investment at the net asset value (in the case of NAV) or the New York Stock Exchange ("NYSE") Composite closing price (in the case of Market Value) on the last business day before the first day of the stated period, with all dividends and distributions reinvested at the actual reinvestment price.

Senior loans are subject to credit risks and the potential for non-payment of scheduled principal or interest payments, which may result in a reduction of the Trust's NAV.

This report contains statements that may be "forward-looking" statements. Actual results could differ materially from those projected in the "forward-looking" statements.

The views expressed in this report reflect those of the portfolio managers only through the end of the period of the report as stated on the cover. The portfolio managers' views are subject to change at any time based on market and other conditions.

INDEX DESCRIPTIONS

The **S&P/LSTA Leveraged Loan Index** is an unmanaged total return index that captures accrued interest, repayments, and market value changes. It represents a broad cross section of leveraged loans syndicated in the United States, including dollar-denominated loans to overseas issuers. Standard & Poor's and the

Loan Syndications & Trading Association ("LSTA") conceived the Index to establish a performance benchmark for the syndicated leveraged loan industry. An investor cannot invest directly in an index.

The **Credit-Suisse Leveraged Loan Index** is an unmanaged index of below investment grade loans designed to mirror the investable universe of the U.S. dollar-denominated leveraged loan market. An investor cannot invest directly in an index.

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PORTFOLIO MANAGERS' REPORT (continued)

	YIELDS AND DISTRIBUTION RATES				
	Prime Rate	NAV 30-day SEC Yield ^(A)	Mkt. 30-Day SEC Yield ^(A)	Annualized Dist. Rate @ NAV ^(B)	Annualized Dist. Rate @ Mkt. ^(B)
February 29, 2012	3.25%	7.11%	7.48%	6.22%	6.53%
November 30, 2011	3.25%	6.71%	7.32%	6.00%	6.54%
August 31, 2011	3.25%	6.00%	6.35%	5.56%	5.88%
May 31, 2011	3.25%	5.13%	5.03%	4.98%	4.89%

^(A) Yield is calculated by dividing the Trust's net investment income per share for the most recent thirty days by the net asset value (in the case of NAV) or the NYSE Composite closing price (in the case of Market) at quarter-end. Yield calculations do not include any commissions or sales charges, and are compounded for six months and annualized for a twelve-month period to derive the Trust's yield consistent with the U.S. Securities and Exchange Commission ("SEC") standardized yield formula.

^(B) The distribution rate is calculated by annualizing the last monthly dividend of each quarter and dividing the resulting annualized dividend amount by the Trust's net asset value (in the case of NAV) or the NYSE Composite closing price (in case of Market) at quarter-end.

Risk is inherent in all investing. The following are the principal risks associated with investing in the Trust. This is not, and is not intended to be, a description of all risks of investing in the Trust. A more detailed description of the risks of investing in the Trust is contained in the Trust's current prospectus.

Credit Risk: The Trust invests a substantial portion of its assets in below investment grade senior loans and other below investment grade assets. Below investment grade loans involve a greater risk that borrowers may not make timely payment of the interest and principal due on their loans. They also involve a greater risk that the value of such loans could decline significantly. If borrowers do not make timely payments of the interest due on their loans, the yield on the Trust's common shares will decrease. If borrowers do not make timely payment of the principal due on their loans, or if the value of such loans decreases, the value of the Trust's NAV will decrease.

Interest Rate Risk: Changes in short-term market interest rates will directly affect the yield on the Trust's common shares. If short-term market interest rates fall, the yield on the Trust's common shares will also fall. To the extent that the credit spreads on loans in the Trust experience a general decline, the yield on the Trust will fall and the value of the Trust's assets may decrease, which will cause the Trust's value to decrease. Conversely, when short-term market interest rates rise, because of the lag between changes in such short-term rates and the resetting of the floating rates on assets in the Trust's portfolio, the impact of rising rates will be delayed to the extent of such lag.

Leverage Risk: The Trust borrows money for investment purposes. Borrowing increases both investment opportunity and investment risk. In the event of a general market decline in the value of assets such as those in which the Trust invests, the effect of that decline will be magnified in the Trust because of the additional assets purchased with the proceeds of the borrowings. The Trust also faces the risk that it might have to sell assets at relatively less advantageous times if it were forced to de-leverage if a source of leverage becomes unavailable.

ING Prime Rate Trust

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Shareholders and Board of Trustees
ING Prime Rate Trust

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of ING Prime Rate Trust, as of February 29, 2012, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the ten-year period then ended. These financial statements and financial highlights are the responsibility of management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of February 29, 2012, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of ING Prime Rate Trust as of February 29, 2012, the results of its operations and its cash flows, the changes in its net assets, and the financial highlights for the periods specified in the first paragraph above, in conformity with U.S. generally accepted accounting principles.

Boston, Massachusetts
April 26, 2012

ING Prime Rate Trust

STATEMENT OF ASSETS AND LIABILITIES as of February 29, 2012

ASSETS:

Investments in securities at value (Cost \$1,222,724,487)	\$ 1,200,657,463
Cash	6,559,154
Foreign currencies at value (Cost \$42,274)	42,161
Receivables:	
Investment securities sold	68,009,701
Interest	7,218,444
Other	1,424
Unrealized appreciated on unfunded loan commitments	1,018
Prepaid expenses	134,119
Total assets	1,282,623,484

LIABILITIES:

Notes payable	364,000,000
Payable for investment securities purchased	65,313,832
Accrued interest payable	178,750
Payable to affiliates	1,007,479
Payable to custodian	165,193
Accrued trustees fees	8,334
Unrealized depreciation on forward foreign currency contracts	398,122
Other accrued expenses	273,277
Total liabilities	431,344,987

NET ASSETS

\$ 851,278,497

Net assets value per common share outstanding (net assets divided by 147,116,381 shares of beneficial interest authorized and outstanding, no par value)

\$ 5.79

NET ASSETS WERE COMPRISED OF:

Paid-in capital	\$ 1,118,023,555
Undistributed net investment income	1,787,334
Accumulated net realized loss	(246,212,176)
Net unrealized depreciation	(22,320,216)
NET ASSETS	\$ 851,278,497

See Accompanying Notes to Financial Statements

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STATEMENT OF OPERATIONS for the Year Ended February 29, 2012

INVESTMENT INCOME:	
Interest	\$ 66,222,778
Dividends	66,054
Amendment fees earned	814,014
Other	3,179,422
Total investment income	70,282,268
EXPENSES:	
Investment management fees	9,527,214
Administration fees	2,977,255
Transfer agent fees	78,691
Interest expense	4,575,414
Custody and accounting expense	616,607
Professional fees	247,595
Preferred shares dividend disbursing agent fees	103,133
Shareholder reporting	259,450
Trustees fees	29,520
Miscellaneous expense	312,457
Total expenses	18,727,336
Net investment income	51,554,932
REALIZED AND UNREALIZED GAIN (LOSS):	
Net realized loss on:	
Investments	(18,741,770)
Forward foreign currency contracts	(1,077,183)
Foreign currency related transactions	(1,713,695)
Net realized loss	(21,532,648)
Net change in unrealized appreciation or depreciation on:	
Investments	(29,009,488)
Forward foreign currency contracts	1,656,792
Foreign currency related transactions	582,237
Unfunded commitments	(72,435)
Net change in unrealized appreciation or depreciation	(26,842,894)
Net realized and unrealized loss	(48,375,542)
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS:	
From net investment income	(62,995)
Increase in net assets resulting from operations	\$ 3,116,395

See Accompanying Notes to Financial Statements

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STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended February 29, 2012	Year Ended February 28, 2011
FROM OPERATIONS:		
Net investment income	\$ 51,554,932	\$ 41,568,273
Net realized loss	(21,532,648)	(19,056,520)
Net change in unrealized appreciation or depreciation	(26,842,894)	76,785,973
Distributions to preferred shareholders from net investment income	(62,995)	(423,452)
Increase in net assets resulting from operations	3,116,395	98,874,274
FROM DISTRIBUTIONS TO COMMON SHAREHOLDERS:		
From net investment income	(46,476,484)	(43,725,897)
From return of capital		(2,667,020)
Decrease in net assets from distributions to common shareholders	(46,476,484)	(46,392,917)
CAPITAL SHARE TRANSACTIONS:		
Reinvestment of distributions from common shares	916,239	392,395
Proceeds from shares sold	61,590	10,002,232
Net increase from capital share transactions	977,829	10,394,627
Net increase (decrease) in net assets	(42,382,260)	62,875,984
NET ASSETS:		
Beginning of period	893,660,757	830,784,773
End of period (including undistributed (distributions in excess of) net investment income of \$1,787,334 and \$(437,241) respectively)	\$ 851,278,497	\$ 893,660,757

See Accompanying Notes to Financial Statements

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STATEMENT OF CASH FLOWS for the Year Ended February 29, 2012

INCREASE (DECREASE) IN CASH**Cash Flows From Operating Activities:**

Interest received	\$ 55,588,034
Dividends received	66,054
Dividends paid to preferred shareholders	(66,712)
Facility fees paid	(126,121)
Arrangement fees paid	(63,870)
Other income received	4,585,257
Interest paid	(4,576,088)
Other operating expenses paid	(14,887,639)
Purchases of securities	(1,022,998,010)
Proceeds on sale of securities	947,523,566
Net cash used by operating activities	(34,955,529)

Cash Flows From Financing Activities:

Dividends paid to common shareholders (net of reinvested distributions)	(45,560,245)
Redemption of preferred shares	(100,000,000)
Proceeds from shares sold	61,590
Net increase of notes payable	177,000,000
Net cash flows provided in financing activities	31,501,345
Net decrease	(3,454,184)

Cash Impact From Foreign Exchange Fluctuations:

Cash impact from foreign exchange fluctuations	(128)
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Cash

Net decrease in cash	(3,454,312)
Cash and foreign currency at beginning of period	10,055,627
Cash and foreign currency at end of period	\$ 6,601,315

Reconciliation of Net Decrease in Net Assets Resulting from Operations To Net Cash Provided by Operating Activities:

Net increase in net assets resulting from operations	\$ 3,116,395
Adjustments to reconcile net decrease in net assets resulting from operations to net cash provided by operating activities:	
Change in unrealized appreciation or depreciation on investments	29,009,488
Change in unrealized appreciation or depreciation on forward currency contracts	(1,656,792)
Change in unrealized appreciation or depreciation on unfunded commitments	72,435
Change in unrealized appreciation or depreciation on other assets and liabilities	(582,237)
Accretion of discounts on investments	(8,793,228)
Amortization of premiums on investments	413,734
Net realized loss on sale of investments, forward foreign currency contracts and foreign currency related transactions	21,532,648

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Purchases of investment securities	(1,022,998,010)
Proceeds from disposition of investment securities	947,523,566
Decrease in other assets	9,456
Increase in interest receivable	(2,255,250)
Increase in prepaid expenses	(126,121)
Decrease in deferred arrangement fees on senior loans	(63,870)
Decrease in accrued interest payable	(674)
Decrease in dividends payable preferred shares	(3,717)
Increase in payable to affiliates	58,498
Increase in accrued trustees fees	1,351
Decrease in other accrued expenses	(213,201)
Total adjustments	(38,071,924)
Net cash used by operating activities	\$ (34,955,529)
Non Cash Financing Activities	
Reinvestment of dividends	\$ 916,239

See Accompanying Notes to Financial Statements

FINANCIAL HIGHLIGHTS

Selected data for a share of beneficial interest outstanding throughout each year or period.

Per Share Operating Performance

Year or period ended	Net asset value, beginning of year or period	Net investment income (loss)	Net realized and unrealized gain (loss)	Change in net asset value from operations	Distribution to Common Shareholders from net investment income	Total Shareholder Distributions from net investment return of capital	Net asset value, end of year or period	Closing market price, end of year or period		
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
ING Prime Rate Trust										
02-29-12	6.08	0.35	(0.32)	(0.00)*	0.03	(0.32)	(0.32)	5.79	5.51	
02-28-11	5.72	0.30	0.38	(0.00)*	0.68	(0.30)	(0.02)	(0.32)	6.08	6.02
02-28-10	3.81	0.28	1.95	(0.00)*	2.23	(0.32)		(0.32)	5.72	5.94
02-28-09	6.11	0.46	(2.29)	(0.06)	(1.89)	(0.41)		(0.47)	3.81	3.50
02-29-08	7.65	0.75	(1.57)	(0.16)	(0.98)	(0.56)		(0.72)	6.11	5.64
02-28-07	7.59	0.71	0.06	(0.16)	0.61	(0.55)		(0.71)	7.65	7.40
02-28-06	7.47	0.57	0.12	(0.11)	0.58	(0.46)		(0.57)	7.59	7.02
02-28-05	7.34	0.45	0.16	(0.05)	0.56	(0.43)		(0.48)	7.47	7.56
02-29-04	6.73	0.46	0.61	(0.04)	1.03	(0.42)		(0.46)	7.34	7.84
02-28-03	7.20	0.50	(0.47)	(0.05)	(0.02)	(0.45)		(0.50)	6.73	6.46

Year or period ended	Total Investment Return ⁽¹⁾		Ratios to average net assets				Supplemental data	
	Total Investment Return at net asset value ⁽²⁾	Total Investment Return at closing market price ⁽³⁾	Expenses (before interest and other fees related to revolving credit facility) ⁽⁶⁾	Expenses, prior to fee waivers and/or recoupments, if any ⁽⁶⁾	Expenses, net of fee waivers and/or recoupments, if any ⁽⁶⁾	Net investment income (loss) ⁽⁶⁾	Net assets, end of year or period	Portfolio Turnover
	(%)	(%)	(%)	(%)	(%)	(%)	(\$000's)	(%)
ING Prime Rate Trust								
02-29-12	0.81	(3.11)	1.67	2.20	2.20	6.07	851,278	81
02-28-11	12.32	7.09	1.59	1.93	1.93	4.87	893,661	60
02-28-10	60.70	81.66	1.77 ⁽⁵⁾	1.99 ⁽⁵⁾	1.93	5.56	830,785	38

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02-28-09	(31.93) ⁽⁴⁾	(32.03) ⁽⁴⁾	1.95	3.01	3.01	7.86	552,840	10
02-29-08	(13.28)	(17.25)	2.20	4.36	4.36	10.35	886,976	60
02-28-07	8.85	13.84	2.21	4.62	4.62	9.42	1,109,539	60
02-28-06	8.53	(0.82)	2.33	4.27	4.27	7.71	1,100,671	81
02-28-05	7.70	2.04	2.29	3.18	3.17	6.04	1,082,748	93
02-29-04	15.72	28.77	2.11	2.40	2.40	6.68	1,010,325	87
02-28-03	0.44	2.53	2.19	2.68	2.68	7.33	922,383	48

(1) Total investment return calculations are attributable to common shares.

(2) Total investment return at net asset value has been calculated assuming a purchase at net asset value at the beginning of each period and a sale at net asset value at the end of each period and assumes reinvestment of dividends, capital gain distributions and return of capital distributions/allocations, if any, in accordance with the provisions of the dividend reinvestment plan.

(3) Total investment return at market value has been calculated assuming a purchase at market value at the beginning of each period and a sale at market value at the end of each period and assumes reinvestment of dividends, capital gain distributions, and return of capital/allocations, if any, in accordance with the provisions of the dividend reinvestment plan.

(4) There was no impact on total return due to payments by affiliates.

(5) Includes excise tax fully reimbursed by the Investment Adviser.

(6) Annualized for periods less than one year.

* Amount is more than \$(0.005).

See Accompanying Notes to Financial Statements

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FINANCIAL HIGHLIGHTS (CONTINUED)

Selected data for a share of beneficial interest outstanding throughout each year or period.

Year or period ended	Ratios to average net assets including Preferred Shares ^(a)				Ratios to average net assets plus borrowings			
	Expenses (before interest and other fees related to revolving credit facility) ⁽⁶⁾	Expenses, prior to fee waivers and/or recoupments, if any ⁽⁶⁾	Expenses, net of fee waivers and/or recoupments, if any ⁽⁶⁾	Net investment income (loss) ⁽⁶⁾	Expenses (before interest and other fees related to revolving credit facility) ⁽⁶⁾	Expenses, prior to fee waivers and/or recoupments, if any ⁽⁶⁾	Expenses, net of fee waivers and/or recoupments, if any ⁽⁶⁾	Net investment income (loss) ⁽⁶⁾
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
ING Prime Rate Trust								
02-29-12	1.58	2.09	2.09	5.74	1.24	1.64	1.64	4.51
02-28-11	1.36	1.64	1.64	4.14	1.39	1.68	1.68	4.26
02-28-10	1.36 ⁽⁵⁾	1.52 ⁽⁵⁾	1.48	4.26	1.67 ⁽⁵⁾	1.87 ⁽⁵⁾	1.81	5.23
02-28-09	1.54	2.38	2.38	6.22	1.54	2.37	2.37	6.21
02-29-08	1.54	3.05	3.05	7.23	1.60	3.17	3.17	7.53
02-28-07	1.57	3.27	3.27	6.68	1.56	3.25	3.25	6.63
02-28-06	1.64	3.02	3.02	5.44	1.58	2.90	2.90	5.24
02-28-05	1.60	2.22	2.21	4.21	1.63	2.27	2.26	4.32
02-29-04	1.45	1.65	1.65	4.57	1.84	2.09	2.09	5.82
02-28-03	1.49	1.81	1.81	4.97	1.82	2.23	2.23	6.10

Supplemental data

Year or period ended	Preferred Shares Aggregate amount outstanding	Liquidation and market value per share of Preferred Shares	Asset coverage inclusive of Preferred Shares and debt per share ^(b)		Borrowings at end of period	Asset coverage per \$1,000 of debt ^(b)		Common shares outstanding at end of year or period
			Asset coverage inclusive of Preferred Shares and debt per share ^(b)	Asset coverage per \$1,000 of debt ^(b)		Average borrowings		
	(\$000's)	(\$)	(\$)	(\$000's)	(\$)	(\$000's)	(000's)	
ING Prime Rate Trust								
02-29-12			83,475	364,000	3,339	293,444	147,116	
02-28-11	100,000	25,000	102,850	187,000	6,314	122,641	146,954	
02-28-10	200,000	25,000	98,400	83,000	13,419	46,416	145,210	
02-28-09	225,000	25,000	70,175	81,000	10,603	227,891	145,178	
02-29-08	450,000	25,000	53,125	338,000	4,956	391,475	145,094	
02-28-07	450,000	25,000	62,925	281,000	6,550	459,982	145,033	

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02-28-06	450,000	25,000	55,050	465,000	4,335	509,178	145,033
02-28-05	450,000	25,000	53,600	496,000	4,090	414,889	145,033
02-29-04	450,000	25,000	62,425	225,000	7,490	143,194	137,638
02-28-03	450,000	25,000	62,375	167,000	9,218	190,671	136,973

(a) Ratios do not reflect the effect of dividend payments to Preferred Shareholders; income ratios reflect income earned on assets attributable to Preferred Shareholders; ratios do not reflect any add-back for the borrowings.

(b) Asset coverage ratios, for periods prior to fiscal 2009, represented the coverage available for both the borrowings and preferred shares expressed in relation to each \$1,000 of borrowings and preferred shares liquidation value outstanding. The Asset coverage ratio per \$1,000 of debt for periods subsequent to fiscal 2008, is presented to represent the coverage available to each \$1,000 of borrowings before consideration of any preferred shares liquidation price, while the Asset coverage inclusive of Preferred Shares, presents the coverage available to both borrowings and preferred shares, expressed in relation to the per share liquidation price of the preferred shares.

(5) Includes excise tax fully reimbursed by the Investment Adviser.

(6) Annualized for periods less than one year.

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of February 29, 2012

NOTE 1 ORGANIZATION

ING Prime Rate Trust (the "Trust"), a Massachusetts business trust, is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a diversified, closed-end, management investment company. The Trust invests primarily in senior loans, which generally are not registered under the Securities Act of 1933, as amended (the "1933 Act"), and which contain certain restrictions on resale and cannot be sold publicly. These loans bear interest (unless otherwise noted) at rates that float periodically at a margin above the London Inter-Bank Offered Rate ("LIBOR") and other short-term rates.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies consistently followed by the Trust in the preparation of its financial statements. The policies are in conformity with U.S. generally accepted accounting principles ("GAAP") for investment companies.

A. Senior Loan and Other Security Valuation. All Senior loans and other securities are recorded at their estimated fair value, as described below. Senior loans held by the Trust are normally valued at the average of the means of one or more bid and ask quotations obtained from dealers in loans by an independent pricing service or other sources determined by the Trust's Board of Trustees (the "Board") to be independent and believed to be reliable. Loans for which reliable market value quotations are not readily available may be valued with reference to another loan or a group of loans for which reliable quotations are readily available and whose characteristics are comparable to the loan being valued. Under this approach, the comparable loan or loans serve as a proxy for changes in value of the loan being valued.

The Trust has engaged independent pricing services to provide market value quotations from dealers in loans and, when such quotations are not readily available, to calculate values under the proxy procedure described above. As of February 29, 2012, 99.9% of total loans were valued based on these procedures. It is expected that most of the loans held by the Trust will continue to be valued with reference to quotations from the independent pricing service or with reference to the proxy procedure described above.

Prices from a pricing source may not be available for all loans and the Investment Adviser or ING Investment Management Co. LLC ("ING IM" or the "Sub-Adviser"), may believe that the price for a loan derived from market quotations or the proxy procedure described above is not reliable or accurate. Among other reasons, this may be the result of information about a particular loan or borrower known to the Investment Adviser or the Sub-Adviser that the Investment Adviser or the Sub-Adviser believes may not be known to the pricing service or reflected in a price quote. In this event, the loan is valued at fair value, as defined by the 1940 Act, as determined in good faith under procedures established by the Board and in accordance with the provisions of the 1940 Act. Under these procedures, fair value is determined by the Investment Adviser or Sub-Adviser and monitored by the Board through its Compliance Committee.

In fair valuing a loan, consideration is given to several factors, which may include, among others, the following: (i) the characteristics of and fundamental analytical data relating to the loan, including the cost, size, current interest rate, period until the next interest rate reset, maturity and base lending rate of the loan, the terms and conditions of the loan and any related agreements, and the position of the loan in the

borrower's debt structure; (ii) the nature, adequacy and value of the collateral, including the Trust's rights, remedies and interests with respect to the collateral; (iii) the creditworthiness of the borrower and the cash flow coverage of outstanding principal and interest, based on an evaluation of its financial condition, financial statements and information about the borrower's business, cash flows, capital structure and future prospects; (iv) information relating to

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of February 29, 2012 (continued)

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

the market for the loan, including price quotations for, and trading in, the loan and interests in similar loans; (v) the reputation and financial condition of the agent for the loan and any intermediate participants in the loan; (vi) the borrower's management; and (vii) the general economic and market conditions affecting the fair value of the loan. Securities for which the primary market is a national securities exchange are valued at the last reported sale price. Securities reported by NASDAQ will be valued at the NASDAQ Official Closing Price. Securities traded in the over-the-counter market and listed securities for which no sale was reported on a valuation date are valued at the mean between the last reported bid and ask price on such exchange. Securities, other than senior loans, for which reliable market value quotations are not readily available, and all other assets, will be valued at their respective fair values as determined in good faith by, and under procedures established by, the Board. Investments in securities of sufficient credit quality maturing in 60 days or less from the date of acquisition are valued at amortized cost which approximates fair value.

Fair value is defined as the price that the Trust would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. Each investment asset or liability of the Trust is assigned a level at measurement date based on the significance and source of the inputs to its valuation. Quoted prices in active markets for identical securities are classified as "Level 1," inputs other than quoted prices for an asset or liability that are observable are classified as "Level 2" and unobservable inputs, including the sub-adviser's judgment about the assumptions that a market participant would use in pricing an asset or liability are classified as "Level 3." The inputs used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Short-term securities of sufficient credit quality which are valued at amortized cost, which approximates fair value, are generally considered to be Level 2 securities under applicable accounting rules. A table summarizing the Trust's investments under these levels of classification is included following the Portfolio of Investments.

For the year ended February 29, 2012, there have been no significant changes to the fair valuation methodologies.

B. Security Transactions and Revenue Recognition. Revolver and delayed draw loans are booked on a settlement date basis. Security transactions and senior loans are accounted for on trade date (date the order to buy or sell is executed). Realized gains or losses are reported on the basis of identified cost of securities sold. Dividend income is recognized on the ex-dividend date. Interest income is recorded on an accrual basis at the then-current interest rate of the loan. The accrual of interest on loans is partially or fully discontinued when, in the opinion of management, there is an indication that the borrower may be unable to meet payments as they become due. If determined to be uncollectable, accrued interest is also written off. Cash collections on non-accrual senior loans are generally applied as a reduction to the recorded investment of the loan. Senior loans are generally returned to accrual status only after all past due amounts have been received and the borrower has demonstrated sustained performance. For all loans, except revolving credit facilities, fees received are treated as discounts and are accreted whereas premiums are amortized. Fees associated with revolving credit facilities are deferred and recognized over the shorter of four years or the actual term of the loan.

C. Foreign Currency Translation. The books and records of the Trust are maintained in U.S. dollars. Any foreign currency amounts are translated into U.S. dollars on the following basis:

- (1) Market value of investment securities, other assets and liabilities at the exchange rates prevailing at the end of the day.
- (2) Purchases and sales of investment securities, income and expenses at the rates of exchange prevailing on the respective dates of such transactions.

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of February 29, 2012 (continued)

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Although the net assets and the market values are presented at the foreign exchange rates at the end of the day, the Trust does not isolate the portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gains or losses from investments. For securities, which are subject to foreign withholding tax upon disposition, liabilities are recorded on the Statement of Assets and Liabilities for the estimated tax withholding based on the securities current market value. Upon disposition, realized gains or losses on such securities are recorded net of foreign withholding tax.

Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Trust's books, and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities other than investments in securities at fiscal year end, resulting from changes in the exchange rate. Foreign security and currency transactions may involve certain considerations and risks not typically associated with investing in U.S. companies and the U.S. government. These risks include, but are not limited to, revaluation of currencies and future adverse political and economic developments which could cause securities and their markets to be less liquid and prices more volatile than those of comparable U.S. companies and U.S. government securities.

D. Forward Foreign Currency Contracts. The Trust has entered into forward foreign currency contracts primarily to hedge against foreign currency exchange rate risks on its non-U.S. dollar denominated investment securities. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. The market value of a foreign currency contract fluctuates with changes in foreign currency exchange rates. Forward foreign currency contracts are marked to market daily and the change in value is recorded by the Trust as an unrealized gain or loss and is reported in the Statement of Assets and Liabilities. Realized gains or losses equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed are recorded upon delivery or receipt of the currency and are included in the Statement of Operations. These instruments may involve market risk in excess of the amount recognized in the Statement of Assets and Liabilities. In addition, the Trust could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably to the U.S. dollar. Open forward foreign currency contracts are presented following the Portfolio of Investments. For the year ended February 29, 2012, the Trust had an average quarterly contract amount on forward foreign currency contracts to sell of \$124,801,944.

E. Federal Income Taxes. It is the policy of the Trust to comply with the requirements of subchapter M of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all of its net investment income and any net realized capital gains to its shareholders. Therefore, a federal income tax or excise tax provision is not required. Management has considered the sustainability of the Trust's tax positions taken on federal income tax returns for all open tax years in making this determination. No capital gain distributions shall be made until the capital loss carryforwards have been fully utilized or expire.

F. Distributions to Common Shareholders. The Trust declares and pays dividends monthly from net investment income. Distributions from capital gains, if any, are declared and paid annually. The Trust may make additional distributions to comply with the distribution requirements of the Internal Revenue Code. The character and amounts of income and gains to be distributed are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of February 29, 2012 (continued)

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

accounting principles for investment companies. The Trust records distributions to its shareholders on the ex-dividend date.

G. Dividend Reinvestments. Pursuant to the Trust's Shareholder Investment Program (the "Program"), BNY Mellon Investment Servicing (U.S.) Inc. ("BNY"), the Program administrator, purchases, from time to time, shares of beneficial interest of the Trust on the open market to satisfy dividend reinvestments. Such shares are purchased on the open market only when the closing sale or bid price plus commission is less than the NAV per share of the Trust's common shares on the valuation date. If the market price plus commissions is equal to or exceeds NAV, new shares are issued by the Trust at the greater of (i) NAV or (ii) the market price of the shares during the pricing period, minus a discount of 5%.

H. Use of Estimates. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

I. Share Offerings. The Trust issues shares under various shelf registration statements, whereby the net proceeds received by the Trust from share sales may not be less than the greater of (i) the NAV per share or (ii) 94% of the average daily market price over the relevant pricing period.

NOTE 3 INVESTMENTS

For the year ended February 29, 2012, the cost of purchases and the proceeds from principal repayment and sales of investments, excluding short-term notes, totaled \$973,463,439 and \$999,396,839, respectively. At February 29, 2012, the Trust held senior loans valued at \$1,187,115,776 representing 98.9% of its total investments. The fair value of these assets is established as set forth in Note 2.

The senior loans acquired by the Trust typically take the form of a direct lending relationship with the borrower, and are typically acquired through an assignment of another lender's interest in a loan. The lead lender in a typical corporate loan syndicate administers the loan and monitors the collateral securing the loan.

Common and preferred shares, and stock purchase warrants held in the portfolio were acquired in conjunction with loans held by the Trust. Certain of these stocks and warrants are restricted and may not be publicly sold without registration under the 1933 Act, or without an exemption under the 1933 Act. In some cases, these restrictions expire after a designated period of time after issuance of the shares or warrants.

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of February 29, 2012 (continued)

NOTE 3 INVESTMENTS (continued)

Dates of acquisition and cost or assigned basis of restricted securities are as follows:

	Date of Acquisition	Cost or Assigned Basis
Allied Digital Technologies Corporation (Residual Interest in Bankruptcy Estate)	06/05/02	\$ 100
Ascend Media (Residual Interest)	01/05/10	
Block Vision Holdings Corporation (719 Common Shares)	09/17/02	
Cedar Chemical (Residual Interest)	12/31/02	
Enterprise Profit Solutions (Liquidation Interest)	10/21/02	
Euro United Corporation (Residual Interest in Bankruptcy Estate)	06/21/02	50
Gainey Corporation (Residual Interest)	12/31/09	
Grand Union Company (Residual Interest in Bankruptcy Estate)	07/01/02	2,576
Keuco Inc. (Residual Interest in Bankruptcy Estate)	06/05/02	25
Lincoln Paper & Tissue (Warrants for 291 Common Shares, Expires August 14, 2015)	08/25/05	
Lincoln Pulp and Eastern Fine (Residual Interest in Bankruptcy Estate)	06/08/04	
Safelite Realty Corporation (57,804 Common Shares)	10/12/00	
Supermedia, Inc. (32,592 Common Shares)	01/05/10	
US Office Products Company (Residual Interest in Bankruptcy Estate)	02/11/04	
Total Restricted Securities (fair value \$366,325 was 0.04% of net assets at February 29, 2012)		\$ 2,751

NOTE 4 MANAGEMENT AND ADMINISTRATION AGREEMENTS

The Trust has entered into an investment management agreement ("Investment Advisory Agreement") with the Investment Adviser, an Arizona limited liability company, to provide advisory and management services. The Investment Advisory Agreement compensates the Investment Adviser with a fee, computed daily and payable monthly, at an annual rate of 0.80% of the Trust's Managed Assets. For purposes of the Investment Advisory Agreement, "Managed Assets" shall mean the Trust's average daily gross asset value, minus the sum of the Trust's accrued and unpaid dividends on any outstanding preferred shares and

accrued liabilities (other than liabilities for the principal amount of any borrowings incurred, commercial paper or notes issued by the Trust and the liquidation preference of any outstanding preferred shares).

The Investment Adviser entered into a Sub-Advisory agreement with ING IM, a Delaware limited liability company. Subject to such policies as the Board or the Investment Adviser may determine, ING IM manages the Trust's assets in accordance with the Trust's investment objectives, policies, and limitations.

The Trust has also entered into an administration agreement with ING Funds Services, LLC (the "Administrator") to provide administrative services and also to furnish facilities. The Administrator is compensated with a fee, computed daily and payable monthly, at an annual rate of 0.25% of the Trust's Managed Assets.

The Investment Adviser, ING IM and the Administrator are indirect, wholly-owned subsidiaries of ING Groep N.V. ("ING Groep"). ING Groep is a global financial institution of Dutch origin offering banking, investments, life insurance, and retirement services.

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of February 29, 2012 (continued)

NOTE 4 MANAGEMENT AND ADMINISTRATION AGREEMENTS (continued)

ING Groep has adopted a formal restructuring plan that was approved by the European Commission in November 2009 under which the ING life insurance businesses, including the retirement services and investment management businesses, which include the Adviser and its immediate affiliates, would be separated from ING Groep by the end of 2013. To achieve this goal, in a series of announcements beginning November 2010, ING Groep announced that it plans to pursue transactions to restructure certain businesses, including an initial public offering for its U.S. based insurance, retirement services, and investment management operations; and other transactions, which could include an initial public offering or other type of transaction, for its European based insurance and investment management operations and Asian based insurance and investment management operations. There can be no assurance that all or part of the restructuring plan will be carried out.

The restructuring plan and the uncertainty about its implementation, whether implemented through the planned public offerings or through other means, in whole or in part, may be disruptive to the businesses of ING entities, including the ING entities that service the Trust, and may cause, among other things, interruption or reduction of business and services, diversion of management's attention from day-to-day operations, and loss of key employees or customers. A failure to complete the offerings or other means of implementation on favorable terms could have a material adverse impact on the operations of the businesses subject to the restructuring plan. The restructuring plan may result in the Investment Adviser's loss of access to services and resources of ING Groep, which could adversely affect its businesses and profitability. In addition, the divestment of ING businesses, including the Investment Adviser, may potentially be deemed a "change of control" of each entity. A change of control would result in the termination of the Trust's advisory and sub-advisory agreements, which would trigger the necessity for new agreements that would require approval of the Board, and may trigger the need for shareholder approval. Currently, the Investment Adviser does not anticipate that the restructuring will have a material adverse impact on the Trust or its operations and administration.

NOTE 5 TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES

At February 29, 2012, the Trust had the following amounts recorded in payables to affiliates on the accompanying Statement of Assets and Liabilities:

Accrued Investment Management Fees	Accrued Administrative Fees	Total
\$ 767,603	\$ 239,876	\$ 1,007,479

The Trust has adopted a Deferred Compensation Plan (the "Plan"), which allows eligible non-affiliated trustees as described in the Plan to defer the receipt of all or a portion of the trustees fees payable. Amounts deferred are treated as though invested in various "notional" funds advised by ING Investments until distribution in accordance with the Plan.

NOTE 6 COMMITMENTS

The Trust has entered into a \$400 million 364-day revolving credit agreement which matures July 23, 2012, collateralized by assets of the Trust. Borrowing rates under this agreement are based on a fixed spread over LIBOR, and a commitment fee is charged on the unused portion. Prepaid arrangement fees are amortized over the term of the agreement. The amount of borrowings outstanding at February 29, 2012, was \$364 million. Weighted average interest rate on outstanding borrowings was 1.24%, excluding fees related to the unused portion of the facilities, and other fees. The amount of borrowings represented 28.38% of total assets at February 29, 2012. Average borrowings for the year ended February 29, 2012 were \$293,444,262 and the average annualized

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of February 29, 2012 (continued)

NOTE 6 COMMITMENTS (continued)

interest rate was 1.56% excluding other fees related to the unused portion of the facilities, and other fees.

As of February 29, 2012, the Trust had unfunded loan commitments pursuant to the terms of the following loan agreements:

Tronox Pigments (Netherlands) BV	\$ 407,143
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The net unrealized appreciation on these commitments of \$1,018 as of February 29, 2012 is reported as such on the Statement of Assets and Liabilities.

NOTE 7 RIGHTS AND OTHER OFFERINGS

As of February 29, 2012, outstanding share offerings pursuant to shelf registrations were as follows:

Registration Date	Shares Registered	Shares Remaining
8/17/09	25,000,000	24,980,237
8/17/09	5,000,000	5,000,000

On November 2, 2000, the Trust issued 3,600 shares each of Series M, Series W and Series F Auction Rate Cumulative Preferred Shares, \$0.01 Par Value, \$25,000 liquidation preference, for a total issuance of \$270 million. Also, on November 16, 2000, the Trust issued 3,600 shares of Series T and Series Th Auction Rate Cumulative Preferred Shares, \$0.01 Par Value, \$25,000 liquidation preference, for a total issuance of \$180 million. The Trust used the net proceeds of the offering to partially pay down the then existing indebtedness and to purchase additional senior loans. Historically, Preferred Shares paid dividends based on a rate set at auctions, normally held every 7 days. In most instances dividends are also payable every 7 days, on the first business day following the end of the rate period. Preferred shares have no stated conversion, redemption or liquidation date, but may be redeemed at the election of the Trust. Such shares may only be redeemed by the Preferred Shareholders if the Trust fails to meet certain credit quality thresholds within its portfolio.

Since early February 2008, the Trust has not received sufficient hold orders or any purchase requests for its preferred shares during their weekly auctions that equaled the full amount of such shares. As a result, under the terms of the preferred shares, the amounts sold, if any, by each selling shareholder are reduced *pro rata* or to zero. In addition, the dividend rate on such preferred shares, which is normally set by means of a Dutch auction procedure, automatically reset to the maximum rate permitted under the preferred shares program. That maximum rate is 150% of the applicable commercial paper base rate on the day of the auction. While it is possible that the dividend rate for the preferred shares will be set by means of an auction at some future time, there is no current expectation that this will be the case.

Since June 9, 2008, the Trust has announced the approval by the Board of a number of partial redemptions of its outstanding preferred shares. On September 30, 2010, the Board approved the continuation of the program for the quarterly redemptions of up to \$100 million of the Trust's auction rate preferred shares to be redeemed on a quarterly basis in the amount of up to \$25 million per quarter beginning January 2011 through approximately January 2012, subject to management's discretion to modify or cancel the program at any time. On December 23, 2011, all remaining preferred shares outstanding issued by the Trust were redeemed. The preferred shares were redeemed using proceeds available through the Trust's existing bank loan facility and with cash held by the Trust. Redemption costs and the ongoing costs of obtaining leverage through a bank loan facility may reduce returns to common shares and may be higher or lower than the costs

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of February 29, 2012 (continued)

NOTE 7 RIGHTS AND OTHER OFFERINGS (continued)

of leverage obtained through the preferred shares. The Trust will continue to monitor the situation and evaluate potential options to restore liquidity to and/or provide additional refinancing options for this market in the context of regulatory guidelines, as well as the economic and tax implications for both its common and preferred shareholders. There can be no assurance that any means for liquidity will be identified, and if they are, it is possible that the Trust's leverage or its benefits from leverage will diminish.

NOTE 8 SUBORDINATED LOANS AND UNSECURED LOANS

The Trust may invest in subordinated loans and in unsecured loans. The primary risk arising from investing in subordinated loans or in unsecured loans is the potential loss in the event of default by the issuer of the loans. The Trust may acquire a subordinated loan only if, at the time of acquisition, it acquires or holds a senior loan from the same borrower. The Trust will acquire unsecured loans only where the Investment Adviser believes, at the time of acquisition, that the Trust would have the right to payment upon default that is not subordinate to any other creditor. Subject to the aggregate 20% limit on other investments, the Trust may invest up to 20% of its total assets in unsecured floating rate loans, notes and other debt instruments and 5% of its total assets in floating rate subordinated loans. As of February 29, 2012, the Trust held no subordinated loans and unsecured loans.

NOTE 9 CAPITAL SHARES

Transactions in capital shares and dollars were as follows:

	Year Ended February 29, 2012	Year Ended February 28, 2011
Number of Shares		
Reinvestment of distributions from common shares	152,404	66,580
Proceeds from shares sold	10,144	1,677,409
Net increase in shares outstanding	162,548	1,743,989
Dollar Amount (\$)		
Reinvestment of distributions from common shares	\$ 916,239	\$ 392,395
Proceeds from shares sold	61,590	10,002,232
Net increase	\$ 977,829	\$ 10,394,627

NOTE 10 FEDERAL INCOME TAXES

The amount of distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles for investment companies. These book/tax differences may be either temporary or permanent. Permanent differences are reclassified within the capital accounts based on their federal tax-basis

treatment; temporary differences are not reclassified. Key differences include the treatment of short-term capital gains, foreign currency transactions, and wash sale deferrals. Distributions in excess of net investment income and/or net realized capital gains for tax purposes are reported as return of capital.

The following permanent tax differences have been reclassified as of February 29, 2012:

Paid-in Capital⁽¹⁾	Undistributed Net Investment Income	Accumulated Net Realized Gains/(Losses)
\$ (57,686,392)	\$ (2,790,878)	\$ 60,477,270

(1) \$57,686,392 relates to the expiration of capital loss carryforwards.

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of February 29, 2012 (continued)

NOTE 10 FEDERAL INCOME TAXES (continued)

Dividends paid by the Trust from net investment income and distributions of net realized short-term capital gains are, for federal income tax purposes, taxable as ordinary income to shareholders.

The tax composition of dividends and distributions to shareholders was as follows:

Year Ended February 29, 2012	Year Ended February 28, 2011	
Ordinary Income	Ordinary Income	Return of Capital
\$ 46,539,479	\$ 44,149,349	\$ 2,667,020

The tax-basis components of distributable earnings and the expiration dates of the capital loss carryforwards which may be used to offset future realized capital gains for federal income tax purposes as of February 29, 2012 were:

Undistributed Ordinary Income	Unrealized Appreciation/ (Depreciation)	Post-October Capital Losses Deferred	Capital Loss Carryforwards Amount	Character	Expiration
\$ 1,396,322	\$ (22,050,725)	\$ (9,201,168)	\$ (22,421,058)	Short-term	2013
			(560,828)	Short-term	2014
			(41,585,301)	Short-term	2017
			(125,812,939)	Short-term	2018
			(24,760,715)	Short-term	2019
			(21,741,424)	Long-term	N/A
			\$ (236,882,265)		

The Trust's major tax jurisdictions are federal and Arizona. The earliest tax year that remains subject to examination by these jurisdictions is 2007.

As of February 29, 2012, no provision for income tax is required in the Trust's financial statements as a result of tax positions taken on federal and state income tax returns for open tax years. The Trust's federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state department of revenue.

The Regulated Investment Company Modernization Act of 2010 (the "Act") was enacted on December 22, 2010. The Act makes changes to several tax rules impacting the Trust. In general, the provisions of the Act are effective for the Trust's tax year ended February 29, 2012. Although the Act provides several benefits, including the unlimited carryforward of future capital losses, there may be a greater likelihood that all or a portion of the Trust's pre-enactment capital loss carryforwards may expire without being utilized due to the fact that post-enactment capital losses are required to be utilized before pre-enactment capital loss carryforwards.

NOTE 11 OTHER ACCOUNTING PRONOUNCEMENTS

In May 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-04 "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements". ASU No. 2011-04 amends FASB ASC Topic 820, Fair Value Measurements and Disclosures, to establish common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP and the International Financial Reporting Standards ("IFRSs"). The ASU is effective prospectively for interim and annual periods beginning after December 15, 2011. As of February 29, 2012, management of the Trust is currently assessing the potential impact to financial statement disclosure that may result from adopting this ASU.

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of February 29, 2012 (continued)

NOTE 12 SUBSEQUENT EVENTS

Subsequent to February 29, 2012, the Trust paid to Common Shareholders the following dividends from net investment income:

Per Share Amount	Declaration Date	Record Date	Payable Date
\$ 0.030	2/29/12	3/12/12	3/22/12
\$ 0.033	3/30/12	4/10/12	4/23/12

The Trust has evaluated events occurring after the Statement of Assets and Liabilities date (subsequent events) to determine whether any subsequent events necessitated adjustment to or disclosure in the financial statements. Other than the above, no such subsequent events were identified.

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012

Senior Loans*: 139.5%

<i>Principal Amount</i>	<i>Borrower/Tranche Description</i>	<i>Fair Value</i>
Aerospace & Defense: 2.7%		
\$ 9,950,000	Delta, New Term Loan, 5.500%, due 04/20/17	\$ 9,759,288
496,250	Delta, Pacific Route First Lien Term Loan, 4.250%, due 03/07/16	478,881
3,000,000	DigitalGlobe Inc., Term Loan B, 5.750%, due 10/07/18	2,940,000
710,526	Forgings International Ltd., Tranche B Dollar Term Loan, 5.079%, due 12/18/15	682,105
710,526	Forgings International Ltd., Tranche C Dollar Term Loan, 5.579%, due 12/20/16	683,882
2,079,000	Transdigm, Inc., First Lien Term Loan, 4.000%, due 02/14/17	2,082,412
1,100,000	Transdigm, Inc., Add On Term Loan, 4.000%, due 02/14/17	1,103,438
5,958,333	US Airways, Term Loan, 2.744%, due 03/21/14	5,509,075
		23,239,081
Automotive: 6.3%		
1,805,475	Avis Budget Car Rental, LLC, Incremental Term Loan, 6.250%, due 09/21/18	1,829,547
3,146,562	Avis Budget Car Rental, LLC, Term Loan B, 5.750%, due 04/19/14	3,162,295
13,944,987	Chrysler Group LLC, Term Loan B, 6.000%, due 05/24/17	14,023,427
5,087,250	Fram Group Holdings Inc., First Lien Term Loan, 6.500%, due 07/28/17	5,115,866

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			Fram Group Holdings Inc., Second Lien Term Loan, 10.500%, due 01/29/18	3,667,297
3,742,140				
7,960,000			KAR Auction Services, Inc., Term Loan B, 5.000%, due 05/19/17	7,964,975
2,679,750			Metaldyne, LLC, Term Loan B, 5.250%, due 05/18/17	2,686,449
5,415,592			Remy International, Inc., Term Loan B, 6.250%, due 12/16/16	5,429,131
774,007			Tomkins, Inc., Term Loan A, 4.250%, due 09/21/15	774,491
2,447,163	(4)		Tomkins, Inc., Term Loan B, 4.250%, due 09/21/16	2,451,140
1,262,250			Transtar Holding Company, First Lien Term Loan, 4.500%, due 12/21/16	1,262,250
5,343,059			UCI International, Inc., Term Loan B, 5.500%, due 07/26/17	5,369,775
				53,736,643
<i>Beverage & Tobacco: 0.9%</i>				
870,493			Bolthouse Farms, Inc, First Lien Term Loan, 5.506%, due 02/11/16	872,669
2,580,391			Clement Pappas, \$230 Term Loan, 6.503%, due 08/14/17	2,572,328
2,985,000			Del Monte Corporation, Term Loan B, 4.500%, due 03/08/18	2,945,448
EUR 666,192			Selecta, EUR Facility B4, 4.017%, due 06/28/15	729,235
SEK 4,375,000			Selecta, SEK Senior Term Loan B, 5.105%, due 02/07/15	528,978
				7,648,658
<i>Brokers, Dealers & Investment Houses: 0.9%</i>				
\$ 4,975,000			Nuveen Investments, Inc., First-Lien Incremental Term Loan, 7.250%, due 05/13/17	5,049,625
2,636,835			Nuveen Investments, Inc., Term Loan 2017, 5.814%, due 05/12/17	2,639,309
				7,688,934
<i>Building & Development: 1.2%</i>				

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7,513,527		Capital Automotive L.P., Term Loan, 5.000%, due 03/10/17	7,466,568
812,542		Custom Building Products, Inc., Term Loan, 5.750%, due 03/19/15	814,574
885,830		JMC Steel Group, Term Loan, 4.750%, due 04/01/17	886,937
839,063	(4)	LNR Property Corporation, Term Loan, 4.750%, due 04/29/16	840,111
			10,008,190

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>	<i>Borrower/Tranche Description</i>	<i>Fair Value</i>
Business Equipment & Services: 13.2%		
\$ 4,835,931	Acosta, Inc., Term Loan, 4.750%, due 03/01/18	\$ 4,811,751
4,964,925	Advantage Sales & Marketing, Inc., First Lien Term Loan, 5.250%, due 12/18/17	4,962,854
2,365,000	Advantage Sales & Marketing, Inc., Second Lien Term Loan, 9.250%, due 06/18/18	2,347,263
2,631,283	Avaya Inc., Term Loan B-1, 3.241%, due 10/24/14	2,583,181
8,269,785	Avaya Inc., Term Loan B-3, 4.991%, due 10/26/17	8,053,472
3,085,000	Catalent Pharma Solutions, Inc., Dollar Term-2, due 09/15/17	3,108,138
	(4)	
5,783,456	CorpSource Finance Holdings, LLC, First Lien Term Loan, 6.625%, due 04/28/17	5,342,468
2,102,500	First American Payment Systems, Term Loan B, 6.750%, due 10/04/16	2,118,269
10,000,000	First Data Corporation, Extended Term Loan B, 4.245%, due 03/23/18	8,997,920
3,235,285	First Data Corporation, Term Loan B1, 2.995%, due 09/24/14	3,100,930
73,740	First Data Corporation, Term Loan B2, 2.995%, due 09/24/14	70,712
9,395,340	First Data Corporation, Term Loan B3, 2.995%, due 09/24/14	9,000,229
5,888,379	Go Daddy Operating Company, LLC, Term Loan, 7.000%, due 09/29/17	5,942,110

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5,074,500	Information Resources, Inc., Term Loan B, 5.000%, due 12/01/17	5,061,814
4,937,688	Interactive Data Corporation, Term Loan B, 4.500%, due 02/12/18	4,936,660
2,985,000	Mercury Payment Systems LLC, Term Loan B, 6.500%, due 07/03/17	2,998,059
2,258,929	N.E.W. Customer Services Companies, Inc., First Lien Term Loan, 6.000%, due 03/23/16	2,160,100
5,321,284	Property Data I, Inc., Term Loan B, 7.000%, due 12/21/16	4,727,073
8,170,000	Quintiles Transnational Corp., Term Loan B, 5.000%, due 06/08/18	8,149,575
1,900,000	Ship US Bidco, Inc. (RBS Worldpay), Term Loan B2 USD (size TBC), 5.250%, due 10/15/17	1,894,657
5,384,325	Trans Union LLC, Term Loan B, 4.750%, due 02/12/18	5,404,516
2,520,315	Transfirst Holdings, Inc., First Lien Term Loan, 3.000%, due 06/15/14	2,438,405
813,891	U.S. Security Associates Holdings, Inc., \$75mm Delayed Draw Term Loan, 6.000%, due 07/28/17	817,960
4,168,857	U.S. Security Associates Holdings, Inc., New Term Loan, 6.000%, due 07/28/17	4,189,701
770,000	Verifone, Inc., Term Loan B, 4.250%, due 12/31/18	772,984
2,479,167	Web.com Group, Inc., First Lien Term Loan, 7.000%, due 10/28/17	2,426,484
2,571,757	West Corp, Term Loan B-4, 4.620%, due 07/15/16	2,581,401
3,241,766	West Corp, Term Loan B-5, 4.499%, due 07/15/16	3,253,922

112,252,608

Cable & Satellite Television: 5.8%

1,993,101		Atlantic Broadband, Term Loan B, 4.000%, due 03/08/16	1,989,364
1,125,000	(4)	Bragg Communications, Inc, Term Loan B, due 02/28/18	1,125,000
2,178,000		Bresnan Communications, LLC, Term Loan B, 4.500%, due 12/14/17	2,176,639
11,315,000	(4)	Cequel Communications, LLC, Term Loan 2012, due 02/08/19	11,226,054

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>	<i>Borrower/Tranche Description</i>	<i>Fair Value</i>
<i>Cable & Satellite Television: (continued)</i>		
\$ 6,957,450	Intelsat Jackson Holdings S.A., Term Loan B Facility, 5.250%, due 04/02/18	\$ 6,982,093
1,584,000	Knology Inc, Term Loan B, 4.000%, due 08/18/17	1,574,596
3,940,000	Mediacom LLC Group, Term Loan E, 4.500%, due 10/23/17	3,920,276
4,646,650	San Juan Cable LLC, First Lien, 6.000%, due 06/09/17	4,576,950
EUR 4,268,168	UPC Broadband Holding B.V, Term Loan S, 4.473%, due 12/31/16	5,558,095
EUR 3,648,797	UPC Broadband Holding B.V, Term Loan U, 4.723%, due 12/31/17	4,794,802
\$ 5,665,966	Wideopenwest Finance, LLC, First Lien Term Loan, 2.746%, due 06/27/14	5,467,657
		49,391,526
<i>Chemicals & Plastics: 5.0%</i>		
2,300,000	AZ Chem US Inc., Term Loan B, 7.250%, due 12/19/17	2,327,791
4,365,000	Chemtura Corporation, Term Loan, 5.500%, due 08/27/16	4,397,738
2,075,556	Cristal Inorganic Chemicals, Inc (aka Millenium Inorganic Chemicals), Second Lien Term Loan, 6.329%, due 11/15/14	2,078,150
2,551,040	Houghton International, Inc., Term Loan B1, 6.750%, due 01/29/16	2,563,795
484,822	Ineos US Finance LLC, Term Loan B2, due 12/16/13	502,809

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5,642,997	(4)	Ineos US Finance LLC, Term Loan C2, 8.001%, due 12/16/14	5,862,837
1,128,000		Momentive Specialty Chemicals Inc (a.k.a Hexion Specialty Chemicals Inc), Synthetic LC (C3), 2.499%, due 05/03/13	1,094,160
2,866,311		Momentive Specialty Chemicals Inc (a.k.a Hexion Specialty Chemicals Inc), Term Loan C1B, 4.063%, due 05/05/15	2,812,496
1,290,723		Momentive Specialty Chemicals Inc (a.k.a Hexion Specialty Chemicals Inc), Term Loan C2B, 4.375%, due 05/05/15	1,266,490
1,140,568		Momentive Specialty Chemicals Inc (a.k.a Hexion Specialty Chemicals Inc), Term Loan C4B, 4.312%, due 05/05/15	1,117,756
955,000		Momentive Specialty Chemicals Inc (a.k.a Hexion Specialty Chemicals Inc), Term Loan C5B, 4.375%, due 05/05/15	935,900
989,637		Momentive Specialty Chemicals Inc (a.k.a Hexion Specialty Chemicals Inc), Term Loan C7B, 4.375%, due 05/05/15	972,319
1,283,750		Omnova Solutions Inc, Term Loan B, 5.750%, due 05/31/17	1,286,157
1,857,280		Styron S.A.R.L., Term Loan B, 6.010%, due 08/02/17	1,687,339
2,750,000	(4)	Taminco, Term Loan USD, due 01/31/19	2,772,344
1,492,857		Tronox Pigments (Netherlands) BV, Term Loan B, 4.250%, due 02/08/18	1,496,589

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7,256,900	Univar Inc., Term Loan B, 5.000%, due 06/30/17	7,229,686
1,960,000	Vantage Specialties Inc., Term Loan B, 7.000%, due 02/10/18	1,964,900
		42,369,256

Clothing/Textiles: 0.2%

172,570	Totes Isotoner Corporation, Delayed Draw First Lien Term Loan, 7.250%, due 07/07/17	168,903
1,663,988	Totes Isotoner Corporation, First Lien Term Loan, 7.255%, due 07/07/17	1,628,629
		1,797,532

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>	<i>Borrower/Tranche Description</i>	<i>Fair Value</i>
Conglomerates: 1.7%		
\$ 6,713,040	Affinion Group, Inc., First Lien Term Loan, 5.000%, due 10/10/16	\$ 6,327,040
1,212,097	EPD, Inc., First Lien Term Loan, 2.750%, due 07/31/14	1,151,744
173,609	EPD, Inc., Delayed Draw Term Loan, 2.750%, due 07/31/14	164,965
3,996,768	Spectrum Brands, Inc., Term Loan B, 5.002%, due 06/17/16	4,011,040
2,691,500	Waterpik, Term Loan, 6.750%, due 08/10/17	2,691,500
		14,346,289
Containers & Glass Products: 4.1%		
2,741,690	Bway Holding Corporation, Term Loan B, 4.500%, due 02/23/18	2,745,139
252,736	Bway Holding Corporation, Term Loan C, 4.500%, due 02/23/18	253,054
5,845,625	Husky Injection Molding Systems, Ltd, Term Loan B, 6.500%, due 06/30/18	5,916,258
995,000	Pro Mach, Inc, Term Loan, 6.250%, due 07/06/17	970,125
EUR 981,822	Reynolds Group Holdings Inc, Eur Term Loan, 6.950%, due 02/09/18	1,314,018
\$ 9,920,770	Reynolds Group Holdings Inc, Term Loan C, 6.500%, due 08/09/18	10,039,650
8,149,120	Reynolds Group Holdings Inc, US Term Loan, 6.500%, due 02/09/18	8,246,771
EUR 738,750	Sealed Air Corporation, Euro Term Loan B, 5.500%, due 10/03/18	994,042
\$ 1,674,500		1,694,803

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	Sealed Air Corporation, Term Loan B, 4.750%, due 10/03/18	
2,857,290	Xerium Technologies, Inc., USD First Lien Term Loan, 5.500%, due 05/22/17	2,855,504
		35,029,364
<i>Cosmetics/Toiletries: 0.8%</i>		
284,533	KIK Custom Products, Inc., \$CAD First Lien Term Loan, 2.520%, due 06/02/14	262,482
1,659,778	KIK Custom Products, Inc., \$US First Lien Term Loan, 2.520%, due 06/02/14	1,531,145
829,167	KIK Custom Products, Inc., Incremental First Lien Term Loan, 8.500%, due 05/30/14	820,875
3,980,000	Revlon Consumer Products Corporation, Term Loan, 4.750%, due 11/17/17	3,987,439
		6,601,941
<i>Drugs: 0.2%</i>		
1,300,000	Prestige Brands, Term loan B, 5.250%, due 01/31/19	1,307,990
		1,307,990
<i>Ecological Services & Equipment: 1.0%</i>		
773,281	Synagro Technologies, Inc., First Lien Term Loan, 2.260%, due 04/02/14	700,786
485,000	Synagro Technologies, Inc., Second Lien Term Loan, 5.010%, due 10/02/14	386,788
1,631,395	Valleycrest Companies, LLC, Extended Term Loan, 6.500%, due 10/05/15	1,553,904
5,969,962	Waste Industries USA, Inc., Term loan, 4.750%, due 03/17/17	5,969,962
		8,611,440

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>		<i>Borrower/Tranche Description</i>	<i>Fair Value</i>
Electronics/Electrical: 10.9%			
\$ 5,207,872		Aspect Software, Inc., Term Loan, 6.250%, due 05/06/16	\$ 5,226,969
5,085,625		Attachmate Corporation, First Lien Term Loan, 6.500%, due 04/27/17	5,072,911
4,800,000		Blackboard Inc., First Lien Term Loan B, 7.500%, due 10/04/18	4,759,502
3,000,000		Blackboard Inc., Second Lien Term Loan B, 11.500%, due 10/01/19	2,752,500
813,453		CDW LLC, Extended Term Loan B, 4.000%, due 07/14/17	797,184
2,659,357		Dealer Computer Services Inc., Term Loan B, 3.750%, due 04/20/18	2,673,319
6,169,000		Eagle Parent, Inc., Term Loan B, 5.000%, due 05/16/18	6,076,465
1,250,000		Eastman Kodak Company, DIP Term Loan, 9.750%, due 07/20/13	1,265,625
56,830		FCI International S.A.S., Term Loan A1, 2.748%, due 09/30/12	56,261
51,965		FCI International S.A.S., Term Loan A2, 2.748%, due 09/30/12	50,925
6,000,000	(4)	Freescale Semiconductor, Inc., Incremental Term Loan B-2, due 02/28/19	5,973,750
7,701,170	(4)	Freescale Semiconductor, Inc., Term Loan B-2, 4.518%, due 12/01/16	7,497,089
3,077,778			3,098,476

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		Greeneden U.S. Holdings II, L.L.C., First Lien Term Loan, 6.750%, due 01/31/18	
	172,386	Infor Enterprise Solutions Holdings, Inc., Extended Delayed Draw Term Loan, 6.000%, due 07/28/15	168,077
	477,128	Infor Enterprise Solutions Holdings, Inc., Extended Dollar Tranche B-1 Term Loan, 5.000%, due 07/28/15	467,586
EUR	711,705	Infor Enterprise Solutions Holdings, Inc., Extended Initial Euro Term Loan, 5.505%, due 07/28/15	907,810
\$	346,149	Infor Enterprise Solutions Holdings, Inc., Extended Initial U.S. Term Loan, 6.000%, due 07/28/15	339,334
EUR	500,000	Infor Enterprise Solutions Holdings, Inc., Initial Euro Loan (Second Lien), 6.826%, due 03/03/14	604,146
\$	5,240,000	Kronos Incorporated, Tranche B-1 Second Lien Term Loan, 10.579%, due 06/11/18	5,279,300
	3,300,000	Kronos Incorporated, Tranche C First Lien Term Loan, 6.250%, due 12/26/17	3,356,513
	8,213,737	Lawson Software, Inc., Term Loan, 6.750%, due 07/05/17	8,295,702
	4,101,161	(4) Microsemi Corporation, Term Loan, 4.000%, due 02/02/18	4,106,287
	4,923,000	Open Link Financial, Inc., Term Loan, 7.752%, due 10/28/17	4,941,461
	3,031,999	Orbitz Worldwide, Inc., Term Loan, 3.313%, due 07/25/14	2,852,605
	10,993,136	Sabre Inc., First Lien Term Loan, 2.330%, due	10,347,290

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	09/30/14	
4,519,322	Spansion LLC, Term Loan, 4.750%, due 02/09/15	4,508,024
676,705	Travelport, Inc., Delayed Draw Term Loan extended, 5.081%, due 08/21/15	577,616
421,022	Travelport, Inc., Term Loan B (\$) Extended, 5.081%, due 08/21/15	359,372
136,295	Travelport, Inc., Term Loan S (Synthetic LC Converted), 5.079%, due 08/21/15	116,337
		92,528,436
Equipment Leasing: 0.6%		
2,613,737	Brand Services, Inc., Existing Sr Sec First Lien, 2.875%, due 02/07/14	2,378,501

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>	<i>Borrower/Tranche Description</i>	<i>Fair Value</i>
Equipment Leasing: (continued)		
\$ 1,143,354	Brand Services, Inc., Incremental Sr Sec First Lien, 3.758%, due 02/07/14	\$ 1,057,602
250,000	Brock Holdings, Inc., New Second Lien Term Loan, 10.000%, due 03/16/18	248,750
1,444,632	Brock Holdings, Inc., New Term Loan B, 6.000%, due 03/16/17	1,444,632
		5,129,485
Financial Intermediaries: 3.1%		
1,737,644	BNY ConvergEx Group, LLC, Eze Borrower Term Loan, 5.000%, due 12/19/16	1,715,923
3,946,455	BNY ConvergEx Group, LLC, Top Borrower Term Loan, 5.000%, due 12/19/16	3,897,125
4,351,757	Carlson Wagonlit Holdings B.V., Term Loan B2 (\$ tranche), 4.051%, due 08/04/14	4,295,184
583,333	Fidelity National Information Services, Inc., Term Loan B, 4.250%, due 07/18/16	587,582
2,140,500	Fundtech, Term Loan, 7.502%, due 11/15/17	2,145,851
5,270,735	LPL Holdings, Inc., Extended First Lien Term Loan D 2015, 4.250%, due 06/25/15	5,290,500
1,907,739	LPL Holdings, Inc., Incremental First Lien Term Loan 2017, 5.250%, due 06/28/17	1,926,817
2,422,727	MIP Delaware, LLC, Term Loan, 5.500%, due 07/12/18	2,428,784
2,680,769		2,674,067

		MoneyGram International, Inc., First Lien Term Loan, 4.500%, due 11/17/17	
	1,695,750	MoneyGram International, Inc., Tranche B-1 Lender, 4.500%, due 11/17/17	1,691,511
			26,653,344
Food Products: 1.5%			
	3,950,000	Advance Pierre Foods, First Lien Term Loan, 7.000%, due 09/30/16	3,967,281
	1,000,000	B&G Foods, Inc., Term Loan B, 4.500%, due 11/15/18	1,006,875
	870,625	Dole Food Company, Inc., Term Loan B U.S. Borrower, 5.043%, due 07/06/18	876,293
	1,616,875	Dole Food Company, Inc., Term Loan C Solvest, 5.029%, due 07/06/18	1,627,401
	2,736,045	NPC International, Term Loan Facility, 6.750%, due 12/28/18	2,768,535
	2,551,867	Pinnacle Foods Holding Corporation, Term Loan D, 6.000%, due 04/02/14	2,571,006
			12,817,391
Food Service: 2.6%			
	4,936,842	Bojangles Restaurants, Inc., Term Loan, 8.000%, due 08/17/17	4,933,757
EUR	2,513,438	Burger King Corporation, Term Loan B EUR, 4.750%, due 10/19/16	3,335,913
\$	3,294,624	Burger King Corporation, Term Loan B USD, 4.500%, due 10/19/16	3,291,164
	4,582,611	Dennys, Inc, Term Loan B, 5.250%, due 09/30/16	4,591,203
	595,780	DineEquity Inc., Term Loan B, 4.281%, due 10/19/17	596,212
	5,388,476	Wendys/Arbys Restaurants, LLC, Term Loan, 5.000%, due 05/24/17	5,406,436

22,154,685

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>	<i>Borrower/Tranche Description</i>	<i>Fair Value</i>
Food/Drug Retailers: 0.3%		
\$ 584,286	(4) NBTY, Inc., Term Loan B, 4.250%, due 10/02/17	\$ 585,334
1,665,529	Rite Aid Corporation, Tranche 5 Term Loan due 2014, 4.500%, due 03/02/18	1,640,546
		2,225,880
Health Care: 14.5%		
4,987,500	Alere US Holdings, LLC, Term Loan B, 4.500%, due 06/30/17	4,971,914
8,379,000	Capsugel Holdings US, Inc., Term Loan B, 5.250%, due 08/01/18	8,443,150
1,757,534	CHG Medical Staffing, Inc., First Lien Term Loan, 5.500%, due 10/03/16	1,757,534
5,014,450	ConvaTec, Term Loan B USD, 5.750%, due 12/22/16	5,011,285
1,237,500	Davita Inc., Term Loan B, 4.500%, due 10/20/16	1,244,300
5,969,283	Drumm Investors LLC, Term Loan B, 5.000%, due 05/04/18	5,648,434
2,900,000	Emdeon, Inc., Term Loan B, 6.750%, due 10/15/18	2,942,140
6,158,475	Emergency Medical Services Corporation, Term Loan B, 5.250%, due 05/25/18	6,161,585
2,835,750	Grifols S.A, Term Loan B USD, 6.000%, due 06/01/17	2,835,750
1,685,000	(4) Grifols S.A, Term Loan B USD, due 06/01/17	1,692,582
2,398,750	Harlan Sprague Dawley, Inc., Term Loan B, 3.860%, due 07/11/14	2,134,888
4,032,500	Health Management Associates, Inc., Term Loan B,	4,017,693

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	4.500%, due 11/22/18	
1,976,518	HGI Holding, Inc., Senior Secured Term Loan B, 6.750%, due 09/29/16	1,964,165
6,312,325	lasis Healthcare LLC, Term Loan B, 5.000%, due 05/03/18	6,282,076
4,987,500	Immucor, Inc., Term Loan B, 7.250%, due 08/17/18	5,031,141
4,643,961	IMS Health Incorporated, Term Loan B, 4.500%, due 08/25/17	4,661,395
4,377,839	inVentiv Health Inc., Original Term Loan B, 6.500%, due 08/04/16	4,235,560
2,539,569	inVentiv Health Inc., Term B-3, 6.750%, due 05/15/18	2,466,556
10,000,000	Kinetic Concepts, Inc., Term Loan B-1, 7.000%, due 04/20/18	10,197,320
1,594,705	Medassets, Inc., Term Loan B, 5.250%, due 11/16/16	1,601,184
4,664,064	Onex Carestream Finance LP, Term Loan B, 5.000%, due 02/25/17	4,438,150
5,400,000	Pharmaceutical Product Development, Inc., Bank Term Loan B, 6.250%, due 11/30/18	5,464,147
293,187	Physician Oncology Services, L.P., Delayed Draw Term Loan \$25mm, 6.250%, due 01/31/17	284,391
2,413,285	Physician Oncology Services, L.P., Term loan, 6.250%, due 01/31/17	2,340,886
6,349,492	Rural/Metro Corporation, Term Loan B, 5.750%, due 06/29/18	6,313,776
1,193,403	Skilled Healthcare Group, Inc., New Term Loan, 5.308%, due 04/08/16	1,142,683
1,083,333	Sun Healthcare Group Inc., Term Loan B, 8.750%, due 10/15/16	977,708
4,634,153	Sunquest Information Systems, Inc., Term Loan B,	4,657,324

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	6.250%, due 12/16/16	
	Surgical Care Affiliates	
	LLC, Extended Term	
2,865,563	Loan,	
	4.579%, due 12/29/14	2,715,120
	Surgical Care Affiliates	
	LLC, Incremental Term	
1,880,550	Loan,	
	5.500%, due 06/29/18	1,772,418

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>	<i>Borrower/Tranche</i>	<i>Fair Value</i>
<i>Health Care: (continued)</i>		
\$ 2,849,609	Universal Health Services, Inc., Amended Tranche B, 3.750%, due 11/15/16	\$ 2,849,609
5,198,432	Vanguard Health Holdings Company li, LLC, Term Loan B, 5.000%, due 01/29/16	5,204,119
1,020,857	Warner Chilcott Company LLC, Term B-1, 4.250%, due 03/15/18	1,021,404
510,429	Warner Chilcott Company LLC, Term B-2, 4.250%, due 03/15/18	510,702
701,839	Warner Chilcott Company LLC, Term B-3, 4.250%, due 03/15/18	702,215
		123,695,304
<i>Home Furnishings: 1.2%</i>		
EUR 745,552	Global Garden Products Italy S.P.A., Term 1 Loan Facility, 3.973%, due 08/31/16	663,824
EUR 745,552	Global Garden Products Italy S.P.A., Term 2 Loan Facility, 3.973%, due 08/31/17	663,824
EUR 317,744	Hilding Anders, EUR Term Loan B2, 4.890%, due 04/24/15	321,058
SEK 19,873,495	(4) Hilding Anders, SEK Term Loan B1, 5.953%, due 12/31/14	2,217,280
\$ 3,970,605	Hillman Group (The), Inc., First Lien Term Loan, 5.000%, due 05/27/16	3,965,641
2,437,500	Springs Window Fashions, LLC, First Lien	2,408,555

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		Term Loan, 6.000%, due 05/31/17	10,240,182
Industrial Equipment: 4.9%			
	2,253,383	Alliance Laundry Systems LLC, Term Loan B, 6.250%, due 09/30/16	2,261,834
	1,489,242	Doncasters Group Limited, Facility B2, 4.264%, due 05/15/15	1,346,833
	1,489,242	Doncasters Group Limited, Facility C2, 4.764%, due 05/13/16	1,346,833
	3,866,324	Edwards (Cayman Islands II) Limited (aka BOC Edwards), Extended Term Loan, 5.500%, due 05/31/16	3,808,329
	1,989,950	Edwards (Cayman Islands II) Limited (aka BOC Edwards), New Term Loan, 5.500%, due 05/31/16	1,962,588
	7,895,116	Goodman Global Inc., Term Loan B, 5.750%, due 10/28/16	7,961,403
	2,496,241	Manitowoc Company, Inc. (The), Term Loan B, 4.250%, due 11/13/17	2,497,821
	6,141,463	(4) Schaeffler AG, Term Loan C2 USD, due 01/31/17	6,172,937
	3,194,770	Sensus Metering Systems Inc., New First Lien Term Loan, 4.750%, due 05/09/17	3,204,754
	4,400,000	Sensus Metering Systems Inc., New Second Lien Term Loan, 8.500%, due 05/09/18	4,389,000
EUR	1,995,000	Terex Corporation, Term Loan Euro Tranche, 6.000%, due 04/28/17	2,647,826
\$	3,990,000	Terex Corporation, Term Loan, 5.500%, due 04/28/17	4,032,394
			41,632,552
Insurance: 3.0%			
	1,000,000	AmWINS Group, Inc., Second Lien Term Loan,	982,500

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	6.070%, due 06/08/14	
	AmWINS Group, Inc., Initial Term Loan,	
1,882,016	4.830%, due 06/08/13	1,863,196
	Applied Systems Inc., First Lien, 5.500%, due 12/08/16	2,461,406
2,467,575	Applied Systems Inc., Second Lien, 9.250%, due 06/07/17	399,000
400,000		

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>	<i>Borrower/Tranche</i>	<i>Fair Value</i>
<i>Insurance: (continued)</i>		
<i>Insurance: (continued)</i>	<i>Description</i>	<i>Fair Value</i>
\$ 4,186,089	CCC Information Services Group, Inc., Term Loan B, 5.500%, due 11/11/15	\$ 4,198,995
2,476,500	HMSC Corporation, First Lien Term Loan, 2.494%, due 04/03/14	2,055,495
2,062,857	Hub International Limited, Incremental Term Loan, 6.750%, due 06/13/14	2,069,304
4,969,231	Sedgwick Holdings, Inc., Term Loan B-1, 5.000%, due 12/30/16	4,963,019
673,540	(4)	662,427
586,500	USI Holdings Corp., Term Loan C, 7.000%, due 04/15/14	591,192
4,774,419	Vertafore, Inc., First Lien Term Loan Tack-On, 5.250%, due 07/29/16	4,726,675
825,832	Vertafore, Inc., First Lien Term Loan Tack-On, 5.250%, due 07/29/16	817,573
		25,790,782
<i>Leisure Good/Activities/Movies: 3.6%</i>		
5,696,073	24 Hour Fitness Worldwide, Inc, Term Loan B, 7.500%, due 04/22/16	5,611,344
1,129,038	Alpha D2 Limited (Formula One World Championship Limited), Term Loan B1, 2.369%, due 12/31/13	1,090,462
776,403	Alpha D2 Limited (Formula One World Championship Limited), Term Loan B2, 2.369%, due 12/31/13	749,875
2,369,717	Bushnell, Inc., First Lien, 4.829%, due 08/23/13	2,310,474

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2,984,304	(4)	Cedar Fair, L.P., Term Loan B, 4.000%, due 12/15/17	2,988,207
6,432,411		Getty Images, Inc, Term Loan B, 5.250%, due 11/07/16	6,480,654
982,500		Live Nation Entertainment, Inc., Term Loan B, 4.500%, due 11/07/16	984,547
5,120,395	(4)	SRAM, LLC, First Lien Term Loan, 4.765%, due 06/07/18	5,110,733
357,500		SRAM, LLC, Second Lien Term Loan, 8.500%, due 12/07/18	361,522
5,215,656		The Weather Channel, Term Loan B, 4.250%, due 02/13/17	5,231,955
			30,919,773
Lodging & Casinos: 5.0%			
957,500		Audio Visual Services Corporation, First Lien Term Loan, 2.830%, due 02/28/14	833,025
5,300,000	(4)	Boyd Gaming Corporation, Incremental Term Loan, 6.000%, due 12/17/15	5,335,775
2,415,817		Caesars Entertainment Operating Company, Inc., Term Loan B1, 3.244%, due 01/28/15	2,271,301
7,249,697		Caesars Entertainment Operating Company, Inc., Term Loan B2, 3.244%, due 01/28/15	6,807,161
4,123,237	(4)	Caesars Entertainment Operating Company, Inc., Term Loan B3, 3.247%, due 01/28/15	3,877,682
6,514,292		Caesars Entertainment Operating Company, Inc., Term Loan B4 (Incremental), 9.500%, due 10/31/16	6,740,664
1,275,000		Caesars Octavius, LLC, Term Loan, 9.250%, due 02/24/17	1,249,500
1,211,793		Cannery Casino Resorts, LLC, Delay Draw Term Loan,	1,170,138

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		4.494%, due 05/20/13	
		Cannery Casino Resorts, LLC, Term Loan B,	
1,454,239		4.494%, due 05/17/13	1,404,250
		Fontainebleau Las Vegas, LLC, Delayed Draw Term Loan,	
535,170	(2)	6.000%, due 06/06/14	151,185

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>		<i>Borrower/Tranche</i>	<i>Fair Value</i>
<i>Lodging & Casinos: (continued)</i>		<i>Description</i>	
\$	1,070,339	(2) Fontainebleau Las Vegas, LLC, Term Loan, 6.000%, due 06/06/14	\$ 302,371
	1,753,449	Global Cash Access, Inc., Term Loan B, 7.000%, due 03/01/16	1,757,832
	2,144,663	Golden Nugget, Inc., First Lien Term Loan, 3.250%, due 06/30/14	2,022,239
	1,220,812	Golden Nugget, Inc., Delayed Draw Term Loan, 3.250%, due 06/30/14	1,151,124
	2,128,500	Isle Of Capri Casinos, Inc., Term Loan B, 4.750%, due 11/01/13	2,135,135
EUR	1,250,000	Scandic Hotels AB, Term Loan B2 (EUR), 3.832%, due 07/09/15	1,472,848
EUR	1,250,000	Scandic Hotels AB, Term Loan C2 (EUR), 4.207%, due 07/08/16	1,472,848
\$	2,700,000	(4) Station Casinos LLC, Term Loan B-1, due 06/17/16	2,470,500
			42,625,578
Nonferrous Metals/Minerals: 2.1%			
	6,348,000	Fairmount Minerals, Ltd., Term Loan B, 5.250%, due 03/15/17	6,381,117
	2,530,000	(4) Noranda Aluminum Acquisition Corp., Term Loan B, due 02/28/19	2,539,488
	5,123,250	Novelis Inc., Term Loan B, 4.000%, due 03/10/17	5,114,710
	4,047,103	Walter Energy, Inc., Term Loan B, 4.000%, due 04/02/18	4,037,345
			18,072,660
Oil & Gas: 1.6%			
	5,000,000	(4) CCS Inc., Add-On Term Loan, 6.500%, due	5,020,835

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		11/14/14	
	7,898,987	Frac Tech International, LLC, Term Loan (HoldCo), 6.250%, due 05/06/16	7,867,952
	1,055,169	Hercules Offshore, LLC, Term Loan Facility, 7.500%, due 07/11/13	1,050,650
			13,939,437
	Publishing: 5.5%		
	420,111	Black Press, Ltd., Term Loan B1, 2.489%, due 08/02/13	392,804
	255,067	Black Press, Ltd., Term Loan B2, 2.489%, due 08/02/13	238,488
	780,566	Caribe Media Inc., Term Loan, 10.000%, due 11/18/14	378,575
	12,855,073	(4) Cengage Learning, Inc., Term Loan B, 2.490%, due 07/03/14	11,954,329
	4,005,343	Cenveo Corporation, Term Loan B, 6.250%, due 12/21/16	3,997,000
	4,228,195	CW Acquisition Limited Partnership, Term Loan C, 6.250%, due 07/13/16	4,217,625
	1,984,821	Dex Media East, LLC, Term Loan, 3.228%, due 10/24/14	966,773
	1,858,347	Dex Media West, LLC, Term Loan, 7.129%, due 10/24/14	1,081,558
	1,137,619	Intermedia Outdoor, Inc., First Lien Term Loan, 3.329%, due 01/31/13	1,072,206
	4,761,595	Merrill Communications, LLC, New Term Loan B-DD, 7.500%, due 12/24/12	4,432,250
	1,771,936	Nelson Canada, First Lien-C\$ 330 mm, 3.079%, due 07/03/14	1,506,146
EUR	533,360	PagesJaunes Groupe SA, Term Loan A3, 4.147%, due 09/11/15	496,592
AUD	7,320,730	PBL Media, Term Loan B, 6.783%, due 02/05/13	6,870,750
\$	1,650,427		1,246,073

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	Penton Media, Inc, Term Loan B, 5.000%, due 08/01/14	
7,917,379	R.H. Donnelley Corporation, Term Loan, 9.104%, due 10/24/14	3,067,984
6,011,585	SuperMedia, Inc., Term Loan, 11.000%, due 12/31/15	3,105,988
983,040	Thomas Nelson Publishers, Term Loan, 9.000%, due 06/14/16	980,583
1,569,928	Yell Group PLC, New Term Loan B (USD), 3.994%, due 07/31/14	502,377
		46,508,101

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>	<i>Borrower/Tranche Description</i>	<i>Fair Value</i>
Radio & Television: 7.1%		
\$ 2,898,675	Barrington Broadcasting Group, Term loan B, 7.500%, due 06/30/17	\$ 2,927,661
4,998,967	Clear Channel Communications, Inc., Term Loan B, 3.894%, due 01/28/16	4,125,042
1,338,663	(3)(X)	180,719
6,000,000	Cumulus Media Holdings Inc., First Lien Term Loan B, 5.750%, due 09/17/18	6,035,970
1,426,800	Entercom Communications Corporation, Term loan B, 6.266%, due 11/22/18	1,436,609
3,763,810	FoxCo Acquisition, LLC, Term Loan B, 4.750%, due 07/14/15	3,759,105
4,635,887	Hubbard Radio LLC, First Lien Term Loan B, 5.250%, due 04/28/17	4,653,272
285,714	Hubbard Radio LLC, Second Lien Term Loan C, 8.750%, due 04/30/18	291,429
1,000,000	LIN Television Corporation, Term Loan B, 5.000%, due 01/01/18	1,007,500
576,225	Nexstar Broadcasting, Inc., Mission Term Loan B, 5.000%, due 09/30/16	577,666
1,397,533	Nexstar Broadcasting, Inc., Term Loan B, 5.000%, due 09/30/16	1,401,027
995,000	Raycom TV Broadcasting, LLC, Term Loan B, 4.500%, due 05/31/17	980,075

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1,334,435		Regent Communications, New Term Loan, 5.250%, due 04/27/14	1,287,730
34,312,965		Univision Communications, Inc., Extended Term Loan, 4.494%, due 03/31/17	32,001,609
			60,665,414
<i>Rail Industries: 0.3%</i>			
2,500,000	(4)	RailAmerica, Inc., Term Loan B, due 02/28/19	2,501,563
			2,501,563
<i>Retailers (Except Food & Drug): 14.1%</i>			
4,525,000		99 Cents Only Stores, Term Loan Facility, 7.000%, due 01/15/19	4,571,865
6,000,000		Academy Ltd., Term Loan, 6.000%, due 08/03/18	6,016,608
6,557,732		Amscan Holdings, Inc., Term Facility, 6.750%, due 12/04/17	6,567,536
4,972,506		Bass Pro Group, LLC, Term Loan B, 5.250%, due 06/13/17	4,982,864
10,174,500		BJs Wholesale Club, First Lien Term Loan, 7.000%, due 09/27/18	10,298,771
3,093,750		BJs Wholesale Club, Second Lien Term Loan, 10.000%, due 03/27/19	3,196,230
4,787,500		Burlington Coat Factory, Term Loan B, 6.250%, due 02/23/17	4,800,335
3,880,007		FTD, Inc, Term Loan B, 4.750%, due 06/06/18	3,812,107
5,875,000		General Nutrition Centers, Inc., Term Loan B, 4.250%, due 03/02/18	5,870,594
6,600,966		Guitar Center, Inc., Extended Term Loan, 5.830%, due 04/10/17	6,168,603
4,003,022		Harbor Freight Tools USA, Inc., Term Loan Facility, 6.500%, due 12/22/17	4,044,305
3,220,638		J. Crew, Term Loan B, 4.750%, due 03/07/18	3,166,022
5,858,237			5,805,027

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		Jo-Ann Stores, Inc., Term Loan B, 4.750%, due 03/16/18	
	4,998,482	Lord & Taylor, Term Loan Facility, 5.750%, due 01/09/18	5,014,727
EUR	530,263	Maxeda DIY Group B.V., Term Loan B1, 3.463%, due 06/29/15	514,574
EUR	719,737	Maxeda DIY Group B.V., Term Loan B2, 3.371%, due 08/01/15	698,442
EUR	530,263	Maxeda DIY Group B.V., Term Loan C1, 3.906%, due 06/27/16	514,574

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>		<i>Borrower/Tranche Description</i>	<i>Fair Value</i>
<i>Retailers (Except Food & Drug): (continued)</i>			
EUR	719,737	Maxeda DIY Group B.V., Term Loan C2, 3.917%, due 08/01/16	\$ 698,442
\$	8,295,648	Michaels Stores, Inc., Term Loan B-2 (extending), 5.125%, due 07/31/16	8,268,455
	11,963,834	Neiman Marcus Group, Inc, Term Loan, 4.750%, due 05/16/18	11,887,159
	6,076,000	Petco Animal Supplies, Inc., Term Loan, 4.500%, due 11/24/17	6,064,115
	2,550,000	Roundys Supermarkets, Inc., Term Loan B, 6.250%, due 02/14/19	2,557,969
	1,394,674	Savers, New Term Loan, 4.250%, due 03/03/17	1,398,509
	3,111,558	The Gymboree Corporation, Term Loan B, 5.000%, due 02/23/18	2,946,580
	4,782,275	Toys "R" Us, Inc., Term Loan B-1, 6.000%, due 09/01/16	4,801,164
	1,389,500	Toys "R" Us, Inc., Term Loan B-2, 5.250%, due 05/25/18	1,383,132
EUR	1,861,810	Vivarte S.A.S., Term Loan B1, 3.163%, due 03/09/15	1,944,557
EUR	1,861,810	Vivarte S.A.S., Term Loan C1, 3.788%, due 03/08/16	1,944,557
			119,937,823
<i>Surface Transport: 1.1%</i>			
\$	4,756,125	Baker Tanks, Inc., Term Loan, 5.000%, due 06/01/18	4,763,559
	3,869,057	Inmar, Inc., Term Loan B, 6.500%, due	3,883,566

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		08/04/17	
		US Shipping Partners L.P., First Lien Term Loan, 9.200%, due 08/07/13	899,432
1,006,076			9,546,557
Telecommunications: 6.3%			
		Asurion, LLC, First Lien Term Loan, 5.500%, due 05/24/18	7,430,854
7,440,690			
		Asurion, LLC, Second Lien Term Loan, 9.000%, due 05/24/19	4,799,875
4,700,000	(4)		
		CommScope, Inc., Term Loan B, 5.000%, due 01/14/18	5,988,107
5,966,104			
		Crown Castle Operating Company, Term Loan B, 4.000%, due 01/31/18	1,993,572
2,000,000			
		Global Tel*Link Corporation, First Lien Term Loan, 7.000%, due 12/15/17	4,260,625
4,250,000			
		Hawaiian Telcom Communications, Inc., Term Loan B, due 02/27/17	2,723,400
2,720,000	(2)(4)		
		Level 3 Financing, Inc., Term Loan B III, 5.750%, due 09/01/18	6,294,898
6,230,000			
		MetroPCS Wireless, Inc., Term Loan B-3, 4.015%, due 03/16/18	4,153,709
4,168,474			
		Neustar, Inc., Term Loan, 5.000%, due 11/07/18	3,007,463
2,992,500			
		NTELOS Inc., New Term Loan, 4.000%, due 08/07/15	1,367,808
1,370,663			
		Syniverse Holdings, Inc., Term Loan, 5.250%, due 12/21/17	6,266,451
6,232,174			
		U.S. Telepacific Corp, First Lien Term Loan, 5.750%, due 02/23/17	4,852,703
5,079,147			53,139,465
Utilities: 6.2%			
		AES Corporation, Term Loan Facility, 4.250%, due 06/01/18	3,583,311
3,575,487			
6,361,975			6,324,439

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	Calpine Corp, Term Loan B-1, 4.500%, due 04/02/18	
2,000,000	Calpine Corp, Term Loan B-2, 4.500%, due 04/02/18	1,986,666
3,690,750	Dynegy Midwest Generation, LLC (CoalCo)., Term Loan, 9.250%, due 08/04/16	3,672,957
3,690,750	Dynegy Power (GasCo), Term Loan, 9.250%, due 08/04/16	3,807,931
610,514	FirstLight Power Resources, Inc. (aka NE Energy, Inc.), Second Lien Term Loan, 4.750%, due 05/01/14	531,147
6,968,289	Longview Power, LLC, Extended Term Loan, 6.000%, due 10/31/17	6,335,339

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

<i>Principal Amount</i>		<i>Borrower/Tranche Description</i>	<i>Fair Value</i>
Utilities: (continued)			
\$ 3,980,000		NRG Energy, Inc., New Term Loan, 4.000%, due 07/02/18	\$ 3,974,472
2,724,545		Race Point Power, Term Loan, 8.030%, due 01/11/18	2,727,951
32,080,819		Texas Competitive Electric Holdings Company LLC, Extended Term Loans, 4.757%, due 10/10/17	17,978,636
1,500,000		TPF Generation Holdings, LLC, Second Lien Term Loan Facility, 4.829%, due 12/15/14	1,439,063
			52,361,912
		Total Senior Loans (Cost \$1,209,157,165)	1,187,115,776
Other Corporate Debt: 0.4%			
Chemicals & Plastics: 0.3%			
2,629,774	(4)	Lyondell Chemical Company, Third Lien Senior Secured Notes, due 05/01/18	2,896,039
			2,896,039
Radio & Television: 0.1%			
469,768	(X)	Regent Communications, New PIK Loan, 12.000%, due 10/27/14	422,792
			422,792
Surface Transport: 0.0%			
297,646		US Shipping Partners L.P., Second Lien Term Loan, 2.500%, due 08/07/13	84,829
			84,829
		Total Other Corporate Debt (Cost \$3,528,341)	3,403,660
Equities and Other Assets: 1.2%			
		<i>Description</i>	<i>Value</i>

(1), (@), (R)	Allied Digital Technologies Corporation (Residual Interest in Bankruptcy Estate)	\$
(@), (R)	Ascend Media (Residual Interest)	
(@), (R)	Block Vision Holdings Corporation (719 Common Shares)	
(2), (@)	Caribe Media Inc. (1,836 Common Shares)	
(2), (@), (R)	Cedar Chemical (Residual Interest)	
(@)	Cumulus Media (117,133 Class A Common Shares)	402,938
(2), (@), (R)	Enterprise Profit Solutions (Liquidation Interest)	
(4), (@), (R)	Euro United Corporation (Residual Interest in Bankruptcy Estate)	
(@)	Faith Media Holdings, Inc. (Residual Interest)	
(2), (@), (R)	Gainey Corporation (Residual Interest)	
(@)	Global Garden (138,579 Class A3 Shares)	
(@)	Global Garden (14,911 Class A1 Shares)	
(@), (X)	Glodyne Technoserve, Ltd. (92,471 Common Shares)	369,507
(@)	Glodyne Technoserve, Ltd. (Escrow Account)	
(2), (@), (R)	Grand Union Company (Residual Interest in Bankruptcy Estate)	
(@)	Hawaiian Telcom (31,238 Common Shares)	491,061

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

	<i>Description</i>	<i>Value</i>
(2), (@), (R), (X)	Kevco Inc. (Residual Interest in Bankruptcy Estate)	\$ 25
(2), (@), (R)	Lincoln Paper & Tissue (Warrants for 291 Common Shares, Expires August 14, 2015)	
(@), (R)	Lincoln Pulp and Eastern Fine (Residual Interest in Bankruptcy Estate)	
(@)	Mega Brands Inc. (9,788 Common Shares)	79,187
(@)	Metro-Goldwyn-Mayer, Inc. (351,820 Common Shares)	8,429,009
(@)	Northeast Biofuels (Residual Interest)	
(@), (R), (X)	Safelite Realty Corporation (57,804 Common Shares)	273,413
(2), (@), (R)	Supermedia, Inc. (32,592 Common Shares)	92,887
(2), (@), (R)	US Office Products Company (Residual Interest in Bankruptcy Estate)	
(2), (@)	US Shipping Partners, L.P. (19,404 Common Shares)	
(2), (@)	US Shipping Partners, L.P. (275,292 Contingency Rights)	
	Total for Equities and Other Assets	
	(Cost \$10,038,981)	10,138,027
	Total Investments	
	(Cost \$1,222,724,487)**	\$ 1,200,657,463
	Other Assets and Liabilities	Net (349,378,966)
	Net Assets	\$ 851,278,497

* Senior loans, while exempt from registration under the Securities Act of 1933, as amended, contain certain restrictions on resale and cannot be sold publicly. These senior loans bear interest (unless otherwise noted) at rates that float periodically at a margin above the London Inter-Bank Offered Rate ("LIBOR") and other short-term rates.

- (1) The borrower filed for protection under Chapter 7 of the U.S. Federal Bankruptcy code.
- (2) The borrower filed for protection under Chapter 11 of the U.S. Federal Bankruptcy code.
- (3) Loan is on non-accrual basis.

(4) Trade pending settlement. Contract rates that are not disclosed do not take effect until settlement date and have yet to be determined.

(@) Non-income producing security.

(R) Restricted security.

(X) Fair value determined by ING Funds Valuation Committee appointed by the Trust's Board of Directors/Trustees.

AUD Australian Dollar

GBP British Pound Sterling

EUR Euro

SEK Swedish Kronor

** For Federal Income Tax purposes cost of investments is \$1,222,853,230.

Net unrealized depreciation consists of the following:

Gross Unrealized Appreciation	\$ 12,459,728
Gross Unrealized Depreciation	(34,655,495)
Net Unrealized Depreciation	\$ (22,195,767)

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

Fair Value Measurements[^]

The following is a summary of the fair valuations according to the inputs used as of February 29, 2012 in valuing the Trust's assets and liabilities:

	Quoted Prices in Active Markets for Identical Investments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value at 02/29/12
Asset Table				
Investments, at value				
Senior Loans	\$	\$ 1,186,935,057	\$ 180,719	\$ 1,187,115,776
Other Corporate Debt		2,980,868	422,792	3,403,660
Equities and Other Assets	1,066,073	8,429,009	642,945	10,138,027
Total Investments, at value	\$ 1,066,073	\$ 1,198,344,934	\$ 1,246,456	\$ 1,200,657,463
Other Financial Instruments+				
Unfunded commitments		1,018		1,018
Total Assets	\$ 1,066,073	\$ 1,198,345,952	\$ 1,246,456	\$ 1,200,658,481
Liabilities Table				
Other Financial Instruments+				
Forward foreign currency contracts	\$	\$ (398,122)	\$	\$ (398,122)
Total Liabilities	\$	\$ (398,122)	\$	\$ (398,122)

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Trust's assets and liabilities during the period ended February 29, 2012:

Beginning Balance at 02/28/11	Purchases	Sales	Accrued Discounts/ (Premiums)	Total Realized Gain/(Loss)	Total Unrealized Appreciation/ (Depreciation)
-------------------------------------	-----------	-------	-------------------------------------	----------------------------------	--

Senior Loans	\$ 3,230,802	\$	\$	\$	\$	\$ (1,163,105)
Other Corporate Debt	363,879					(6,546)
Equities and Other Assets	2,323,529		(2,107,851)		689,775	(262,508)
Total	\$ 5,918,210	\$	\$ (2,107,851)	\$	\$ 689,775	\$ (1,432,159)

	Transfers Into Level 3	Transfers Out of Level 3	Ending Balance at 02/29/12
Senior Loans	\$ 1,338,663	\$ (3,225,641)	\$ 180,719
Other Corporate Debt	65,459		422,792
Equities and Other Assets			642,945
Total	\$ 1,404,122	\$ (3,225,641)	\$ 1,246,456

As of February 29, 2012, total change in unrealized gain (loss) on Level 3 securities still held at year end and included in the change in net assets was \$(1,401,105).

^ See Note 2, "Significant Accounting Policies" in the Notes to Financial Statements for additional information.

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of February 29, 2012 (continued)

+ Other Financial Instruments are securities or derivatives not reflected in the Portfolio of Investments and may include open forward foreign currency contracts, futures, swaps, unfunded commitments and written options. Forward foreign currency contracts, futures and unfunded commitments are reported at their unrealized gain/loss at measurement date which represents the amount due to/from the Trust. Swaps and written options are reported at their fair value at measurement date.

There were no significant transfers between Level 1 and 2 during the year ended February 29, 2012.

Transfers in or out of Level 3 represents either the beginning value (for transfer in), or the ending value (for transfers out) of any security or derivative instrument where a change in the pricing level occurred from the beginning to the end of the period. The Trust's policy is to recognize transfers between levels at the end of the reporting period.

At February 29, 2012 the following forward foreign currency contracts were outstanding for ING Prime Rate Trust:

Counterparty	Currency	Buy/Sell	Settlement Date	In Exchange For	Fair Value	Unrealized Appreciation/ (Depreciation)
State Street Bank	Australian Dollar AUD	15,105,000 Sell	03/14/12	\$ 16,226,848	\$ 16,235,244	\$ (8,396)
State Street Bank	Euro EUR	37,341,000 Sell	03/14/12	46,393,034	46,743,384	(350,350)
State Street Bank	Sweden Kronor SEK	21,883,000 Sell	03/14/12	3,273,262	3,312,638	(39,376)
				\$ 65,893,144	\$ 66,291,266	\$ (398,122)

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

SHAREHOLDER MEETING INFORMATION (Unaudited)

An annual meeting of shareholders of the ING Prime Rate Trust Fund was held July 6, 2011, at the offices of ING Funds, 7337 East Doubletree Ranch Road, Scottsdale, AZ 85258.

ING Prime Rate Trust, Common Shares

1 To elect eight members of the Board of Trustees to represent the interests of the holders of Common Shares of the Trust until the election and qualification of their successors.

ING Prime Rate Trust, Preferred Shares

2 To elect two members of the Board of Trustees to represent the interests of the holders of Auction Rate Cumulative Preferred Shares - Series M, T, W, TH and F of the Trust - until the election and qualification of their successors.

	Proposals*	Shares voted for	Shares voted against or withheld	Shares abstained	Total Shares Voted
Common Shares Trustees	Colleen D. Baldwin	128,626,990.600	3,119,135.642		131,746,126.242
	Patricia W. Chadwick	128,574,550.378	3,171,575.864		131,746,126.242
	Robert W. Crispin	128,590,772.824	3,155,353.418		131,746,126.242
	Peter S. Drotch	128,579,747.002	3,166,379.240		131,746,126.242
	J. Michael Earley	128,603,582.073	3,142,544.169		131,746,126.242
	Patrick W. Kenny	128,597,630.844	3,148,495.398		131,746,126.242
	Shaun P. Mathews	128,569,727.979	3,176,398.263		131,746,126.242
	Sheryl K. Pressler	128,572,012.535	3,174,113.707		131,746,126.242
Preferred Shares Trustees	John V. Boyer	2,276.000	647.000		2,923.000
		2,276.000	647.000		2,923.000

Roger
B.
Vincent

* Proposals passed

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ING Prime Rate Trust

ADDITIONAL INFORMATION (Unaudited)

SHAREHOLDER INVESTMENT PROGRAM

The Trust offers a Shareholder Investment Program (the "Program") which allows holders of the Trust's common shares a simple way to reinvest dividends and capital gains distributions, if any, in additional common shares of the Trust. The Program also offers holders of the Trust's common shares the ability to make optional cash investments in any amount from \$100 to \$100,000 on a monthly basis.

For dividend and capital gains distribution reinvestment purposes, BNY will purchase shares of the Trust on the open market when the market price plus estimated fees is less than the NAV on the valuation date. The Trust will issue new shares for dividend and capital gains distribution reinvestment purchases when the market price plus estimated fees is equal to or exceeds the net asset value on the valuation date. New shares may be issued at the greater of: (i) NAV; or (ii) the market price of the shares during the pricing period, minus a discount of 5%.

For optional cash investments, shares will be purchased on the open market by BNY when the market price plus estimated fees is less than the NAV on the valuation date. New shares will be issued by the Trust for optional cash investments when the market price plus estimated fees is equal to or exceeds the net asset value on the valuation date. Such shares will be issued at a discount to market, determined by the Trust, between 0% and 5%.

There is no charge to participate in the Program. Participants may elect to discontinue participation in the Program at any time. Participants will share, on a *pro rata* basis, in the fees or expenses of any shares acquired in the open market.

Participation in the Program is not automatic. If you would like to receive more information about the Program or if you desire to participate, please contact your broker or the Trust's Shareholder Services Department at (800) 992-0180.

KEY FINANCIAL DATES CALENDAR 2012 DIVIDENDS:

DECLARATION DATE	EX-DIVIDEND DATE	PAYABLE DATE
January 31, 2012	February 8, 2012	February 23, 2012
February 29, 2012	March 8, 2012	March 22, 2012
March 30, 2012	April 5, 2012	April 23, 2012
April 30, 2012	May 8, 2012	May 22, 2012
May 31, 2012	June 7, 2012	June 22, 2012
June 29, 2012	July 6, 2012	July 23, 2012
July 31, 2012	August 8, 2012	August 22, 2012
August 31, 2012	September 6, 2012	September 24, 2012
September 28, 2012	October 5, 2012	October 22, 2012
October 31, 2012	November 8, 2012	November 23, 2012

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November 30, 2012

December 6, 2012

December 24, 2012

December 21, 2012

December 27, 2012

January 11, 2013

Record date will be two business days after each Ex-Dividend Date. These dates are subject to change.

ING Prime Rate Trust

ADDITIONAL INFORMATION (Unaudited) (continued)

STOCK DATA

The Trust's common shares are traded on the New York Stock Exchange (Symbol: PPR). Effective March 1, 2002, the Trust's name changed to ING Prime Rate Trust and its CUSIP number changed to 44977W106. The Trust's NAV and market price are published daily under the "Closed-End Funds" feature in Barron's, The New York Times, The Wall Street Journal and many other regional and national publications.

REPURCHASE OF SECURITIES BY CLOSED-END COMPANIES

In accordance with Section 23(c) of the 1940 Act, and Rule 23c-1 under the 1940 Act the Trust may from time to time purchase shares of beneficial interest of the Trust in the open market, in privately negotiated transactions and/or purchase shares to correct erroneous transactions.

NUMBER OF SHAREHOLDERS

The approximate number of record holders of Common Stock as of February 29, 2012 was 3,644 which does not include approximately 45,145 beneficial owners of shares held in the name of brokers of other nominees.

PROXY VOTING INFORMATION

A description of the policies and procedures that the Trust uses to determine how to vote proxies related to portfolio securities is available: (1) without charge, upon request, by calling Shareholder Services toll-free at 1-800-336-3436; (2) on the Trust's website at www.inginvestment.com and (3) on the SEC's website at www.sec.gov. Information regarding how the Trust voted proxies related to portfolio securities during the most recent 12-month period ended June 30 is available without charge on the Trust's website at www.inginvestment.com and on the SEC's website at www.sec.gov.

QUARTERLY PORTFOLIO HOLDINGS

The Trust files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Trust's Forms N-Q are available on the SEC's website at www.sec.gov. The Trust's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330; and is available upon request from the Trust by calling Shareholder Services toll-free at (800) 336-3436.

CERTIFICATIONS

In accordance with Section 303A.12 (a) of the New York Stock Exchange Listed Company Manual, the Trust submitted the Annual CEO Certification on July 29, 2011 certifying that he was not aware, as of that date, of any violation by the Trust of the NYSE's Corporate governance listing standards. In addition, as required by Section 203 of the Sarbanes-Oxley Act of 2002 and related SEC rules, the Trust's principal executive and financial officers have made quarterly certifications, included in filings with the SEC on

Forms N-CSR and N-Q, relating to, among other things, the Trust's disclosure controls and procedures and internal controls over financial reporting.

ING Prime Rate Trust

TAX INFORMATION (Unaudited)

The following dividends were paid to Common Shareholders during the fiscal year ended February 29, 2012:

Type	Per Share Amount
Net Investment Income	\$ 0.3160

Pursuant to Internal Revenue Code Section 871(k)(1), the Trust designates 89.34% of net investment income distributions as interest-related dividends.

Above figures may differ from those cited elsewhere in this report due to differences in the calculation of income and gains under U.S. generally accepted accounting principles (book) purposes and Internal Revenue Service (tax) purposes.

Shareholders are strongly advised to consult their own tax advisers with respect to the tax consequences of their investments in the Trust. In January, shareholders, excluding corporate shareholders, receive an IRS 1099-DIV regarding the federal tax status of the dividends and distributions they received in the calendar year.

ING Prime Rate Trust

TRUSTEE AND OFFICER INFORMATION (Unaudited)

The business and affairs of the Trust are managed under the direction of the Trust's Board. A Trustee who is not an interested person of the Trust, as defined in the 1940 Act, is an independent trustee ("Independent Trustee"). The Trustees and Officers of the Trust are listed below. The Statement of Additional Information includes additional information about trustees of the Trust and is available, without charge, upon request at (800) 992-0180.

Name, Address and Age	Position(s) and Held with the Trust	Term of Office Length of Time Served⁽¹⁾	Principal Occupation(s) During the Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee⁽²⁾⁽³⁾	Other Board Positions Held by Trustee
Independent Trustees:					
Colleen D. Baldwin 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 51	Trustee	October 2007 - Present	President, Glantuum Partners, LLC, a business consulting firm (January 2009 - Present).	138	None.
John V. Boyer 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age:	Trustee	January 2005 - Present	President and Chief Executive Officer, Bechtler Arts Foundation, an arts and education foundation (January 2008 - Present). Formerly, Consultant (July 2007 - February 2008) and President and Chief Executive Officer, Franklin and Eleanor Roosevelt Institute, a public policy foundation (March 2006 - July 2007).	138	None.

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Patricia W. Chadwick 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 63	Trustee January 2006 - Present Consultant and President, Ravengate Partners LLC, a consulting firm that provides advice regarding financial markets and the global economy (January 2000 - Present).	138	Wisconsin Energy Corporation (June 2006 - Present) and The Royce Funds, (35 funds) (December 2009 - Present).
Peter S. Drotch 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 70	Trustee October 2007 - Present Retired.	138	First Marblehead Corporation (September 2003 - Present).
J. Michael Earley 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 66	Trustee February 2002 - Present Retired. Formerly, Banking President and Chief Executive Officer, Bankers Trust Company, N.A., Des Moines (June 1992 - December 2008).	138	None.
Patrick W. Kenny	Trustee January 2005 - Present Retired. Formerly, President and Chief Executive Officer, International Insurance Society (June 2001 - June 2009).	138	Assured Guaranty Ltd. (April 2004 - Present).

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<p>7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 69</p>	<p>Present</p>		
<p>Sheryl K. Pressler 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 61</p>	<p>Trustee January 2006 - Present</p>	<p>Consultant (May 2001 - Present). - Present</p>	<p>138 Stillwater Mining Company (May 2002 - Present).</p>
<p>Roger B. Vincent 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 66</p>	<p>Chairperson of Trust February 2002 - Present</p>	<p>Retired. Formerly, President, Springwell Corporation, a corporate finance firm (March 1989 - August 2011). - Present</p>	<p>138 UGI Corporation (February 2006 - Present) and UGI Utilities, Inc. (February 2006 - Present).</p>

ING Prime Rate Trust

TRUSTEE AND OFFICER INFORMATION (Unaudited) (continued)

Name, Address and Age	Position(s) and the Trust Served⁽¹⁾	Term of Office Held Length of Time	Principal Occupation(s) During the Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee⁽²⁾⁽³⁾	Other Board Positions Held by Trustee
Trustees who are "Interested Persons":					
Robert W. Crispin ⁽³⁾ 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 65	Trustee	October 2007 - Present	Retired. Formerly, Chairman and Chief Executive Officer, ING Investment Management Co. (July 2001 - December 2007).	138	Intact Financial Corporation (December 2004 - Present) and PFM Group (November 2010 - Present).
Shaun P. Mathews ⁽³⁾ 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 56	Trustee	June 2006 - Present	President and Chief Executive Officer, ING Investments, LLC (November 2006 - Present).	177	ING Capital Corporation, LLC (December 2005 - Present).

(1) Trustees are considered for election by shareholders on an annual basis and serve until their successors are duly elected and qualified. The tenure of each Trustee is subject to the Board's retirement

policy, which states that each duly elected or appointed Trustee who is not an "interested person" of the Trust, as defined in the Investment Company Act of 1940, as amended ("1940 Act") ("Independent Trustees"), shall retire from service as a Trustee at the conclusion of the first regularly scheduled meeting of the Board that is held after the Trustee reaches the age of 72. A unanimous vote of the Board may extend the retirement date of a Trustee for up to one year. An extension may be permitted if the retirement would trigger a requirement to hold a meeting of shareholders of the Trust under applicable law, whether for purposes of appointing a successor to the Trustee or if otherwise necessary under applicable law, in which case the extension would apply until such time as the shareholder meeting can be held or is no longer needed.

(2) Except for Mr. Mathews and for the purposes of this table "ING Fund Complex" means the following investment companies: ING Asia Pacific High Dividend Equity Income Fund; ING Emerging Markets High Dividend Equity Fund; ING Emerging Markets Local Bond Fund; ING Equity Trust; ING Funds Trust; ING Global Equity Dividend and Premium Opportunity Fund; ING Global Advantage and Premium Opportunity Fund; ING Infrastructure, Industrials and Materials Fund; ING International High Dividend Equity Income Fund; ING Investors Trust; ING Mayflower Trust; ING Mutual Funds; ING Partners, Inc.; ING Prime Rate Trust; ING Risk Managed Natural Resources Fund; ING Senior Income Fund; ING Separate Portfolios Trust; ING Variable Insurance Trust; and ING Variable Products Trust. For Mr. Mathews, the ING Fund Complex also includes the following investment companies: ING Balanced Portfolio, Inc.; ING Intermediate Bond Portfolio; ING Money Market Portfolio; ING Series Fund, Inc.; ING Strategic Allocation Portfolios, Inc.; ING Variable Funds; and ING Variable Portfolios, Inc. Therefore, for the purposes of this table with reference to Mr. Mathews, "Fund Complex" includes these investment companies. The number of funds in the ING Fund Complex is as of March 31, 2012.

(3) Messrs. Crispin and Matthews are deemed "Interested Persons" of the Trust because of their current or prior affiliation with ING Groep, N.V., the parent corporation of the Investment Adviser(s) and the Distributor.

ING Prime Rate Trust

TRUSTEE AND OFFICER INFORMATION (Unaudited) (continued)

Name, Address and Age	Position(s) Held with the Trust	Term of Office and Length of Time Served⁽¹⁾	Principal Occupation(s) During the Past 5 Years
Shaun P. Mathews 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 56	President and Chief Executive Officer	November 2006 - Present	President and Chief Executive Officer, ING Investments, LLC (November 2006 - Present).
Michael J. Roland 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 53	Executive Vice President	February 2002 - Present	Chief Compliance Officer, Directed Services LLC and ING Investments, LLC (March 2011 - Present) and Executive Vice President and Chief Operating Officer, ING Investments, LLC and ING Funds Services, LLC (January 2007 - Present). Formerly, Chief Compliance Officer, ING Funds (March 2011 - February 2012).
Stanley D. Vyner 230 Park Avenue New York, New York 10169 Age: 61	Executive Vice President Chief Investment Risk Officer	August 2003 - Present September 2009 - Present	Executive Vice President, ING Investments, LLC (July 2000 - Present) and Chief Investment Risk Officer, ING Investments, LLC (January 2003 - Present).
Kevin M. Gleason 7337	Chief Compliance Officer	February 2012 - Present	Senior Vice President, ING Investment Management LLC. (February 2012 - Present). Formerly, Assistant General Counsel and Assistant Secretary, The Northwestern Mutual

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East
 Doubletree
 Ranch
 Rd.
 Suite 100
 Scottsdale,
 Arizona
 85258
 Age: 45

Life Insurance Company (June 2004 - January 2012).

Kimberly A. Anderson Senior Vice President November 2003 - Present Senior Vice President, ING Investments, LLC (October 2003 - Present).
 Present

7337
 East
 Doubletree
 Ranch
 Rd.
 Suite 100
 Scottsdale,
 Arizona
 85258
 Age: 47

Todd Modic Senior Vice President, Chief/Principal Financial Officer and Assistant Secretary March 2005 - Present Senior Vice President, ING Funds Services, LLC (March 2005 - Present).

7337
 East
 Doubletree
 Ranch
 Rd.
 Suite 100
 Scottsdale,
 Arizona
 85258
 Age: 44

Robert Terris Senior Vice President May 2006 - Present Senior Vice President, Head of Division Operations, ING Funds Services, LLC (May 2006 - Present).

7337
 East
 Doubletree
 Ranch
 Rd.
 Suite 100
 Scottsdale,
 Arizona
 85258
 Age: 41

Gregory K. Wilson Senior Vice President September 2011 - Present Senior Vice President - Fund Compliance, ING Funds Services, LLC (March 2012 - Present). Formerly, Vice President - Fund Compliance, ING Funds Services, LLC

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Doubletree
Ranch
Rd.
Suite 100
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Age: 52

(October 2009 - March 2012) and Finance Director, ING Funds Services, LLC (September 2006 - October 2009).

Robyn L. Vice President
Ichilov
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East
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Ranch
Rd.
Suite 100
Scottsdale,
Arizona
85258
Age: 44

November 1997 - Present Vice President and Treasurer, ING Funds Services, LLC (November 1995 - Present) and ING Investments, LLC (August 1997 - Present). Formerly, Treasurer, ING Funds (November 1999 - February 2012).

Maria M. Vice President
Anderson
7337
East
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Ranch
Rd.
Suite 100
Scottsdale,
Arizona
85258
Age: 53

September 2004 - Present Vice President, ING Funds Services, LLC (September 2004 - Present).

ING Prime Rate Trust

TRUSTEE AND OFFICER INFORMATION (Unaudited) (continued)

Name, Address and Age	Position(s) Held with the Trust	Term of Office and Length of Time Served⁽¹⁾	Principal Occupation(s) During the Past 5 Years
Lauren D. Bensinger 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 58	Vice President	August 2003 - Present	Vice President, ING Investments, LLC and ING Funds Services, LLC (February 1996 - Present); Director of Compliance, ING Investments, LLC (October 2004 - Present); and Vice President and Money Laundering Reporting Officer, ING Investments Distributor, LLC (April 2010 - Present). Formerly, Chief Compliance Officer, ING Investments Distributor, LLC (August 1995 - April 2010).
William Evans One Orange Way Windsor, Connecticut 06095 Age: 39	Vice President	September 2007 - Present	Senior Vice President (March 2010 - Present) and Head of Manager Research and Selection Group, ING Investment Management (April 2007 - Present). Formerly, Vice President, U.S. Mutual Funds and Investment Products (May 2005 - April 2007).
Denise Lewis 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 48	Vice President	January 2007 - Present	Vice President, ING Funds Services, LLC (December 2006 - Present).
Kimberly K. Springer	Vice President	March 2006 - Present	Vice President, ING Investment Management - ING Funds (March 2010 - Present); Vice President, ING Funds Services, LLC (March 2006 - Present) and Managing Paralegal,

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7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 54			Registration Statements (June 2003 - Present).
Craig Wheeler 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 43	Assistant Vice President	May 2008 - Present	Assistant Vice President - Director of Tax, ING Funds Services, LLC (March 2008 - Present). Formerly, Tax Manager, ING Funds Services, LLC (March 2005 - March 2008).
Huey P. Falgout, Jr. 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 48	Secretary	August 2003 - Present	Senior Vice President and Chief Counsel, ING Investment Management - ING Funds (March 2010 - Present). Formerly, Chief Counsel, ING Americas, U.S. Legal Services (October 2003 - March 2010).
Paul Caldarelli 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 60	Assistant Secretary	June 2010 - Present	Vice President and Senior Counsel, ING Investment Management - ING Funds (March 2010 - Present). Formerly, Senior Counsel, ING Americas, U.S. Legal Services (April 2008 - March 2010) and Counsel, ING Americas, U.S. Legal Services (May 2005 - April 2008).
Theresa K. Keley	Assistant Secretary	August 2003 -	Vice President and Senior Counsel, ING Investment Management - ING Funds (March 2010 - Present). Formerly,

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Present Senior Counsel, ING Americas, U.S. Legal Services (April 2008 - March 2010) and Counsel, ING Americas, U.S. Legal Services (April 2003 - April 2008).

Kathleen Assistant Secretary May
Nichols 2008 - Vice President and Counsel, ING Investment Management -
7337 Present ING Funds (March 2010 - Present). Formerly, Counsel, ING
East Americas, U.S. Legal Services (February 2008 - March 2010)
Doubletree and Associate, Ropes & Gray LLP (September 2005 -
Ranch February 2008).
Rd.
Suite 100
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Arizona
85258
Age: 36

ING Prime Rate Trust

TRUSTEE AND OFFICER INFORMATION (Unaudited) (continued)

Name, Address and Age	Position(s) Held with the Trust	Term of Office and Length of Time Served⁽¹⁾	Principal Occupation(s) During the Past 5 Years
Daniel A. 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 54	Senior Vice President and Treasurer	April 1995 - Present	Senior Vice President and Group Head, ING Investment Management Co. LLC (January 2000 - Present).
Jeffrey A. 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 52	Senior Vice President	November 1999 - Present	Senior Vice President and Group Head, ING Investment Management Co. LLC (January 2000 - Present).
Elliot A. 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 58	Senior Vice President	May 2002 - Present	Senior Vice President, ING Investment Management Co. LLC (February 1999 - Present).

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William H. Rivoir III	Senior Vice President and Assistant Secretary	February 2001 - Present	Senior Vice President, ING Investment Management Co. LLC (January 2004 - Present).
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Rd.
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Arizona
85258
Age: 61

(1) The Officers hold office until the next annual meeting of the Board of Trustees and until their successors shall have been elected and qualified.

ING Prime Rate Trust

ADVISORY CONTRACT APPROVAL DISCUSSION (Unaudited)

BOARD CONSIDERATION AND RE-APPROVAL OF INVESTMENT ADVISORY AND SUB-ADVISORY CONTRACTS

Section 15(c) of the Investment Company Act of 1940, as amended (the "1940 Act") provides that, after an initial period, the existing investment advisory and sub-advisory contracts for the ING Prime Rate Trust (the "Fund") will remain in effect only if the Board of Trustees (the "Board") of the Fund, including a majority of Board members who have no direct or indirect interest in the advisory and sub-advisory contracts, and who are not "interested persons" of the Fund, as such term is defined under the 1940 Act (the "Independent Trustees"), annually review and approve them. Thus, at a meeting held on November 17, 2011, the Board, including a majority of the Independent Trustees, considered whether to renew the investment advisory contract (the "Advisory Contract") between ING Investments, LLC (the "Adviser") and the Fund and the sub-advisory contract ("Sub-Advisory Contract") with ING Investment Management Co. LLC (the "Sub-Adviser").

The Independent Trustees also held separate meetings on October 12 and November 15, 2011 to consider the renewal of the Advisory and Sub-Advisory Contracts. As a result, subsequent references herein to factors considered and determinations made by the Independent Trustees include, as applicable, factors considered and determinations made on those earlier dates by the Independent Trustees.

At its November 17, 2011 meeting, the Board voted to renew the Advisory and Sub-Advisory Contracts for the Fund. In reaching these decisions, the Board took into account information furnished to it throughout the year at regular meetings of the Board and the Board's committees, as well as information prepared specifically in connection with the annual renewal process. Determinations by the Independent Trustees also took into account various factors that they believed, in light of the legal advice furnished to them by K&L Gates LLP ("K&L Gates"), their independent legal counsel, and their own business judgment, to be relevant. Further, while the Board considered at the same meeting the advisory contracts and sub-advisory contracts that were subject to renewal for the funds under its jurisdiction, the Trustees considered each Portfolio's advisory and sub-advisory relationships separately.

Provided below is an overview of the Board's contract approval process in general, as well as a discussion of certain specific factors that the Board considered at its renewal meeting. While the Board gave its attention to the information furnished at the request of the Independent Trustees that was most relevant to its considerations, discussed below are a number of the primary factors relevant to the Board's consideration as to whether to renew the Advisory and Sub-Advisory Contracts for the one-year period ending November 30, 2012. Each Board member may have accorded different weight to the various factors in reaching his or her conclusions with respect to the Fund's advisory and sub-advisory arrangements.

Overview of the Contract Renewal and Approval Process

The Board follows a structured process pursuant to which it seeks and considers relevant information when it decides whether to approve new or existing advisory and sub-advisory arrangements for the investment companies in the ING Fund complex under its jurisdiction, including the Fund's existing Advisory and Sub-Advisory Contracts. Among other actions, the Independent Trustees of the Board: retain the services of independent consultants with experience in the mutual fund industry to assist the Independent Trustees in working with the personnel employed by the Adviser or its affiliates who administer the Fund

("Management") to identify the types of information presented to the Board to inform its deliberations with respect to advisory and sub-advisory relationships and to help evaluate that information; evaluate industry best practices in regards to the consideration of investment advisory and sub-advisory contracts; established a specific format in

ING Prime Rate Trust

ADVISORY CONTRACT APPROVAL DISCUSSION (Unaudited) (continued)

which certain requested information is provided to the Board; and determine the process for reviewing such information in connection with advisory and sub-advisory contract renewals and approvals. The result is a process (the "Contract Review Process") employed by the Board and its Independent Trustees to review and analyze information in connection with the annual renewal of the ING Funds' advisory and sub-advisory contracts, as well as the review and approval of new advisory and sub-advisory relationships.

Since the Contract Review Process was first implemented, the Board's membership has changed substantially through periodic retirements of some Trustees and the appointment and election of new Trustees. In addition, the Independent Trustees have reviewed and refined the renewal and approval process at least annually in order to request additional information from Management and address certain unique characteristics related to the introduction of new ING Funds.

The Board has established two Investment Review Committees (each, an "IRC"), which meet independently and, at times, jointly, and a Contracts Committee. Among other matters, the Contracts Committee provides oversight with respect to the contracts renewal and approval process, and the Fund is assigned to the IRCs jointly which provide oversight regarding, among other matters, the investment performance of the Adviser and Sub-Adviser, as well as the oversight by the Adviser of the performance of the Sub-Adviser. The IRCs may apply a heightened level of scrutiny in cases where performance has lagged a portfolio's relevant benchmark and/or selected peer group of investment companies ("Selected Peer Groups").

The type and format of the information provided to the Board or to legal counsel for the Independent Trustees in connection with the contract approval and renewal process has been codified in the ING Funds' 15(c) Methodology Guide. This Guide was developed under the direction of the Independent Trustees and sets out a blueprint pursuant to which the Independent Trustees request certain information that they deem important to facilitate an informed review in connection with initial and annual approvals of advisory and sub-advisory contracts.

Management provides certain of the information requested by the 15(c) Methodology Guide in Fund Analysis and Comparison Tables ("FACT sheets") prior to the Independent Trustees' review of advisory and sub-advisory arrangements (including the Fund's Advisory and Sub-Advisory Contracts). The Independent Trustees previously retained an independent firm to verify and test the accuracy of certain FACT sheet data for a representative sample of funds in the ING Fund complex. In addition, the Contracts Committee routinely employs the services of an independent consultant to assist in its review and analysis of, among other matters, the 15(c) Methodology Guide, the content and format of the FACT sheets, and Selected Peer Groups to be used by the Fund for certain comparison purposes during the renewal process. As part of an ongoing process, the Contracts Committee recommends or considers recommendations from Management for refinements to the 15(c) Methodology Guide and other aspects of the review process, and the Board's IRCs review benchmarks used to assess the performance of funds in the ING Fund complex.

The Board employed its process for reviewing contracts when considering the renewals of the Fund's Advisory and Sub-Advisory Contracts that would be effective through November 30, 2012. Set forth below is a discussion of many of the Board's primary considerations and conclusions resulting from this process.

Nature, Extent and Quality of Service

In determining whether to approve the Advisory and Sub-Advisory Contracts for the Fund for the year ending November 30, 2012, the Independent Trustees received and evaluated such information as they deemed necessary regarding the nature, extent and quality of services provided to the Fund by the

ING Prime Rate Trust

ADVISORY CONTRACT APPROVAL DISCUSSION (Unaudited) (continued)

Adviser and Sub-Adviser. This included information regarding the Adviser and Sub-Adviser provided throughout the year at regular meetings of the Board and its committees, as well as information furnished in connection with the contract renewal meetings.

The materials requested by the Independent Trustees and provided to the Board, K&L Gates and/or independent consultants that assist the Independent Trustees prior to the November 17, 2011 Board meeting included, among other information, the following items for the Fund: (1) FACT sheets that provided information regarding the performance and expenses of the Fund and other similarly managed funds in its Selected Peer Group, as well as information regarding the Fund's investment portfolio, objective and strategies; (2) reports providing risk and attribution analyses of the Fund; (3) the 15(c) Methodology Guide, which describes how the FACT sheets were prepared, including the manner in which the Fund's benchmark and Selected Peer Group were selected and how profitability was determined; (4) responses from the Adviser and Sub-Adviser to a series of questions posed by K&L Gates on behalf of the Independent Trustees; (5) copies of the forms of Advisory and Sub-Advisory Contracts; (6) copies of the Forms ADV for the Adviser and Sub-Adviser; (7) financial statements for the Adviser and Sub-Adviser; (8) a draft of a narrative summary addressing key factors the Board customarily considers in evaluating the renewals of the ING Funds' (including the Fund's) advisory contracts and sub-advisory contracts, including a written analysis for the Fund of how performance, fees and expenses compare to its Selected Peer Group and/or designated benchmark(s); (9) independent analyses of Fund performance by the Fund's Chief Investment Risk Officer; and (10) other information relevant to the Board's evaluations.

The Board also noted that ING Groep, N.V. ("ING Groep") the ultimate parent company of the Adviser and Sub-Adviser, has announced plans for the separation of its U.S.-based insurance, retirement services and investment management operations, which include the Adviser and Sub-Adviser, into an independent, standalone company by the end of 2013. In addition ING Groep also announced that it will pursue an initial public offering for its European based insurance and investment management operations and explore options other than an initial public offering for its Asian insurance and investment management operations. The Board further noted that this separation may result in the Adviser and Sub-Adviser's loss of access to the services and resources of their current ultimate parent company, which could adversely affect their businesses and profitability. The Board recognized that, if the separation plans are deemed to be a change of control, the investment advisory and sub-advisory agreements for the Fund would terminate and trigger the necessity for new agreements, which would require the approval of the Board and, potentially, the shareholders of a Fund. The Board also recognized that there can be no assurance that the separation plan will be carried out. The Board considered the potential effects of the separation on the Fund and the Adviser and Sub-Adviser, including its ability prior to, during and after the separation to perform the same level of service to the Fund as the Adviser and Sub-Adviser currently provide. In this regard, the Board noted that the Adviser and Sub-Adviser did not currently anticipate that the separation would have a material adverse impact on the Fund or their operations and administration.

The Fund's common shares were used for purposes of certain comparisons to the funds in its Selected Peer Group. Common shares were selected because they are the only Fund class issued and outstanding. The common shares were compared to the analogous class of shares for each fund in the Selected Peer Group. The mutual funds included in the Fund's Selected Peer Group were selected based upon criteria designed to mirror the Fund share class being compared to the Selected Peer Group.

In arriving at its conclusions with respect to the Advisory Contract, the Board was mindful of

ING Prime Rate Trust

ADVISORY CONTRACT APPROVAL DISCUSSION (Unaudited) (continued)

the "manager-of-managers" platform of the ING Funds that has been developed by the Adviser. The Board recognized that the Adviser is responsible for monitoring the investment program and performance of the Sub-Adviser under this manager-of-managers arrangement. The Board also considered the techniques and resources that the Adviser has developed to provide ongoing oversight of the nature and quality of the services the Sub-Adviser provides to the Fund and the Sub-Adviser's compliance with applicable laws and regulations. The Board noted that to assist in the selection and monitoring of the Sub-Adviser, the Adviser has developed an oversight process formulated by its Manager Research & Selection Group ("MRSG"), which analyzes both qualitative (such as in-person meetings and telephonic meetings with sub-advisers and research on sub-advisers) and quantitative information (such as performance data, portfolio data and attribution analysis) about the Sub-Adviser and the Fund. The Board recognized that the MRSG also typically provides in-person reports to the IRCs at their meetings prior to any Sub-Adviser presentations. In addition, the Board noted that the MRSG prepares periodic due diligence reports regarding the Sub-Adviser based on on-site visits and information and analysis which team members use to attempt to gain and maintain an in-depth understanding of the Sub-Adviser's investment process and to try to identify issues that may be relevant to the Sub-Adviser's services to the Fund and/or its performance. The Board also noted that the MRSG provides written reports on these due diligence analyses to the pertinent IRC. The Board noted the resources that the Adviser and Management has committed to its services as a manager-of-managers, including resources for reporting to the Board and the IRCs to assist them with their assessment of the investment performance of the Fund on an on-going basis throughout the year. This includes the appointment of a Chief Investment Risk Officer and his staff, who report directly to the Board and who have developed attribution analyses and other metrics used by the IRCs to analyze the key factors underlying investment performance for the funds in the ING Fund complex.

The Board also considered the techniques that the Adviser has developed to screen and perform due diligence on new sub-advisers if and when the Adviser recommends to the Board a new sub-adviser to manage an ING Fund.

The Board also considered that in the course of monitoring performance of the Sub-Adviser, the MRSG has developed, based on guidance from the IRCs, a methodology for comparing performance of the Fund to a Selected Peer Group. The Board also recognized that the MRSG provides the IRCs with regular updates on the Fund and alerts the IRCs to potential issues as they arise. The Board also noted that the Adviser regularly monitors performance, personnel, compliance and myriad other issues that may arise on a day-to-day basis with regards to the Sub-Adviser and noted that, if issues are identified either through formal or informal processes, they are brought before the IRCs and the Board for consideration and action and the Adviser consistently makes its resources available to the Board and the Committees to assist with addressing any issues that arise.

The Board noted that the Fund also benefits from the services of the Adviser's Investment Risk Management Department (the "IRMD"), under the leadership of the Chief Investment Risk Officer, the costs of which are shared by the Fund and the Adviser. The Board noted that the IRMD regularly presents written materials and reports to the IRCs that focus on the investment risks of the Fund. The Board also noted that the IRMD provides the IRCs with analyses that are developed to assist the IRCs in identifying trends in Fund performance and other areas over consecutive periods. The Board noted that the services provided by the IRMD are meant to provide an additional perspective for the benefit of the Committees, which may vary from the perspective of the MRSG.

The Board also noted the techniques used by the Adviser to monitor the performance of the Sub-Adviser and the proactive approach that

ING Prime Rate Trust

ADVISORY CONTRACT APPROVAL DISCUSSION (Unaudited) (continued)

the Adviser, working in cooperation with the IRCs, has taken to advocate or recommend, when it believed appropriate, changes designed to assist in improving the Fund's performance.

In considering the Fund's Advisory Contract, the Board also considered the extent of benefits provided to the Fund's shareholders, beyond advisory services, from being part of the ING family of funds. This includes, in most cases, the right to exchange or transfer investments, without a sales charge, between the same class of shares of such funds or among ING Funds available on a product platform, and the wide range of ING Funds available for exchange or transfer. The Board also took into account the Adviser's ongoing efforts to reduce the expenses of the ING Funds through renegotiated arrangements with the ING Funds' service providers. In addition, the Board considered the efforts of the Adviser and the expenses that it incurred in recent years to help make the ING Fund complex more balanced and efficient by the launch of new investment products and the combinations of similar funds.

Further, the Board received periodic reports showing that the investment policies and restrictions for the Fund were consistently complied with and other periodic reports covering matters such as compliance by Adviser and Sub-Adviser personnel with codes of ethics. The Board considered reports from the Fund's Chief Compliance Officer ("CCO") evaluating whether the regulatory compliance systems and procedures of the Adviser and Sub-Adviser are reasonably designed to assure compliance with the federal securities laws, including those related to, among others, late trading and market timing, best execution, fair value pricing, proxy voting and trade allocation practices. The Board also took into account the CCO's annual and periodic reports and recommendations with respect to service provider compliance programs. In this regard, the Board also considered the policies and procedures developed by the CCO in consultation with the Board's Compliance Committee that guide the CCO's compliance oversight function.

The Board reviewed the level of staffing, quality and experience of the Fund's portfolio management team. The Board took into account the respective resources and reputations of the Adviser and Sub-Adviser, and evaluated the ability of the Adviser and the Sub-Adviser to attract and retain qualified investment advisory personnel. The Board also considered the adequacy of the resources committed to the Fund (and other relevant funds in the ING Fund complex) by the Adviser and Sub-Adviser, and whether those resources are commensurate with the needs of the Fund and are sufficient to sustain appropriate levels of performance and compliance needs. In this regard, the Board considered the financial stability of the Adviser and the Sub-Adviser.

Based on their deliberations and the materials presented to them, the Board concluded that the advisory and related services provided by the Adviser and Sub-Adviser are appropriate in light of the Fund's operations, the competitive landscape of the investment company business, and investor needs, and that the nature and quality of the overall services provided by the Adviser and the Sub-Adviser were appropriate.

Fund Performance

In assessing the advisory and sub-advisory relationships for the Fund, the Board placed emphasis on the investment returns of the Fund. While the Board considered the performance reports and discussions with portfolio managers at Board and committee meetings during the year, particular attention in assessing performance was given to the FACT sheets furnished in connection with the renewal process. The FACT

sheet prepared for the Fund included its investment performance compared to the Fund's Morningstar category median and/or Lipper category median, Selected Peer Group and primary benchmark. The FACT sheet performance data was as of June 30, 2011. In addition, the Board also considered at its November 17, 2011 meeting certain additional data regarding performance and Fund asset levels as of October 31, 2011.

ING Prime Rate Trust

ADVISORY CONTRACT APPROVAL DISCUSSION (Unaudited) (continued)

The Fund's performance was compared to its Morningstar category median and average, as well as its primary benchmark, a broad-based securities market index that appears in the Fund's prospectus. With respect to Morningstar quintile rankings, the first quintile represents the highest (best) performance and the fifth quintile represents the lowest performance. The Fund's management fee and expense ratio were compared to the fees and expense ratios of the funds in its Selected Peer Group.

In considering whether to approve the renewal of the Advisory and Sub-Advisory Contracts for the Fund, the Board considered that, based on performance data for the periods ended June 30, 2011: (1) the Fund underperformed its Morningstar category median for all periods presented; (2) the Fund underperformed its primary benchmark for all periods presented, with the exception of the year-to-date and one-year periods, during which it outperformed; and (3) the Fund is ranked in the fourth quintile of its Morningstar category for the three-year, five-year and ten-year periods, and the fifth (lowest) quintile for the most recent calendar quarter, year-to-date and one-year periods.

In analyzing this performance data, the Board took into account: (1) the composition of the Fund's Selected Peer Group and Morningstar category, including the observation that the Selected Peer Group and category may include few directly comparable funds; (2) Management's representations regarding favorable Fund performance during certain periods; (3) Management's confidence in the Sub-Adviser's ability to execute the Fund's investment strategy; and (4) that Management would continue to monitor, and the Board or its IRC would periodically review, the Fund's investment performance.

Economies of Scale

When evaluating the reasonableness of advisory fee rates, the Board also considered whether economies of scale likely will be realized by the Adviser and Sub-Adviser as the Fund grows larger and the extent to which any such economies are reflected in contractual fee rates. In this regard, the Board considered that the Fund does not have advisory fee breakpoints. In the case of sub-advisory fees, the Board considered that breakpoints would inure to the benefit of the Adviser. In this connection, the Board considered the extent to which economies of scale could be realized through such fee waivers, expense reimbursements or other expense reductions. In evaluating fee breakpoint arrangements and economies of scale, the Independent Trustees also considered prior periodic management reports, industry information on this topic and the Fund's investment performance.

Information Regarding Services to Other Clients

The Board requested and considered information regarding the nature of services and fee rates offered by the Adviser and Sub-Adviser to other clients, including other registered investment companies and relevant institutional accounts. When fee rates offered to other clients differed materially from those charged to a Fund, the Board considered any underlying rationale provided by the Adviser or Sub-Adviser for these differences. The Board also noted that the fee rates charged to the Fund and other institutional clients of the Adviser or Sub-Adviser (including other investment companies) may differ materially due to, among other reasons: differences in services; different regulatory requirements associated with registered investment companies, such as Fund, as compared to non-registered investment company clients; market differences in fee rates that existed when a Fund first was organized; differences in the original sponsors of the Fund that now are managed by the Adviser; investment capacity constraints that existed when certain

contracts were first agreed upon or that might exist at present; and different pricing structures that are necessary to be competitive in different marketing channels.

ING Prime Rate Trust

ADVISORY CONTRACT APPROVAL DISCUSSION (Unaudited) (continued)

Fee Rates and Profitability

The Board reviewed and considered the contractual investment advisory fee rate, combined with the administrative fee rate, payable by the Fund to the Adviser. The Board also considered the contractual sub-advisory fee rate payable by the Adviser to the Sub-Adviser for sub-advisory services for the Fund, including the portion of the contractual advisory fees that are paid to the Sub-Adviser, as compared to the portion retained by the Adviser. In addition, the Board considered fee waivers and expense limitations applicable to the fees payable by the Fund.

The Board considered: (1) the fee structure of the Fund as it relates to the services provided under the contracts; and (2) the potential fall-out benefits to the Adviser and the Sub-Adviser and their respective affiliates from their association with the Fund. The Board separately determined that the fees payable to the Adviser and the fees payable to the Sub-Adviser are reasonable for the services that each performs, which were considered in light of the nature and quality of the services that each has performed and is expected to perform.

In considering the fees payable under the Advisory and Sub-Advisory Contracts for the Fund, the Board took into account the factors described above and also considered: (1) the fairness of the compensation under an Advisory Contract with a level fee rate that does not include breakpoints; and (2) the pricing structure (including the expense ratio to be borne by shareholders) of the Fund, as compared to its Selected Peer Group, including that: (a) the management fee for the Fund is above the median and the average management fees of the funds in its Selected Peer Group; and (b) the expense ratio for the Fund is above the median and the average expense ratios of the funds in its Selected Peer Group.

In analyzing this fee data, the Board took into account Management's representations that closed-end funds have unique distribution characteristics and their pricing structures are highly driven by the market and competitive environment at the time of their initial offering when their fee structures were established.

In analyzing the profitability of the Adviser and Sub-Adviser in connection with their services to the Fund, the Board considered information on revenues, costs and profits realized by the Adviser and Sub-Adviser which was prepared by Management in accordance with the allocation methodology (including stated assumptions) contained in the 15(c) Methodology Guide. In analyzing the profitability of the Adviser in connection with its services, the Board took into account the sub-advisory fee rate payable by the Adviser to the Sub-Adviser. In addition, the Board considered information that it requested and was provided by Management with respect to the profitability of service providers affiliated with the Adviser. In this regard, the Board also noted that the Adviser (and not the Fund) pays the sub-advisory fees earned by the Sub-Adviser.

Although the 15(c) Methodology Guide establishes certain standards for profit calculation, the Board recognized that profitability analysis on a client-by-client basis is not an exact science and there is no uniform methodology within the asset management industry for determining profitability for this purpose. In this context, the Board realized that Management's calculations regarding its costs incurred in establishing the infrastructure necessary for the Fund's operations may not be fully reflected in the expenses allocated to the Fund in determining profitability, and that the information presented may not portray all of the costs borne by the Adviser and Management or capture their entrepreneurial risk associated with offering and

managing a mutual fund complex in the current regulatory and market environment. In addition, the Board recognized that the use of different methodologies for purposes of calculating profit data can give rise to dramatically different profit and loss results.

In making its determinations, the Board based its conclusions as to the reasonableness of the

ING Prime Rate Trust

ADVISORY CONTRACT APPROVAL DISCUSSION (Unaudited) (continued)

advisory and sub-advisory fees of the Adviser and Sub-Adviser primarily on the factors described for the Fund herein. At the request of the Board, the Adviser has from time to time agreed to implement remedial actions regarding certain ING Funds. These remedial actions have included, among others: reductions in fee rates; changes in sub-advisers or portfolio managers; and strategy modifications.

Conclusion

After its deliberation, the Board reached the following conclusions: (1) the Fund's management fee rate is reasonable in the context of all factors considered by the Board; (2) the Fund's expense ratio is reasonable in the context of all factors considered by the Board; (3) that Management would continue to monitor, and the Board or its IRC would periodically review, the Fund's investment performance; and (4) the sub-advisory fee rate payable by the Adviser to the Sub-Adviser is reasonable in the context of all factors considered by the Board. Based on these conclusions and other factors, the Board voted to renew the Advisory and Sub-Advisory Contracts for the Fund for the year ending November 30, 2012. During this renewal process, different Board members may have given different weight to different individual factors and related conclusions.

Investment Adviser

ING Investments, LLC
7337 East Doubletree Ranch Road, Suite 100
Scottsdale, Arizona 85258

Sub-Adviser

ING Investment Management Co. LLC
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Institutional Investors and Analysts

Call ING Prime Rate Trust
1-800-336-3436, Extension 2217

Administrator

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1-800-992-0180

Written Requests

Please mail all account inquiries and other comments to:
ING Prime Rate Trust Account
c/o ING Fund Services, LLC
7337 East Doubletree Ranch Road, Suite 100
Scottsdale, Arizona 85258

Distributor

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Transfer Agent

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Accounting Firm**

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Washington, D.C. 20006

Toll-Free Shareholder Information

Call us from 9:00 a.m. to 7:00 p.m. Eastern time on any business day for account or other information, at (800)-992-0180

For more complete information, or to obtain a prospectus on any ING Fund, please call your Investment Professional or ING Investments Distributor, LLC at (800) 992-0180 or log on to www.inginvestment.com. The prospectus should be read carefully before investing. Consider the Trust's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this information and other information about the Trust.

AR-UPRT

(0212-042012)

Item 2. Code of Ethics.

As of the end of the period covered by this report, Registrant had adopted a code of ethics, as defined in Item 2 of Form N-CSR, that applies to the Registrant's principal executive officer and principal financial officer. There were no amendments to the Code during the period covered by the report. The Registrant did not grant any waivers, including implicit waivers, from any provisions of the Code during the period covered by this report. The code of ethics is filed herewith pursuant to Item 10(a)(1), Exhibit 99.CODE ETH.

Item 3. Audit Committee Financial Expert.

The Board of Trustees has determined that J.Michael Earley, Peter Drotch and Colleen Baldwin are audit committee financial experts, as defined in Item 3 of Form N-CSR. Mr. Earley, Mr. Drotch and Ms. Baldwin are independent for purposes of Item 3 of Form N-CSR.

Item 4. Principal Accountant Fees and Services.

(a) Audit Fees: The aggregate fees billed for each of the last two fiscal years for professional services rendered by KPMG LLP (KPMG), the principal accountant for the audit of the registrant's annual financial statements, for services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years were \$73,500 for year ended February 29, 2012 and \$73,500 for year ended February 28, 2011.

(b) Audit-Related Fees: The aggregate fees billed in each of the last two fiscal years for assurance and related services by KPMG that are reasonably related to the performance of the audit of the registrant's financial statements and are not reported under paragraph (a) of this Item were \$2,400 for the year ended February 29, 2012 and \$2,150 for the year ended February 28, 2011.

(c) Tax Fees: The aggregate fees billed in each of the last two fiscal years for professional services rendered by KPMG for tax compliance, tax advice, and tax planning were \$6,734 in the year ended February 29, 2012 and \$6,648 in the year ended February 28, 2011. Such services included review of excise distribution calculations (if applicable), preparation of the Funds' federal, state and excise tax returns, tax services related to mergers and routine consulting.

(d) All Other Fees: None

(e) (1) Audit Committee Pre-Approval Policies and Procedures

**AUDIT AND NON-AUDIT SERVICES
PRE-APPROVAL POLICY**

I. Statement of Principles

Under the Sarbanes-Oxley Act of 2002 (the Act), the Audit Committee of the Board of Directors or Trustees (the Committee) of the ING Funds (each a Fund, collectively, the Funds) set out on Exhibit A to this Audit and Non-Audit Services Pre-Approval Policy (Policy) is responsible for the oversight of the work of the Funds' independent auditors. As part of its responsibilities, the Committee must pre-approve the audit and non-audit services performed by the auditors in order to assure that the provision of these services does not impair the auditors' independence from the Funds. The Committee has adopted, and the Board has ratified, this Policy, which sets out the procedures and conditions under which the services of the independent auditors may be pre-approved.

Under Securities and Exchange Commission (SEC) rules promulgated in accordance with the Act, the Funds may establish two different approaches to pre-approving audit and non-audit services. The Committee may approve services without consideration of specific case-by-case services (general pre-approval) or it may pre-approve specific services (specific pre-approval). The Committee believes that the combination of these approaches contemplated in this Policy results in an effective and efficient method for pre-approving audit and non-audit services to be performed by the Funds' independent auditors. Under this Policy, services that are not of a type that may receive general pre-approval require specific pre-approval by the Committee. Any proposed services that exceed pre-approved cost levels or budgeted amounts will also require the Committee's specific pre-approval.

For both types of approval, the Committee considers whether the subject services are consistent with the SEC's rules on auditor independence and that such services are compatible with maintaining the auditors' independence. The Committee also considers whether a particular audit firm is in the best position to provide effective and efficient services to the Funds. Reasons that the auditors are in the best position include the auditors' familiarity with the Funds' business, personnel, culture, accounting systems, risk profile, and other factors, and whether the services will enhance the Funds' ability to manage and control risk or improve audit quality. Such factors will be considered as a whole, with no one factor being determinative.

The appendices attached to this Policy describe the audit, audit-related, tax-related, and other services that have the Committee's general pre-approval. For any service that has been approved through general pre-approval, the general pre-approval will remain in place for a period 12 months from the date of pre-approval, unless the Committee determines that a different period is appropriate. The Committee will annually review and pre-approve the services that may be provided by the independent auditors without specific pre-approval. The Committee will revise the list of services subject to general pre-approval as appropriate. This Policy does not serve as a delegation to Fund management of the Committee's duty to pre-approve services performed by the Funds' independent auditors.

II. Audit Services

The annual audit services engagement terms and fees are subject to the Committee's specific pre-approval. Audit services are those services that are normally provided by auditors in connection with statutory and regulatory filings or engagements or those that generally only independent auditors can reasonably provide. They include the Funds' annual financial statement audit and procedures that the independent auditors must perform in order to form an opinion on the Funds' financial statements (*e.g.*, information systems and procedural reviews and testing). The Committee will monitor the audit services engagement and approve any changes in terms, conditions or fees deemed by the Committee to be necessary or appropriate.

The Committee may grant general pre-approval to other audit services, such as statutory audits and services associated with SEC registration statements, periodic reports and other documents filed with the SEC or issued in connection with securities offerings.

The Committee has pre-approved the audit services listed on Appendix A. The Committee must specifically approve all audit services not listed on Appendix A.

III. Audit-related Services

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or the review of the Funds' financial statements or are traditionally performed by the independent auditors. The Committee believes that the provision of audit-related services will not impair the independent auditors' independence, and therefore may grant pre-approval to audit-related services. Audit-related services include accounting consultations related to accounting, financial reporting or disclosure matters not classified as audit services; assistance with understanding and implementing new accounting and financial reporting guidance from rulemaking authorities; agreed-upon or expanded audit procedures relating to accounting and/or billing records required to respond to or comply with financial, accounting or regulatory reporting matters; and assistance with internal control reporting requirements under Form N-SAR or Form N-CSR.

The Committee has pre-approved the audit-related services listed on Appendix B. The Committee must specifically approve all audit-related services not listed on Appendix B.

IV. Tax Services

The Committee believes the independent auditors can provide tax services to the Funds, including tax compliance, tax planning, and tax advice, without compromising the auditors' independence. Therefore, the Committee may grant general pre-approval with respect to tax services historically provided by the Funds' independent auditors that do not, in the Committee's view, impair auditor independence and that are consistent with the SEC's rules on auditor independence.

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The Committee will not grant pre-approval if the independent auditors initially recommends a transaction the sole business purpose of which is tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. The Committee may consult

outside counsel to determine that tax planning and reporting positions are consistent with this Policy.

The Committee has pre-approved the tax-related services listed on Appendix C. The Committee must specifically approve all tax-related services not listed on Appendix C.

V. Other Services

The Committee believes it may grant approval of non-audit services that are permissible services for independent auditors to a Fund. The Committee has determined to grant general pre-approval to other services that it believes are routine and recurring, do not impair auditor independence, and are consistent with SEC rules on auditor independence.

The Committee has pre-approved the non-audit services listed on Appendix D. The Committee must specifically approve all non-audit services not listed on Appendix D.

A list of the SEC's prohibited non-audit services is attached to this Policy as Appendix E. The SEC's rules and relevant guidance should be consulted to determine the precise definitions of these impermissible services and the applicability of exceptions to certain of the SEC's prohibitions.

VI. Pre-approval of Fee levels and Budgeted Amounts

The Committee will annually establish pre-approval fee levels or budgeted amounts for audit, audit-related, tax and non-audit services to be provided to the Funds by the independent auditors. Any proposed services exceeding these levels or amounts require the Committee's specific pre-approval. The Committee considers fees for audit and non-audit services when deciding whether to pre-approve services. The Committee may determine, for a pre-approval period of 12 months, the appropriate ratio between the total amount of fees for the Fund's audit, audit-related, and tax services (including fees for services provided to Fund affiliates that are subject to pre-approval), and the total amount of fees for certain permissible non-audit services for the Fund classified as other services (including any such services provided to Fund affiliates that are subject to pre-approval).

VII. Procedures

Requests or applications for services to be provided by the independent auditors will be submitted to management. If management determines that the services do not fall within those services generally pre-approved by the Committee and set out in the appendices to these procedures, management will submit the services to the Committee or its delagee. Any such submission will include a detailed description of the services to be rendered. Notwithstanding this paragraph, the Committee will, on a quarterly basis, receive from the independent auditors a list of services provided for the previous calendar quarter on a cumulative basis by the auditors during the Pre-Approval Period.

VIII. Delegation

The Committee may delegate pre-approval authority to one or more of the Committee's members. Any member or members to whom such pre-approval authority is delegated must report any pre-approval decisions, including any pre-approved services, to the Committee at its next scheduled meeting. The Committee will identify any member to whom pre-approval authority is delegated in writing. The member will retain such authority for a period of 12 months from the date of pre-approval unless the Committee determines that a different period is appropriate. The period of delegated authority may be terminated by the Committee or at the option of the member.

IX. Additional Requirements

The Committee will take any measures the Committee deems necessary or appropriate to oversee the work of the independent auditors and to assure the auditors' independence from the Funds. This may include reviewing a formal written statement from the independent auditors delineating all relationships between the auditors and the Funds, consistent with Independence Standards Board No. 1, and discussing with the auditors their methods and procedures for ensuring independence.

Effective April 23, 2008, the KPMG LLP (KPMG) audit team for the ING Funds accepted the global responsibility for monitoring the auditor independence for KPMG relative to the ING Funds. Using a proprietary system called Sentinel, the audit team is able to identify and manage potential conflicts of interest across the member firms of the KPMG International Network and prevent the provision of prohibited services to the ING entities that would impair KPMG independence with the respect to the ING Funds. In addition to receiving pre-approval from the ING Funds Audit Committee for services provided to the ING Funds and for services for ING entities in the Investment Company Complex, the audit team has developed a process for periodic notification via email to the ING Funds' Audit Committee Chairpersons regarding requests to provide services to ING Groep NV and its affiliates from KPMG offices worldwide. Additionally, KPMG provides a quarterly summary of the fees for services that have commenced for ING Groep NV and Affiliates at each Audit Committee Meeting.

Last Approved: November 17, 2011

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Appendix A

Pre-Approved Audit Services for the Pre-Approval Period January 1, 2012 through December 31, 2012

Service	The Fund(s)	Fee Range
Statutory audits or financial audits (including tax services associated with audit services)	√	As presented to Audit Committee(1)
Services associated with SEC registration statements, periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings (<i>e.g.</i> , consents), and assistance in responding to SEC comment letters.	√	Not to exceed \$9,750 per filing
Consultations by Fund management with respect to accounting or disclosure treatment of transactions or events and/or the actual or potential effect of final or proposed rules, standards or interpretations by the SEC, Financial Accounting Standards Board, or other regulatory or standard setting bodies.	√	Not to exceed \$8,000 during the Pre-Approval Period
Seed capital audit and related review and issuance of consent on the N-2 registration statement	√	Not to exceed \$13,000 per audit

-
- (1) For new Funds launched during the Pre-Approval Period, the fee ranges pre-approved will be the same as those for existing Funds, pro-rated in accordance with inception dates as provided in the auditors' Proposal or any Engagement Letter covering the period at issue. Fees in the Engagement Letter will be controlling.

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Appendix B

Pre-Approved Audit-Related Services for the Pre-Approval Period January 1, 2012 through December 31, 2012

Service	The Fund(s)	Fund Affiliates	Fee Range
Services related to Fund mergers (Excludes tax services - See Appendix C for tax services associated with Fund mergers)	√	√	Not to exceed \$10,000 per merger
Consultations by Fund management with respect to accounting or disclosure treatment of transactions or events and/or the actual or potential effect of final or proposed rules, standards or interpretations by the SEC, Financial Accounting Standards Board, or other regulatory or standard setting bodies. [Note: Under SEC rules some consultations may be audit services and others may be audit-related services.]	√		Not to exceed \$5,000 per occurrence during the Pre-Approval Period
Review of the Funds semi-annual and quarterly financial statements	√		Not to exceed \$2,400 per set of financial statements per fund
Reports to regulatory or government agencies related to the annual engagement	√		Up to \$5,000 per occurrence during the Pre-Approval Period
Regulatory compliance assistance	√	√	Not to exceed \$5,000 per quarter
Training courses		√	Not to exceed \$2,000 per course
For Prime Rate Trust, agreed upon procedures for quarterly reports to rating agencies	√		Not to exceed \$9,450 per quarter

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Appendix C

Pre-Approved Tax Services for the Pre-Approval Period January 1, 2012 through December 31, 2012

Service	The Fund(s)	Fund Affiliates	Fee Range
Preparation of federal and state income tax returns and federal excise tax returns for the Funds including assistance and review with excise tax distributions	√		As presented to Audit Committee(2)
Review of IRC Sections 851(b) and 817(h) diversification testing on a real-time basis	√		As presented to Audit Committee(2)
Assistance and advice regarding year-end reporting for 1099 s	√		As presented to Audit Committee(2)
Tax assistance and advice regarding statutory, regulatory or administrative developments	√	√	Not to exceed \$5,000 for the Funds or for the Funds investment adviser during the Pre-Approval Period

-
- (2) For new Funds launched during the Pre-Approval Period, the fee ranges pre-approved will be the same as those for existing Funds, pro-rated in accordance with inception dates as provided in the auditors Proposal or any Engagement Letter covering the period at issue. Fees in the Engagement Letter will be controlling.

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Service	The Fund(s)	Fund Affiliates	Fee Range
Tax training courses		√	Not to exceed \$2,000 per course during the Pre-Approval Period
Tax services associated with Fund mergers	√	√	Not to exceed \$4,000 per fund per merger during the Pre-Approval Period
Other tax-related assistance and consultation, including, without limitation, assistance in evaluating derivative financial instruments and international tax issues, qualification and distribution issues, and similar routine tax consultations.	√		Not to exceed \$120,000 during the Pre-Approval Period

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Appendix D

Pre-Approved Other Services for the Pre-Approval Period January 1, 2012 through December 31, 2012

Service	The Fund(s)	Fund Affiliates	Fee Range
Agreed-upon procedures for Class B share 12b-1 programs		√	Not to exceed \$60,000 during the Pre-Approval Period
Security counts performed pursuant to Rule 17f-2 of the 1940 Act (<i>i.e.</i> , counts for Funds holding securities with affiliated sub-custodians) Cost to be borne 50% by the Funds and 50% by ING Investments, LLC.	√	√	Not to exceed \$5,000 per Fund during the Pre-Approval Period
Agreed upon procedures for 15 (c) FACT Books	√		Not to exceed \$35,000 during the Pre-Approval Period

Appendix E

Prohibited Non-Audit Services

Dated: January 1, 2012 to December 31, 2012

- Bookkeeping or other services related to the accounting records or financial statements of the Funds
- Financial information systems design and implementation
- Appraisal or valuation services, fairness opinions, or contribution-in-kind reports
- Actuarial services
- Internal audit outsourcing services
- Management functions
- Human resources
- Broker-dealer, investment adviser, or investment banking services
- Legal services
- Expert services unrelated to the audit
- Any other service that the Public Company Accounting Oversight Board determines, by regulation, is impermissible

EXHIBIT A

ING EQUITY TRUST

ING FUNDS TRUST

ING ASIA PACIFIC HIGH DIVIDEND EQUITY INCOME FUND

ING GLOBAL ADVANTAGE AND PREMIUM OPPORTUNITY FUND

ING GLOBAL EQUITY DIVIDEND AND PREMIUM OPPORTUNITY FUND

ING INTERNATIONAL HIGH DIVIDEND EQUITY INCOME FUND

ING INFRASTRUCTURE, INDUSTRIALS, AND MATERIALS FUND

ING RISK MANAGED NATURAL RESOURCES FUNDING INVESTORS TRUST

ING MAYFLOWER TRUST

ING MUTUAL FUNDS

ING PARTNERS, INC.

ING PRIME RATE TRUST

ING SENIOR INCOME FUND

ING SEPARATE PORTFOLIOS TRUST

ING VARIABLE INSURANCE TRUST

ING VARIABLE PRODUCTS TRUST

ING EMERGING MARKETS LOCAL BOND FUND

ING EMERGING MARKETS HIGH DIVIDEND EQUITY FUND

(e) (2) Percentage of services referred to in 4(b) (4)(d) that were approved by the audit committee

100% of the services were approved by the audit committee.

(f) Percentage of hours expended attributable to work performed by other than full time employees of KPMG if greater than 50%.

Not applicable.

(g) Non-Audit Fees: The non-audit fees billed by the registrant's accountant for services rendered to the registrant, and rendered to the registrant's investment adviser, and any entity controlling, controlled by, or under common control with the adviser that provides ongoing services to the registrant for each of the last two fiscal years of the registrant were \$1,233,678 for year ended February 29, 2012 and \$1,084,113 for fiscal year ended February 28, 2011.

(h) Principal Accountants Independence: The Registrant's Audit committee has considered whether the provision of non-audit services that were rendered to the registrant's investment adviser and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to Rule 2-01(c)(7)(ii) of Regulation S-X is compatible with maintaining KPMG's independence.

Item 5. Audit Committee of Listed Registrants.

a. The registrant has a separately-designated standing audit committee. The members are J. Michael Earley, Patricia W. Chadwick and Peter S. Drotch.

b. Not applicable.

Item 6. Schedule of Investments

Schedule is included as part of the report to shareholders filed under Item 1 of this Form.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment companies.

ING FUNDS

PROXY VOTING PROCEDURES AND GUIDELINES

Effective Date: July 10, 2003

Revision Date: March 8, 2012

I. INTRODUCTION

The following are the Proxy Voting Procedures and Guidelines (the Procedures and Guidelines) of the ING Funds set forth on *Exhibit 1* attached hereto and each portfolio or series thereof, except for any Sub-Adviser-Voted Series identified on *Exhibit 1* and further described in Section III below (each non-Sub-Adviser-Voted Series hereinafter referred to as a Fund and collectively, the Funds). The purpose of these Procedures and Guidelines is to set forth the process by which each Fund subject to these Procedures and Guidelines will vote proxies related to the equity assets in its investment portfolio (the portfolio securities). The term proxies as used herein shall include votes in connection with annual and special meetings of equity stockholders but not those regarding bankruptcy matters and/or related plans of reorganization. The Procedures and Guidelines have been approved by the Funds Boards of Trustees/Directors(1) (each a Board and collectively, the Boards), including a majority of the independent Trustees/Directors(2) of the Board. These Procedures and Guidelines may be amended only by the Board. The Board shall review these Procedures and Guidelines at its discretion, and make any revisions thereto as deemed appropriate by the Board.

II. COMPLIANCE COMMITTEE

The Boards hereby delegate to the Compliance Committee of each Board (each a Committee and collectively, the Committees) the authority and responsibility to oversee the implementation of these Procedures and Guidelines, and where applicable, to make determinations on behalf of the Board with respect to the voting of proxies on behalf of each Fund. Furthermore, the Boards hereby delegate to each Committee the authority to review and approve material changes to proxy voting procedures of any Fund s investment adviser (the Adviser). The Proxy Voting Procedures of the Adviser (the Adviser Procedures) are attached hereto as *Exhibit 2*. Any determination regarding the voting of proxies of each Fund

(1) Reference in these Procedures to one or more Funds shall, as applicable, mean those Funds that are under the jurisdiction of the particular Board or Compliance Committee at issue. No provision in these Procedures is intended to impose any duty upon the particular Board or Compliance Committee with respect to any other Fund.

(2) The independent Trustees/Directors are those Board members who are not interested persons of the Funds within the meaning of Section 2(a)(19) of the Investment Company Act of 1940.

that is made by a Committee, or any member thereof, as permitted herein, shall be deemed to be a good faith determination regarding the voting of proxies by the full Board. Each Committee may rely on the Adviser through the Agent, Proxy Coordinator, and/or Proxy Group (as such terms are defined for purposes of the Adviser Procedures) to deal in the first instance with the application of these Procedures and Guidelines. Each Committee shall conduct itself in accordance with its charter.

III. DELEGATION OF VOTING AUTHORITY

Except as otherwise provided for herein, the Board hereby delegates to the Adviser to each Fund the authority and responsibility to vote all proxies with respect to all portfolio securities of the Fund in accordance with then current proxy voting procedures and guidelines that have been approved by the Board. The Board may revoke such delegation with respect to any proxy or proposal, and assume the responsibility of voting any Fund proxy or proxies as it deems appropriate. Non-material amendments to the Procedures and Guidelines may be approved for immediate implementation by the President or Chief Financial Officer of a Fund, subject to ratification at the next regularly scheduled meeting of the Compliance Committee.

A Board may elect to delegate the voting of proxies to the Sub-Adviser of a portfolio or series of the ING Funds. In so doing, the Board shall also approve the Sub-Adviser's proxy policies for implementation on behalf of such portfolio or series (a Sub-Adviser-Voted Series). Sub-Adviser-Voted Series shall not be covered under these Procedures and Guidelines but rather shall be covered by such Sub-Adviser's proxy policies, provided that the Board, including a majority of the independent Trustees/Directors⁽¹⁾, has approved them on behalf of such Sub-Adviser-Voted Series, and ratifies any subsequent changes at the next regularly scheduled meeting of the Compliance Committee and the Board.

When a Fund participates in the lending of its securities and the securities are on loan at record date, proxies related to such securities will not be forwarded to the Adviser by the Fund's custodian and therefore will not be voted. However, the Adviser shall use best efforts to recall or restrict specific securities from loan for the purpose of facilitating a material vote as described in the Adviser Procedures.

Funds that are funds-of-funds will echo vote their interests in underlying mutual funds, which may include ING Funds (or portfolios or series thereof) other than those set forth on *Exhibit I* attached hereto. This means that, if the fund-of-funds must vote on a proposal with respect to an underlying investment company, the fund-of-funds will vote its interest in that underlying fund in the same proportion all other shareholders in the investment company voted their interests.

A fund that is a feeder fund in a master-feeder structure does not echo vote. Rather, it passes votes requested by the underlying master fund to its shareholders. This means that, if the feeder fund is solicited by the master fund, it will request instructions from its own shareholders, either

(1) The independent Trustees/Directors are those Board members who are not interested persons of the Funds within the meaning of Section 2(a)(19) of the Investment Company Act of 1940.

directly or, in the case of an insurance-dedicated Fund, through an insurance product or retirement plan, as to the manner in which to vote its interest in an underlying master fund.

When a Fund is a feeder in a master-feeder structure, proxies for the portfolio securities owned by the master fund will be voted pursuant to the master fund's proxy voting policies and procedures. As such, and except as otherwise noted herein with respect to vote reporting requirements, feeder Funds shall not be subject to these Procedures and Guidelines.

IV. APPROVAL AND REVIEW OF PROCEDURES

Each Fund's Adviser has adopted proxy voting procedures in connection with the voting of portfolio securities for the Funds as attached hereto in *Exhibit 2*. The Board hereby approves such procedures. All material changes to the Adviser Procedures must be approved by the Board or the Compliance Committee prior to implementation; however, the President or Chief Financial Officer of a Fund may make such non-material changes as they deem appropriate, subject to ratification by the Board or the Compliance Committee at its next regularly scheduled meeting.

V. VOTING PROCEDURES AND GUIDELINES

The Guidelines that are set forth in *Exhibit 3* hereto specify the manner in which the Funds generally will vote with respect to the proposals discussed therein.

Unless otherwise noted, the defined terms used hereafter shall have the same meaning as defined in the Adviser Procedures

A. Routine Matters

The Agent shall be instructed to submit a vote in accordance with the Guidelines where such Guidelines provide a clear policy (*e.g.*, For, Against, Withhold, or Abstain) on a proposal. However, the Agent shall be directed to refer any proxy proposal to the Proxy Coordinator for instructions as if it were a matter requiring case-by-case consideration under circumstances where the application of the Guidelines is unclear, it appears to involve unusual or controversial issues, or an Investment Professional (as such term is defined for purposes of the Adviser Procedures) recommends a vote contrary to the Guidelines.