

## Voya Financial to Acquire Pen-Cal Administrators

Integration of nonqualified plan services will help employers and plan advisors deliver best-in-class retirement benefits to participants

WINDSOR, Conn.--(BUSINESS WIRE)-- Voya Financial, Inc. (NYSE:VOYA), announced today that it has entered into an agreement to acquire Pen-Cal Administrators, Inc. (Pen-Cal), a leading provider of nonqualified deferred compensation benefit plans and consulting services. As a result of the transaction, Pen-Cal will become part of Voya's Retirement business operating unit. Terms of the transaction were not disclosed, and are not material to Voya's financial position.

"As the financial wellness needs of Americans continue to evolve, innovative compensation benefits, such as nonqualified retirement plans, are becoming an increasingly important way for employers to attract and reward key members of their workforce," said Charlie Nelson, CEO of Retirement and Employee Benefits for Voya Financial. "This acquisition is an example of the investments we are making to facilitate growth in our businesses, and to expand the broad set of solutions we offer to enhance the client experience and improve financial outcomes for plan participants. The integration of these capabilities will also provide our plan advisor partners with the tools and resources they need to demonstrate greater value to their clients."

Through this deal, nonqualified services will be available across all of Voya's 401(k), 403(b) and 457 plan markets and offered as an integrated solution when Voya is administering an employer's core defined contribution retirement plan. These best-in-class services will also be available when an employer is looking for nonqualified plan support on a stand-alone basis.

"We have seen the demand for nonqualified deferred compensation plans increase from large employers as a result of recent tax reform," said Kirk Penland, CEO of Pen-Cal. "We also expect interest in these plans to gain further momentum as small and mid-market companies more thoroughly understand the impact of tax reform to both their company and their key executives."

Pen-Cal has over 50 years of experience designing and administering innovative deferred compensation plans, with a focus on engaging employees and delivering flexible solutions. The firm offers some of the best technical expertise and system functionality in the market, with expertise in several key areas:

- Consultative plan design support to achieve an employer's executive compensation goals;
- Sophisticated funding structures for the plan, including mutual funds and corporate-owned life insurance (COLI);
- Tailored, best-in-class nonqualified services that include call center support, website capabilities, and employee enrollment, education and communication resources; and
- Plan administration and trust services built around a recordkeeping system designed to support the most complex nonqualified plans.

“Bringing our businesses together will enable Voya to offer innovative, non-qualified compensation benefits along with our leading qualified plan administration services through a seamless online experience that addresses a client’s unique needs,” said Bill Harmon, president of Retirement Corporate Markets for Voya Financial. “Pen-Cal also administers disability trusts, and their technical expertise can add to the leadership we are creating in the area of special needs planning. This supports our broader vision to make a difference in the financial wellness and retirement outcomes for all Americans.”

Employer-sponsored nonqualified deferred compensation plans allow key executives and other select employees to supplement their savings in qualified retirement plans by setting aside a portion of their income on a tax-deferred basis until a future date. A primary goal of many plans is to recruit, reward and retain key leaders and top talent. You can learn more about them in two upcoming webinars hosted by Voya on **May 22** and **May 24**.

The transaction is expected to close in the coming weeks, subject to customary closing conditions. As part of the arrangement, Pen-Cal will re-brand to Voya and clients will have access to an integrated enrollment and website experience.

## About Pen-Cal

For more than 50 years, Pen-Cal has provided clients with the highest level of quality and service in the design, implementation, and administration of employee and executive benefit plans. The firm has the ability and resources to address the unique needs of every plan and remain on the cutting edge of recordkeeping and administrative technology. The mission of Pen-Cal is to be the leader in design, implementation, and administration of employee and executive benefit programs and to provide comprehensive, customized, and technologically innovative solutions that assist companies with recruiting, retaining and rewarding talent.

## About Voya Financial®

Voya Financial, Inc. (NYSE: VOYA), helps Americans plan, invest and protect their savings — to get ready to retire better. Serving the financial needs of approximately 14.7 million individual and institutional customers in the United States, Voya is a Fortune 500 company that had \$8.6 billion in revenue in 2017. The company had \$541 billion in total assets under management and administration as of March 31, 2018. With a clear mission to make a secure financial future possible — one person, one family, one institution at a time — Voya’s vision is to be America’s Retirement Company®. Certified as a “Great Place to Work” by the Great Place to Work® Institute, Voya is equally committed to conducting business in a way that is socially, environmentally, economically and ethically responsible. Voya has been recognized as one of the 2018 World’s Most Ethical Companies® by the Ethisphere Institute, one of the 2018 World’s Most Admired Companies by Fortune magazine and one of the Top Green Companies in the U.S. by Newsweek magazine. For more information, visit [voya.com](http://voya.com). Follow Voya Financial on **Facebook**, **LinkedIn** and Twitter **@Voya**.

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Voya Financial

Joe Loparco, Office: 860-580-2677

Cell: 860-462-6525

**Joseph.Loparco@voya.com**