

Service Organization Control 1 Report on the Suitability of the Design and Operating Effectiveness of the Controls

Description of Contract and Plan Administration Services System for the EASE Omni Platform of Voya Retirement Insurance and Annuity Company and Voya Institutional Plan Services, LLC

For the Period January 1, 2016 to December 31, 2016
with the Independent Service Auditor's Report
Including Tests Performed and Results Thereof

Voya Retirement Insurance and Annuity Company Voya Institutional Plan Services, LLC

Contract and Plan Administration Services System for the EASE Omni Platform

*Service Organization Control I Report on the Suitability of the Design and Operating
Effectiveness of the Controls
for the Period January 1, 2016 to December 31, 2016*

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SECTION I

**Management Assertion of Voya Retirement Insurance
and Annuity Company and Voya Institutional
Plan Services, LLC**

SECTION I – MANAGEMENT ASSERTION OF VOYA RETIREMENT INSURANCE AND ANNUITY COMPANY AND VOYA INSTITUTIONAL PLAN SERVICES, LLC

March 16, 2017

We have prepared the accompanying Description of Contract and Plan Administration Services System for the EASE Omni Platform (Description) of Voya Retirement Insurance and Annuity Company (VRIAC) and Voya Institutional Plan Services, LLC (VIPS), (collectively, the Company) for users of the system during some or all of the period January 1, 2016 to December 31, 2016 (user entities), and their independent auditors who have a sufficient understanding to consider the Description, along with other information, including information about controls implemented by such user entities themselves, when assessing the risks of material misstatements of user entities' financial statements. The management of the Company confirms, to the best of its knowledge and belief, that:

1. the Description fairly presents the Contract and Plan Administration Services System for the EASE Omni Platform (System) made available to user entities during the period January 1, 2016 to December 31, 2016 for processing their transactions. The Company uses Williams Lea to provide printed account change confirmations, RR Donnelley to provide participant statements as required by a plan, and the National Securities Clearing Corporation and various other fund companies or pricing vendors for pricing of investment options. The Company also uses the services of Voya Services Company (part of Voya Financial, Inc.) to provide information technology infrastructure support and administer centrally managed information technology general controls for the Company's core applications. The Description includes only the controls and related control objectives of the Company, and excludes the control objectives and related controls of Williams Lea, RR Donnelley, the National Securities Clearing Corporation and various other fund companies or pricing vendors, and Voya Services Company IT services. The criteria we used in making this assertion were that the Description:
 - (a) presents how the System made available to user entities of the System was designed and implemented to process relevant transactions, including:
 - the types of services provided, including, the classes of transactions processed;
 - the procedures, within both automated and manual systems, by which those services are provided, including by which transactions are initiated, authorized, recorded, processed, corrected as necessary, and transferred to the reports and other information prepared for user entities;
 - the related accounting records, supporting information, and specific accounts that are used to initiate, authorize, record, process, and report transactions; this includes the correction of incorrect information and how information is transferred to the reports and other information prepared for user entities;
 - how the System captures and addresses significant events and conditions, other than transactions;
 - the process used to prepare reports or other information for user entities;
 - specified control objectives and controls designed to achieve those objectives;



- controls that, in designing the System, we contemplated would be implemented by user entities in order to achieve the specified control objectives (Complementary User Entity Controls); and
 - other aspects of our control environment, risk assessment process, information and communication systems (including the related business processes), control activities, and monitoring controls that are relevant to the services provided, including processing and reporting transactions of user entities.
- (b) does not omit or distort information relevant to the scope of the System, while acknowledging that the Description is prepared to meet the common needs of a broad range of user entities and their independent auditors, and may not, therefore, include every aspect of the System that each individual user entity of and its auditor may consider important in its own particular environment.
2. the Description includes relevant details of changes to the System during the period from January 1, 2016 to December 31, 2016.
3. the controls related to the control objectives stated in the Description, which together with the complementary user entity controls and subservice organizations' controls referred to above if suitably designed and operating effectively, were suitably designed and operated effectively throughout the period January 1, 2016 to December 31, 2016 to achieve those control objectives. The criteria we used in making this assertion were that:
- (a) the risks that threaten the achievement of the control objectives stated in the Description have been identified by the Service Organization;
 - (b) the controls identified in the Description would, if operating as described, provide reasonable assurance that those risks would not prevent those control objectives stated in the Description from being achieved; and
 - (c) the controls were consistently applied as designed, including whether manual controls were applied by individuals who have the appropriate competence and authority.

Voya Retirement Insurance and Annuity Company
Voya Institutional Plan Services, LLC



SECTION II

Independent Service Auditor's Report



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SECTION II – INDEPENDENT SERVICE AUDITOR’S REPORT

To the Board of Directors of Voya Retirement Insurance and Annuity Company and Voya Institutional Plan Services, LLC

Scope

We have examined Voya Retirement Insurance and Annuity Company’s (VRIAC) and Voya Institutional Plan Services, LLC’s (VIPS) accompanying Description of Contract and Plan Administration Services System for the EASE Omni Platform of Voya Retirement Insurance and Annuity Company and Voya Institutional Plan Services, LLC (System) for processing user entities’ transactions throughout the period January 1, 2016 to December 31, 2016 (Description) and the suitability of the design and operating effectiveness of controls described therein to achieve the related control objectives stated in the Description. The Description indicates that certain control objectives specified in the Description can be achieved only if complementary user entity controls contemplated in the design of the Company’s controls are suitably designed and operating effectively, along with related controls at the Company. We have not evaluated the suitability of the design or operating effectiveness of such complementary user entity controls.

The Company uses Williams Lea to provide printed account change confirmations, RR Donnelley to provide participant statements as required by a plan, and the National Securities Clearing Corporation and various other fund companies or pricing vendors for pricing of investment options. The Description includes only the controls and related control objectives of the Company and excludes the control objectives and related controls of Williams Lea, RR Donnelley, and the National Securities Clearing Corporation and various other fund companies or pricing vendors. Our examination did not extend to controls of Williams Lea, RR Donnelley, and the National Securities Clearing Corporation and various other fund companies or pricing vendors.

The Company also uses the services of Voya Services Company (part of Voya Financial, Inc.) to provide information technology infrastructure support and administer centrally managed information technology general controls for the Company’s core applications. The Description includes only the controls and related control objectives of the Company and excludes the control objectives, and related controls of Voya Service Company’s Information Technology divisions. Our examination did not extend to controls of Voya Service Company’s Information Technology divisions.

The information in the accompanying *Other Information Provided by VRIAC and VIPS* is presented by the management of the Company to provide additional information and is not part of the Company’s Description. Such information has not been subjected to the procedures applied in our examination and, accordingly we express no opinion on it.

The Company’s responsibilities

The Company has provided the accompanying assertion titled, “Management Assertion of Voya Retirement Insurance and Annuity Company and Voya Institutional Plan Services, LLC” (VRIAC and VIPS Assertion) about the fairness of the presentation of the Description and suitability of the design and operating effectiveness of the controls described therein to achieve the related control objectives stated in the Description. The Company is responsible for preparing the Description and the VRIAC and VIPS Assertion, including the completeness, accuracy, and method of presentation of the Description and the

VRIAC and VIPS Assertion, providing the services covered by the Description, specifying the control objectives and stating them in the Description, identifying the risks that threaten the achievement of the control objectives, selecting the criteria stated in the VRIAC and VIPS Assertion, and designing, implementing, and documenting controls to achieve the related control objectives stated in the Description.

Service auditor's responsibilities

Our responsibility is to express an opinion on the fairness of the presentation of the Description and on the suitability of the design and operating effectiveness of the controls designed therein to achieve the related control objectives stated in the Description, based on our examination. We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether, in all material respects, the Description is fairly presented and the controls were suitably designed and operating effectively to achieve the related control objectives stated in the Description throughout the period January 1, 2016 to December 31, 2016.

An examination of a description of a service organization's system and the suitability of the design and operating effectiveness of the service organization's controls described therein to achieve the related control objectives stated in the Description involves performing procedures to obtain evidence about the fairness of the presentation of the Description and the suitability of the design and operating effectiveness of those controls to achieve the related control objectives. Our procedures included assessing the risks that the Description is not fairly presented and that the controls were not suitably designed or operating effectively to achieve the related control objectives. Our procedures also included testing the operating effectiveness of those controls that we consider necessary to provide reasonable assurance that the related control objectives were achieved. An examination engagement of this type also includes evaluating the overall presentation of the Description, the suitability of the control objectives, and the suitability of the criteria specified by the service and subservice organizations and described in the VRIAC and VIPS Assertion. We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Inherent limitations

The Description is prepared to meet the common needs of a broad range of user entities and their independent auditors and may not, therefore, include every aspect of the System that each individual user entity may consider important in its own particular environment. Because of their nature, controls at a service organization or subservice organization may not prevent, or detect and correct, all errors or omissions in processing or reporting transactions. Also, the projection to the future of any evaluation of the fairness of the presentation of the Description, or conclusions about the suitability of the design or operating effectiveness of the controls to achieve the related control objectives is subject to the risk that controls at a service organization or subservice organization may become ineffective or fail.

Opinion

In our opinion, in all material respects, based on the criteria described in the VRIAC and VIPS Assertion:

- a. the Description fairly presents the Company's Contract and Plan Administration Services System for the EASE Omni Platform that was designed and implemented throughout the period January 1, 2016 to December 31, 2016;

- b. the controls related to the control objectives stated in the Description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period January 1, 2016 to December 31, 2016 and, if user entities applied the complementary user entity controls contemplated in the design of the Company's controls and if subservice organizations applied the controls contemplated in the design of the Company's controls throughout the period January 1, 2016 to December 31, 2016;
- c. the controls tested, which, together with the complementary user entity controls and the subservice organization's controls referred to in the scope paragraph of this report if operating effectively, were those necessary to provide reasonable assurance that the control objectives stated in the Description were achieved, operated effectively throughout the period January 1, 2016 to December 31, 2016.

Description of tests of controls

The specific controls tested and the nature, timing, and results of those tests are listed in the accompanying Description of Control Objectives, Controls, Tests and Results of Tests.

Restricted use

This report, including the description of tests of controls and results thereof in the Description of Control Objectives, Controls, Tests and Results of Tests, is intended solely for the information and use of the Company, user entities of the Company's Contract and Plan Administration Services System for the EASE Omni Platform during some or all of the period January 1, 2016 to December 31, 2016, and the independent auditors of such user entities, who have a sufficient understanding to consider it, along with other information including information about controls implemented by user entities themselves, when assessing the risks of material misstatements of user entities' financial statements. This report is not intended to be and should not be used by anyone other than these specified parties.

Ernst + Young LLP

March 16, 2017
Atlanta, Georgia, United States of America

SECTION III

Description of Contract and Plan Administration Services System for the EASE Omni Platform of VRIAC and VIPS

SECTION III – DESCRIPTION OF CONTRACT AND PLAN ADMINISTRATION SERVICES SYSTEM FOR THE EASE OMNI PLATFORM OF VRIAC AND VIPS

A. GENERAL DESCRIPTION OF OPERATIONS

General Overview

VRIAC and VIPS (collectively referred to as the Company) are part of Voya Financial, Inc. (Voya Financial), marketing a wide array of investment management and defined contribution retirement plan products and services to businesses, educational institutions, state and local governments, non-profit organizations, and individuals.

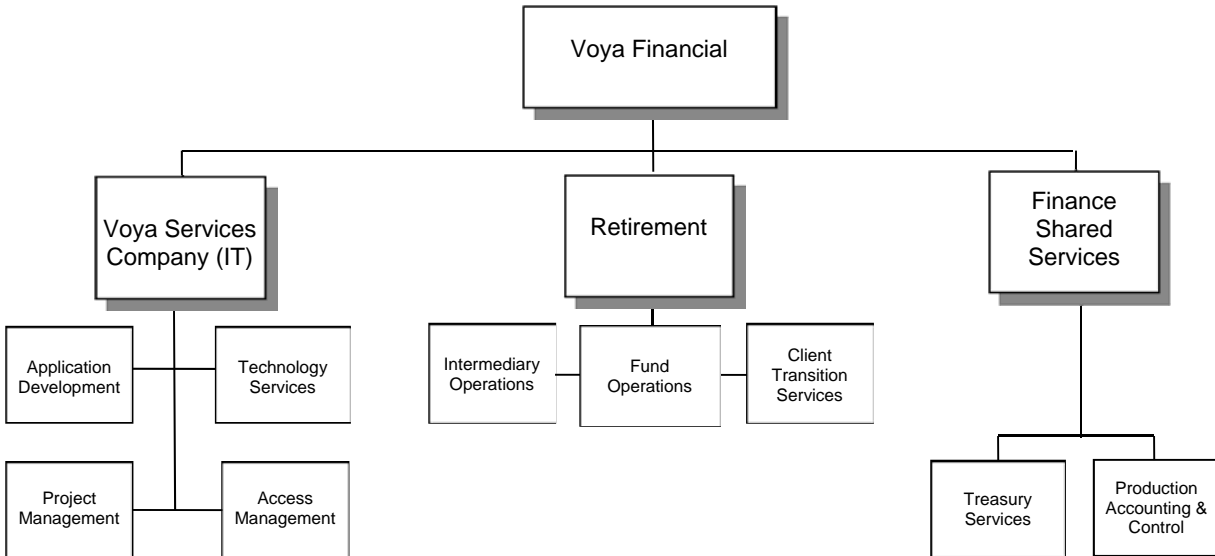
The Company provides investment, recordkeeping, and administration services to approximately 36,000 Plan Sponsors in the Corporate and Tax Exempt (e.g. Health, Education and Government) (TEM) sectors as part of Voya Financial's Retirement division. As of December 31, 2016, the Company had over \$163 billion of assets under management and administration.

Primary operations for the Company are located in Windsor, Connecticut with local sales offices located across the country, as well as primary Retirement Readiness Service Centers (RRSC) in Windsor, Connecticut and Des Moines, Iowa. Additionally, Customer Service Associates (CSAs) are committed to providing quality service. With its record of financial strength and solid growth, the Company is poised to address the opportunities presented by today's dynamic financial services marketplace, and tomorrow's as well.

The organizational chart and descriptions that follow do not encompass all aspects of services provided to user entities, but are intended to focus on those aspects of the Company's services and operations related to the contract and plan administration services and processing of related transactions for the Corporate plans, and TEM plans serviced on the EASE Omni platform that may be relevant to entities' internal control as it relates to the financial statements. These user entities consist of Corporate and TEM employers that establish retirement plans for their employees and fund retirement benefits through the Company. These plans are established under sections 401(a)/ (k) (referred to as Corporate throughout this report), 403(b)(1)/ (7) and 457 (referred to collectively as TEM throughout this report) of the Internal Revenue Code.

Voya Services Company's Information Technology division provides information technology infrastructure support and administers centrally managed information technology controls for all of the Company's applications. The Company relies on the controls performed by the Information Technology department to achieve the stated control objectives in Section 4 of this report. The controls performed by the Information Technology division relate to physical security to data centers and computer rooms, logical security to production applications, databases and operating systems, change management for all IT assets, production processing and backup and restore. These controls are covered in a separate Service Organization Control 1 ("SOC 1") examination report entitled *Service Organization Control 1 Report on the Description of IT General Controls System of Voya Services Company as it relates to Voya Retirement Insurance and Annuity Company and Voya Institutional Plan Services, LLC for the period October 1, 2015 to September 30, 2016*. The clients of VRIAC and VIPS and their auditors should review that IT General Controls (ITGC) SOC 1 report in conjunction with this report to gain a full understanding of the Contract and Plan Administration Services System.

Voya Financial



Overview of Departments

Retirement

Intermediary Operations – Consists of various business units (Administrative Services Unit, Money-In, Money-Out, Statements) that perform various tasks: The Administrative Services Unit (ASU) performs functions related to scanning documents into an imaging system and receipt and distribution of mail; Money-In performs functions related to processing cash receipts and applying contributions and loan repayments to participants’ accounts; Money-Out performs transactions relative to disbursements, distribution options, annuitizations, death claims, and also performs quality assurance reviews over these transactions. The Statements area generates participant statements.

Client Transition Services – Consists of various business units that process transactions for Plan Sponsors and plan participants. These transactions include: plan set-up transferred assets, plan level discontinuances, product conversions, electronic payroll file set up and maintenance processing, and participant enrollments.

Fund Operations – Responsible for the daily pricing and trading of investment options offered in Voya products, as well as the performance reporting of those options for marketing, statements, and participant websites. Accounting is also performed to support the trades executed, settlement wires, and asset-based revenue between the Company and its investment company partners.

Finance Shared Services

Production Accounting and Control Unit (PACU) – Consists of various financial accounting units that perform the accounting and control of cash receipts and disbursements for the Corporate and TEM markets.

Treasury Services – Performs cash management services related to disbursements requiring wire transfers, checks, and ACH transfers for the Corporate and TEM markets.

IT Department

Voya has organized a separate IT Department (part of Voya Services Company) to perform centralized system support functions for all user divisions, including functions such as application development, information security, network administration, and network security.

The IT organization reports to the operations unit of Voya. The IT organization is led by the Chief Information Officer (CIO), who reports to the business unit Chief Operations Officer.

The following areas report directly to the CIO:

- Analytics & Data Management – Responsible for business information and architecture, business intelligence and analytics, data integration and orchestration services, data management and data quality, and application database support
- Digital Delivery Services – Responsible for full system development for Individual Retirement and Voya Financial
- Enterprise Application Services – Responsible for IT service delivery for Finance, Human Resources (HR), Legal, Financial Risk, and Communications applications
- Enterprise Architecture – Responsible for integrated technology and roadmap planning, enterprise technology and standards, and architecture governance
- Retirement IT – Responsible for IT service delivery for Retirement Services applications
- Strategy & Delivery Office – Responsible for the management of strategic IT work portfolios and for leading the execution of IT projects across the organization
- Technology Risk and Security Management – Responsible for access management, security operations, security management and recovery services, risk management, IT controls, and security architecture and platforms
- Technology Services – Responsible for end-user services, network middleware and distributed systems engineering, operations, and service delivery.

B. DESCRIPTION OF CONTROL ENVIRONMENT

The overall attitude, awareness, and actions of the Board of Directors, management, and others reflect the importance of the control environment, risk assessment, information and communication, and monitoring within the organization as described in the following:

- Management's Philosophy and Operating Style
- Organizational Structure
- Oversight by the Board of Directors
- Assignment of Authority and Responsibility; including
 - Chief Financial Officer
 - Compliance
 - Financial Control Risk
 - Human Resources' Policies and Practices
 - Information Technology
 - Internal Audit and Advisory Services (Internal Audit)
 - Legal
 - Operational Risk Management (ORM)
 - Technology Risk and Security Management

Management's Philosophy and Operating Style

Management is committed to providing quality, accurate, and timely service to clients. Employees follow detailed workflow practices and internal control procedures to strive to achieve the highest standards of client satisfaction.

Adherence to policies and procedures is monitored by senior management. The philosophy of senior management is to manage and control risk through a hierarchy of control policies, procedures and management processes which reinforce the internal controls. Management is challenged to assess and monitor risk that could affect the Company's ability to provide reliable transaction processing. These efforts include, but are not limited to identifying, assessing and managing risks associated with implementing new technologies and business products, integrating new personnel, and addressing regulatory, industry, or other Company initiatives.

To help align business strategies and goals with operating performance, management is committed to maintaining effective communication with all personnel. Management, across all functions, discusses the status of current client processing, organizational structure and other matters of interest and concern. Issues or suggestions identified by personnel, or independent reviews are readily brought to the attention of management to be addressed and resolved.

Organizational Structure

The organizational structure provides an overall framework for planning, directing, and controlling operations. Authority and responsibility assigned within the organizational structure is designed to provide adequate staffing, segregation of duties, efficiency of operations, and adequate concentration of knowledge and skills.

Oversight by the Board of Directors

The Board of Directors has general oversight responsibility for the business matters of the Company.

Assignment of Authority and Responsibility

The following departments are generally considered to be part of the control environment:

Chief Financial Officer

The Chief Financial Officer (CFO) leads the Retirement finance function. This responsibility includes the oversight of all financial activities including financial reporting, accounting policy and expense management, and product pricing review and analysis.

Compliance

Designated Compliance Officers are accountable for developing and maintaining compliance standards. It is the responsibility of these Compliance Officers, working with internal legal counsel, to monitor the adherence to the Voya Financial Code of Business Conduct and Ethics and to assist employees in achieving the highest standards of integrity and business conduct.

Integrity is the key to continued success in all dealings with plan sponsors, participants, shareholders, employees, regulators and other business associates. All individuals, either employed or associated with VRIAC and Voya IPS, are responsible for conducting themselves in compliance with the Voya Financial Code of Business Conduct and Ethics, other Company policies, and applicable laws and regulations.

Financial Control Risk

Financial Control Risk (FCR) is a component of the Voya Financial's Controller's organization. This department provides resources and methodologies related to internal control evaluation (testing) and awareness with primary emphasis on the controls over financial reporting for Voya Financial's legal entities that are subject to the Sarbanes-Oxley Act of 2002 (SOX). FCR's work and activities are performed on behalf of management and are executed in coordination with the activities of the external auditor, Internal Audit and ORM. FCR performs testing of internal controls over financial reporting for those areas that are in-scope for SOX, provides controls awareness/guidance on new process implementation or process redesign, and performs other functions at the request of management. FCR works with management to evaluate the design and effectiveness of controls while assisting in reducing risk to an acceptable, and cost-effective level.

Human Resources' Policies and Practices

Policies and practices are in place related to hiring, training, evaluating, promoting, compensating, and terminating employees. All prospective employees are screened by the Human Resources (HR) Department, including background investigation and reference verification. Hiring policies include requiring the candidate to have obtained a minimum level of education and experience. Descriptions for all job classifications define job requirements and assist with properly managing employee workload. Final employment decisions are made by the department seeking to hire the individual.

Both formal and informal educational advancement opportunities are promoted, and employees are encouraged to take advantage of existing training programs. This training is designed to advance employees' careers and provide employees with the skills necessary to provide quality service to clients.

For terminated employees, Voya manages the transition of a terminated employee's existing projects, as well as access to facilities and business applications, in a manner appropriate to the termination.

Information Technology

Information Technology (IT) maintains and executes a framework of IT policies, procedures and controls that support and complement the business controls over the initiation, authorization, recording, processing and reporting of transactions. In addition, IT performs ongoing monitoring of the status of application and transaction processing by the Company's systems.

Internal Audit and Advisory Services

Voya Financial's Internal Audit (formerly Corporate Audit Services (CAS)) function provides independent objective assurance and consulting services designed to add value, improve operations and support the Voya Financial, Inc. Audit Committee of the Board of Directors (Audit Committee) in fulfilling its oversight role with the Company. Internal Audit employs a systematic, disciplined approach to evaluate and offer recommendations for improving the effectiveness and efficiency of risk management, control, and governance processes for the various businesses and legal entities that are a part of Voya Financial. Internal Audit independence and authority are granted in the form of an Audit Charter approved by the Audit Committee.

Internal Audit develops its audit plan using a risk-based approach. This approach enables Internal Audit to align its audit activity with the business objectives of the Company and the key value drivers of the organization. Audit effort is prioritized based on risk and regulatory requirements. The annual audit plan is approved by the Audit Committee and communicated to Company management.

Results and conclusions of audit work are reviewed with operating and financial management responsible for the activity being evaluated. Audit reports include an opinion on the adequacy of internal controls for the activities within the scope of the audit, audit findings and recommendations, as well as management's corrective action plans with due dates. Corrective action plans are monitored in a centralized application, and each remediation effort is validated by Internal Audit before a finding is considered closed.

Periodic reports summarizing audit activity, audit results and status of management's corrective action plans are presented to the Audit Committee and management.

Legal

The Voya Financial Legal Department has primary responsibility for providing legal services to Voya Financial including the Company. The legal services include advising the Company on legal issues relating to the development, sale and administration of the Company's products and related services.

Additionally, the Voya Financial Legal Department monitors legislative and regulatory activity that may potentially impact the Company.

Operational Risk Management

Retirement's ORM function reports to the Chief Risk Officer of the Retirement business unit. ORM receives guidance and direction from Retirement management, as well as from Corporate Risk Management, to ensure operational risks are effectively managed by business management. ORM supports business management in making improved decisions when risks are involved. This entails advising management on existing and emerging risk exposures, developing and improving processes and related internal control design, tracking timely resolution of open issues, performing analysis of operational errors and conducting targeted risk assessments.

Technology Risk and Security Management

Technology Risk and Security Management (TRSM) is a part of IT that receives guidance and direction from Retirement and Information Technology management to ensure information risks are effectively managed. Among its many responsibilities, TRSM acts as a liaison between the Company's business units and its external auditor, to help ensure that internal IT control issues are addressed appropriately and timely. They also provide advice on developing and improving processes and related internal controls.

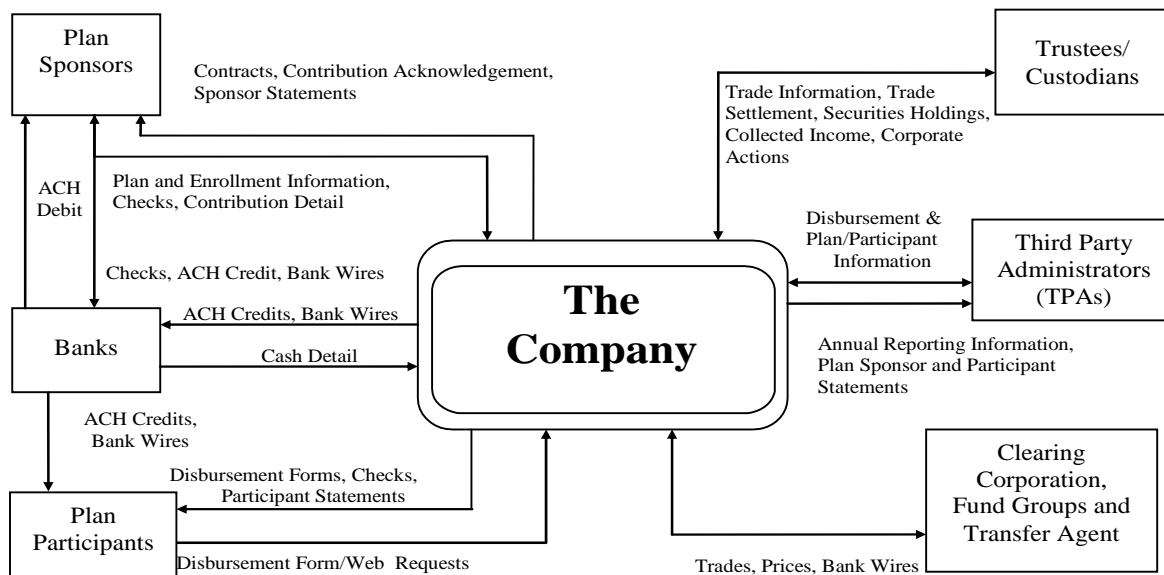
C. DESCRIPTION OF TRANSACTION PROCESSING

This section provides information pertaining to the processing of the Company’s Corporate and TEM business.

The following descriptions provide an understanding of the interactions with external parties, the information systems, and the related functions and controls. Data is processed using a combination of automated and manual processes. Unless specifically noted, Corporate and TEM processing are identical.

Interactions with External Parties

On a daily basis, the Company interacts with a variety of external parties in connection with providing services to Plan Sponsors and participants. The interactions with these external parties are depicted below.



Plan Sponsors – Companies or organizations that offer employee benefit plans to their employees and as Sponsor are responsible for the adoption, documentation, oversight or administration of the plan.

Trustees/Custodians – Financial institutions that hold assets on behalf of a plan or the Company’s separate accounts and are responsible for the receipt, delivery, and safeguarding of assets. The Trustee may perform the duties of the Custodian and/or the Bank.

Banks – Financial institutions, acting as agents of the Company, collecting and posting cash received from Plan Sponsors on behalf of the Company.

Third Party Administrators (TPAs) – Organizations that provide plan administration services to Plan Sponsors, including, but not limited to administrative, recordkeeping and consulting services.

Plan Participants – Individuals who participate in an employee benefit plan offered by their current or former employer.

Clearing Corporation – Organization that provides centralized clearance and settlement of trades and information services to the financial services industry.

Fund Groups – Financial services companies that offer their funds as the underlying investment vehicles for the Company’s products.

Transfer Agent – A trust company, bank or similar financial institution assigned by a corporation to maintain records of investors, account balances and transactions, to cancel and issue certificates, to process investor mailings and to deal with any associated problems (i.e., lost or stolen certificates).

Information Systems Overview

The following systems are hosted and supported by Information Technology (IT) Department personnel located in Jacksonville, Florida and Minneapolis, Minnesota. For purposes of this report the term “Core Applications” is used to refer to all applications below.

EASE Omni

EASE Omni is a daily-valued application that processes client data relating to the Corporate and TEM markets. EASE Omni offers full Plan Sponsor and participant level plan administration. Functions supported by EASE Omni include transaction processing, record maintenance, and ad-hoc reporting. Its primary downstream interfaces include Ultimate Statements, commissions systems, numerous financial reporting applications, as well as client service platforms for the RRSCs, Voice Response Unit, and Internet.

Fund Operations Reporting and Control for the Enterprise (FORCE)

FORCE is an enterprise application that supports the daily pricing of investment options offered in Voya products / plans. FORCE collects net asset value (NAV) and dividend data, and calculates accumulation unit value (AUV) data for the applicable investment options offered within VRIAC’s Insurance products. FORCE is also used for the daily trading in the investment options offered within Voya’s products / plans. Trade instructions by shareholder account are provided to each of the investment companies.

Fund Operations ShareRecon

A proprietary application that receives outstanding share / dividend data from fund companies on a daily basis and reconciles to Voya’s data on FORCE.

PeopleSoft electronic Disbursements System (eDS)

PeopleSoft eDS is a Voya custom built application that resides in the PeopleSoft Financials environment. PeopleSoft eDS processes disbursement request information from the administration systems for policyholder and commission payments. PeopleSoft eDS has on-demand functionality that allows checks, wires, and ACHs to be produced on an as needed basis.

PSRConnect

Client Service system that consists of CSA workstations used to service participant calls made to the RRSC. This front-end system is the conduit for CSAs to EASE Omni. This application does not store data.

PWeb

PWeb is a front-end to EASE Omni and provides self-service capabilities to participants through the use of the Internet. Based on plan provisions, participants are allowed to perform certain inquiry and transaction functions. Inquiry functions can include account inquiry, fund information, and withdrawal and loan inquiries. Transaction functions can include fund-to-fund transfers, reallocation of existing account balances, changes in future investment selections/salary contributions, password changes, and address changes.

ReconPlus

The ReconPlus application (Frontier) is a vendor product from Fiserv with a Windows interface designed to automate the reconciling of accounts. It accomplishes this through the use of a data-matching engine driven by pre-defined matching criteria. It is used by the Reconciliation Unit to reconcile the administration systems and the various bank accounts to the general ledger. Source code is not available for modification.

The following application systems are also used in support of the System and have been included in the Description to provide clarity and overall flow. As these applications do not play a critical role in the functioning of key controls and/or transaction processing, they are not included in the scope of the ITGC report:

Collection Management System (CMS)

CMS is a batch system that receives deposit files from multiple banks and a business owned deposit entry tool in addition to a split instruction file from the Common Remitter System. Deposit data is recorded to a database and the plan making the submission is identified if possible. If the deposit originated from Common Remitter, the amount is split into multiple transactions based on the Common Remitter split instructions. Data that was received prior to the market close it is sent to the appropriate downstream system (EASE Omni or ProviderSplit) as well as being sent to the PeopleSoft General Ledger.

Conversion Work Station (COW)

COW is an application with an interface designed to automate the reconciling of prior carrier files and mapping to the OmniCash system and to feed reconciled data to EASE Omni by pre-defined match criteria.

Customer Service Workstation (CSW)

CSW is a client server application that is used to service Plan Sponsors and participants by housing forms and correspondence, storing client service events and processing both financial (e.g., disbursements) and non-financial (e.g., address changes) transactions. Data relating to these transactions is transmitted to EASE Omni for nightly processing. Additionally, a daily import process is used to build new data records and synchronize existing records stored on the CSW database.

DocMaps

DocMaps generates enrollment contracts, certificates and confirms for TEM and Corporate sponsors and participants. DocMaps also supports mass mailings, quarterly statements, anniversary letters, loan letters, beneficiary changes, contribution rate changes and one time mailings.

Enroll By Internet (EBI)

EBI is an Internet facility which allows eligible participants to enroll directly into their employer sponsored plan. EBI supports the Corporate and TEM business. This system provides enrollment information to the participants, Agents, Internal Home Office users and Customer Support

Representatives, such as the funds that are available, and collects the required data to process an enrollment. Enrollments are then sent via the respective enrollment system to the appropriate administration system.

Fund Operations Database

The Fund Operations Database stores static fund related data (i.e., Fund Names, Shareholder Account numbers, benchmarks) for all investment options offered in Voya products, as well as the results of the daily pricing / trading values. Some examples of daily values include prices (NAVs and AUVs), shares, balances, reserves, dividend income, and separate account charges.

Interactive Voice Response (IVR)

IVR is a front-end application to EASE Omni. It provides a method for participants to inquire of their account balances, transfer money between investment options, update their fund allocations for future deposits, and modify personal identification number (PIN) passwords. This application has no database of its own and does not perform financial processing. It interfaces with EASE Omni on-line utilities to retrieve information requested by the participant and passes information to EASE Omni for processing. Financial transactions submitted through the IVR are stored in a batch file that is transmitted to EASE Omni during the nightly batch cycle for processing.

Linux Ultimate Statements

Linux Ultimate Statements is the repository for the statements files received from EASE Omni. Calculations are performed within EASE Omni and scheduled jobs within EASE Omni transfer relevant data over to Linux Ultimate Statements for reformatting only into a format that can be read by the outside print vendor.

OASIS

OASIS is the PC front-end application to the Repetitive Payment System used by Payout Services. It provides the screen-input capability for new payout issues, administrative changes, correspondence, and commission/paid new business functions.

OmniCash

OmniCash is an extension of EASE Omni that records and tracks contribution and loan repayment cash receipts and “matches” those receipts with contribution and loan repayment data files received from Plan Sponsors. Once matched, the transaction is released for processing during the nightly batch cycle on EASE Omni.

Remote Enrollment

Remote Enrollment provides the New Business area with a Windows interface for TEM case setup and registered representative review of TEM enrollments prior to transmission to EASE Omni.

SetIT

SetIT is an internal application used for setting up client plan configuration data for various internal and external participant facing applications. SetIT application provides web services for other application to retrieve data in real time. SetIT also has Plan Install component, which is used for setting up new plans on EASE Omni and maintaining existing EASE Omni plans.

SIP 2000

SIP 2000 is an application used to reformat prior carrier files to load participant data into EASE Omni.

Task Manager

Task Manager is a workflow and imaging system which scans, images, dates, tracks, and stores documents in a paperless environment. The workflow functionality provides Analysts with the ability to track and monitor documentation received and processed. Quality Assurance (QA) and Quality Control (QC) personnel also use Task Manager to document execution of QA/QC reviews performed. Transactions are not processed within Task Manager; Analysts must have the corresponding access privileges within EASE Omni to process transactions that appear in Task Manager.

TransactIT

TransactIT is a web based front-end application that is part of an EASE Omni (Linux) platform. It stores pending transaction details which are created when the participant initiates the forms either through the Pweb or through a CSA. TransactIT allows the user to modify a transaction or release the pended transaction.

Contract and Plan Administration Overview

Note: A numerical reference appearing alongside text denotes the location of its corresponding control number in Section IV of this report.

The following are descriptions of the functions and controls used to process the Company's Corporate and TEM business on the OMNI recordkeeping system. Although other functions exist in the processing of this business, this examination is limited to those described below, which are considered relevant to the user entities' internal controls.

Plan Set-Up

All new and transferred Corporate plans originate from the Sales Department and the new business documents (e.g., master application and other documents describing the plan provisions as applicable, investment options, and pricing) are sent to the New Case Transition Services Unit (NCTS). New and transferred TEM plans originate from the Implementation Manager (IM) and are attached directly into Task Manager.

For Corporate plans ASU scans new business forms into Task Manager which automatically records the date and time that the documents are scanned, and routes the scanned document to the New Business Area based on task type. NCTS Analyst creates the Plandocrvw task and assigns to a New Business Underwriter (NBU) based on sales region.

Corporate Plans

An NCTS Analyst reviews the documents and updates the appropriate fields in a tracking database before sending the paperwork to ASU, who scans new business forms into Task Manager (creating a Planinit task) which automatically records the date and time that the documents are scanned, and routes the scanned document to the New Business area based on task type. NCTS Analyst creates Plandocrvw task and assigns to a New Business Underwriter (NBU) based on sales region.

A New Business Case Analyst (NBCA) performs an initial "in good order" (IGO) review of the plan setup documents in Task Manager, (e.g. signatures, dates, agent licensing, etc.) for accuracy and completeness, as well as entering the plan information into SetIT.

The NBCA evidences their initial IGO review in Task Manager by moving the “Planinit” task to a “Process” step. A second review is performed on 100% of new Corporate plan set ups by comparing source documents in Task Manager to SetIT. If the plan documents are not in good order (NIGO), the NCTS team is contacted and additional information is requested until good order is achieved. NBCA indicates IGO by accessing the “Planinit” task in Task Manager and takes the action “Process” which moves the task to the QA step. (1.1) The NBCA then issues the contract by taking the action in SetIT to send plan information to various systems including OMNI and DocMaps in the overnight update process. Issuing the contract creates the plan in EASE Omni, but the specific plan provisions are still required to be entered.

The following business day, the NBCA reviews DocMaps for all cases processed the previous day, ensures each case was successfully set-up, the case issued, and that any home office corrections to group annuity master agreements are correct. The NBCA accesses the “Planinit” task in Task Manager and takes the action of “Process” which moves the task to “Completed”.

A New Business Underwriter (NBU) receives the Plandocrvw task and reviews the new business paperwork along with the Plan Digest or Plan Documents (bundled plans). If not in good order (NIGO), NBU contacts the Client/TPA on Plan Digest or Plan Document issues and/or NCTS team on new business paperwork issues and additional information is requested until good order is achieved. Once the plan is in good order (IGO), NBU enters plan provision information into SetIT, saves back up documentation into the Plandocrvw task and takes the action “Process” which moves the task to the QA step. Once task is in QA step, where a Peer Review is performed by the QA team on all the plan provision data by comparing source documents from Task Manager to SetIT and once in agreement the QA Associate initiates the upload of plan provision data in SetIT to EASE Omni. The NBU Peer Reviewer evidences the review by sending an email to the Client Transition Manager (CTM) which indicates the date the review has been completed as well as by processing the Plandocrvw task in Task Manager. (1.2)

The SetIT information is automatically transmitted to EASE Omni and other downstream systems in an overnight cycle. Updates are sent to the RRSC Knowledge and Plan Alerts database, which is a reference tool highlighting all plan provisions and services elected by the Plan Sponsor. The application is used within the RRSC and Plan Management Areas to assist with answering participant questions and research.

A CTM is assigned to manage the overall implementation of the plan for all aspects of the plan set-up process (e.g., plan set-up, takeover of assets, prior history information, and activation of the plan). The CTM tracks the transition project in the Salesforce database. This includes updating of key milestone dates, plan status, and project completion.

Weekly communications (or as required) are maintained regarding the status and progress of the plan setup.

Once the plan has been successfully installed and all check-out procedures are performed, an e-mail is sent notifying the Plan Sponsor and the various business areas that the plan is active.

TEM Plans

The Implementation Manager (IM) reviews the documents and updates the appropriate fields in the Salesforce tracking database before attaching the new business forms to a new task in Task Manager (creating a “PlanintheG” task) which automatically records the date and time that the documents are attached, and routes the task to the New Business Area.

NBCA performs an initial IGO review of the plan setup documents in Task Manager (e.g. signatures, dates, agent licensing, etc.) for accuracy and completeness. If the plan documents are NIGO, the IM is contacted and additional info is requested until good order is achieved.

Once the TEM plan set up documents are deemed IGO the NBCA dates the TEM Case Quality Audit Sheet with the IGO date as evidence that the IGO review was performed. (1.1)

The TEM Case Quality Audit Sheet is saved on the share drive.

The NBCA enters the plan information into SetIT. Once IGO, a review is performed by comparing the source documents and SetIT. If the information was not input accurately, it is returned to the original NBCA for same day correction. The comparison is documented and signed-off on the Case Quality audit sheet by the reviewer. The case is then issued in SetIT and the information then feeds Case Profile and EASE Omni and issues the contract on DocMaps in the overnight update cycle. The NBCA logs the plan into the TEM Tracking Log and generates an email – “HEG New Business Report” which is saved in Task Manager.

The following business day, the TEM Analyst reviews DocMaps for all cases issued the night before, and compares DocMaps to the source documents ensuring each plan was successfully set-up and the case was issued. The TEM Analyst initials and dates the Case Quality Audit Sheet. The contract is delivered to the IM.

A New Business Underwriter (NBU) enters plan provision information into SetIT.

An NBU Peer Review is performed on all the plan provision data by comparing source documents from Task Manager to SetIT and once in agreement initiates the upload of plan provision data in SetIT to EASE Omni. The NBU Peer Reviewer evidences the review by sending an email to the IM which indicates the date the review has been completed as well as by processing the Plandocrvw task in Task Manager. (1.2)

The SetIT information is automatically transmitted to EASE Omni and other downstream systems in an overnight cycle. Updates are sent to the RRSC Knowledge and Plan Alerts data base, which is a reference tool highlighting all plan provisions and services elected by the Plan Sponsor. The application is used within the RRSC and Plan Management Areas to assist with answering participant questions and research. The TEM Case Quality Audit Sheet is then attached into Task Manager and plan set up is completed and peer reviewed.

An IM manages the implementation of the plan, the weekly communications, and maintains close communication with the appropriate parties.

Once the plan has been successfully installed and all check-out procedures are performed, an e-mail is sent notifying the Plan Sponsor and the various business areas that the plan is active.

Enrollment

Participant enrollment is the process of entering participant data into the recordkeeping systems manually by Voya or online by the Participant, Producer or Field Office using a pre-authorized enrollment form.

Manual Enrollments (Mail/Fax /Paper Submissions)

Manual enrollments are received by Voya ASU who scans all enrollment documents into Task Manager with the date and time automatically recorded by Task Manager and automatically routed to the appropriate business area based on task type.

The Enrollment Analyst access their assigned tasks in Task Manager, reviews the enrollment forms, and perform an IGO review using the scanned images. The IGO review process consists of checking for signatures, dates, and verifying that the allocation percentages equal 100%.

Enrollment forms that are NIGO are marked as pended within Task Manager, a notation regarding the NIGO status is made within Task Manager, and follow-up is performed with the Plan Sponsor, TPA, or agent to achieve good order.

The status of outstanding tasks is monitored daily through Task Manager reporting.

Once the enrollment form is deemed to be IGO, the status within Task Manager is updated and enrollments are entered into EBI. EBI contains on-line edits to identify errors (e.g., missing name, birth date, and marital status) as data is input. These errors are corrected on-line immediately by the Enrollment Analyst. Once the input is accepted by EBI, the enrollment information is automatically transmitted to EASE Omni to be processed in the nightly batch cycle.

During the EASE Omni processing cycles, the enrollment data is subjected to various system edits (duplicate enrollment, fund not available, etc.) (2.1) and printed to an error report that is monitored by Enrollment Analysts in conjunction with Plan Managers, for resolution. The time standard for resolving errors is three business days, depending on the complexity of the error.

A Peer Review is performed which includes a reperformance of IGO, ensuring data input is accurate and complete, and that the enrollment data is in EASE Omni. An automatic selection is made by Task Manager in that one of every ten manually keyed enrollments (10%) is selected for review and the Peer Review is evidenced in Task Manager. (2.2)

Online Enrollments (Participant, Producer, Field Office Submissions)

Online enrollments are processed using EBI or PWeb.

Participants can make fund selections by accessing EBI or PWeb by entering a password and ID, validating certain personal information (e.g., name, address, date of birth), the receipt of an enrollment kit from the Plan Sponsor, and entering the selected contribution rate and allocation percentages.

Producers and/or Field Office personnel can receive Participant Enrollment forms which are reviewed for IGO (validating signatures, dates, allocations, etc.) and once IGO is attained, the data is entered into EBI or PWeb where on-line edits exist identifying errors (i.e. allocations equal 100%, contribution percentages are within plan guidelines, etc.) as enrollment data is entered.

Once the online enrollment information is corrected it is accepted by EBI or PWeb and automatically transmitted to Remote Enrollment to be processed in the nightly EASE Omni nightly batch cycle.

Transferred Assets

The transferred asset process occurs when Plan Sponsors transfer their Corporate (pension) and/or TEM (annuity) business from their current carrier to Voya. In this process, Voya is required to receive and invest total plan/fund dollars into participant accounts and establish historical records for each participant based on the takeover records received.

The Case Transition Manager (CTM) for Corporate plans or the IM for TEM plans, through a conference call with the Plan Sponsor, TPA, prior carrier, and prior money manager, establishes an effective date and time frame for when the transferred assets will be liquidated and participant records (takeover balance information and history) will be sent to Voya.

The Case Implementation Specialist (CIS) manually inputs the information into the Conversion Work Station (COW) with the details of how the assets are to be allocated by fund when the wire transfer is received.

Depending on the product type, the Plan Sponsor either completes the forms with the contract paperwork or prepares an individual Mapping Letter which documents how the total investment will be allocated by fund to the participant. The letter also indicates the Holding Account to use if the request is received not in good order. For TEM, the IM prepares all the contracts, paperwork and the Mapping Letter.

Plan Set-up documents, including the transferred asset documents, are received by the ASU who scans them into Task Manager.

Application of Cash Receipts

The Plan Sponsor, TPA, prior carrier or prior money manager sends transfer of assets to the bank via wire transfers, which are the main source of takeover assets, however, on exception, live checks may be sent to Voya Windsor or the bank's lockbox. Checks are processed in the same manner as a wire transfers as described in the *Contributions and Loan Repayments – Recording of Cash Receipts* section of this report.

The bank receives the Plan's wire transfer, creates a bank file, and transmits the data into the Cash Management System (CMS) which feeds OmniCash at a plan level. The wire transfer plan level assets are applied via OmniCash to the participant's account's which feeds COW.

Assets are held until Mapping Instructions (for mapped plans) and/or a Breakdown Letter (for unmapped plans) is received.

The CTM or IM receives an emailed communication or file through the secure IFT website or other secured method from the Plan Sponsor, TPA, prior carrier, or prior money manager containing the breakdown of the total assets (by prior funds).

Throughout the day, a designated Case Implementation Specialist (CIS) monitors bank reports to determine when wire transfers are received. When funds are received, the CIS sends an email (with the wire transfer amount) to the CTM with the plan's billing group number and, if applicable, other wire transfer details (i.e. instructions). The final daily email is sent around 4:00 p.m. and includes the daily stream of all emails which is retained by the CTM as communication and a record of the wire transfers received. A Daily Report Review Log is initialed and dated by the CTM or other authorized individual.
(3.1)

Once the wire transfer is received, the CIS reviews the COW Reconciliation ensuring funds are in balance.

A CIS Peer Review takes place on COW verifying transaction accuracy. The Peer signs off on QA in COW, and pushes the transaction to EASE Omni. The QA signoff is maintained in the workflow screen on COW. (3.2)

Once the wire transfer transaction is balanced and approved, the CIS submits the COW wire transfer information to EASE Omni which accepts the transaction and posts the data effective the IGO date.

If the wire transfer information is NIGO, the prior carrier, TPA, Plan Sponsor and/or New Business Area is contacted (via email, telephone, etc.) to resolve the issue.

Participant Allocations for Mapped Plans (via SIP2000)

Electronic files are received from the Plan Sponsor, TPA, prior carrier or prior money managers which specifies how the total plan dollars should be allocated to participants and contains plan and participant census, balances, historical data, loan information, fund selections, etc.

A Reformatter accesses Task Manager and reviews the transaction routed to their profile, reviews the participant file and reformats the data using SIP2000. SIP2000 creates a participant “match” process which reconciles the wire transfer received to allocations to participants, creates an output file, and transmits the prior carrier file to COW.

The electronic files that were reformatted via SIP2000 are then fed to COW and EASE Omni.

CIS performs an IGO review of the reformatted data by obtaining and reviewing COW and ensures the prior carrier file balances to the wire transfer and Mapped Letter. This review is evidenced in Task Manager.

The transferred asset transaction is applied to participant’s accounts in EASE Omni during the overnight cycle which reduces the suspense amount or balance adjustment amount based on the principal balance deposited to the plan level account and applies the activity to each of the participants account according to the instructions received, reformatted data, and using the appropriate effective date.

After the participant’s transaction is posted to EASE Omni, the CIS reviews the Negative Balance report from EASE Omni and the reconciliation spreadsheets from ReconPlus to ensure that each transaction is processed accurately and completely.

On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya’s administrative systems, Voya’s banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately. Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled. (3.3)

Contributions and Loan Repayments

Contributions and loan repayments, are received through a variety of methods (live check, lockbox, ACH, wire transfer) from Plan Sponsors, plan participants, and/or financial institutions (i.e. rollovers and transfer of assets).

Recording Cash Receipts

- *Checks*

When checks are received, an ASU analyst creates a Live Check Log, adds their initials as the preparer, adds check information (i.e. check amount, check number, plan number, and if applicable the participant social security number) and records the number and amount of checks received. ASU then scans the check and supporting documents into Task Manager. The date and time the documents were scanned is automatically recorded and the transaction is routed to the appropriate business area based on task type. The Live Check Log and live checks are delivered to Customer Cash Management (CCM).

A CCM Analyst receives the live checks and reviews the Live Check Log for completeness and accuracy, and initials the Live Check Log as evidence of the review. Discrepancies are researched and resolved. (4.1)

The CCM Analyst prepares the checks for system entry and deposit to the bank. Checks are restrictively endorsed and stamped and check information is entered into CMS, which automatically transmits the data to OmniCash. The CCM confirms all the information on the CMS Batch Report matches to the checks. Checks are scanned for deposit via the bank's remote deposit software.

- *Lockbox*

Plan Sponsors, participants, and financial institutions mail checks and supporting documentation directly to the bank which are received and processed at a Voya lockbox account. The bank transmits data to OmniCash containing the detailed participant listings, check copies, and bank deposit advices.

For all check deposits sent to the lockbox, an image of the check and details are passed directly into Task Manager by the bank, where it is routed for processing based on task type.

- *ACH Credits and Wire Transfers*

The clearing house banks transmit files containing ACH credit and/or wire transfer details which each file type creating a separate deposit on OmniCash and moves the funds from the plan's account and deposits them into the appropriate Voya bank account.

- *ACH Debits (Automated)*

Plan Sponsors transmit instructions to Voya via a file indicating the contribution and loan repayment amount that should be allocated to each participant and the total that should be debited from the Plan's bank account. Voya creates a daily file containing all Plan Sponsor ACH debit activity and transmits the file to the clearing house to retrieve the appropriate cash amounts from the Plan Sponsors' bank account.

- *ACH Debits (Manual)*

CCM receives the ACH debit information through faxes from Plan Sponsors and Voya Business Area, which is then automatically scanned into Task Manager and routed for processing. CCM enters

the ACH debit info into a formatted spreadsheet and emails the data to the Treasury Services at the end of each business day. Treasury Services transmits the information to the bank to retrieve the appropriate cash amounts from the Plan Sponsors' bank account.

A PACU Analyst compares the total deposits per the EASE Omni Daily Activity Summary report to the total deposits per the Bank Reported Transaction BAI Statement to ensure accuracy and completeness. If there are discrepancies, the time standard to research and resolve discrepancies is one business day. The Bank Reported Transaction BAI Statement and balancing package is printed and retained, and the daily balancing log is completed, dated and signed by the PACU Analyst. (4.2)

For ACH automated debits, the day after the cash has been deposited, a PACU Analyst retrieves the Bank Reported Transaction BAI Statement from the bank's website and an ACH Debit report from EASE Omni. The Financial Analyst compares the total deposits per the ACH Debit report to the total deposits per the Bank Reported Transaction BAI Statement to ensure agreement. If there are discrepancies, the time standard to research and resolve discrepancies is one business day. The Bank Reported Transaction BAI Statement and ACH Debit report is printed and retained, and the daily balancing log is completed, dated and signed by the Financial Analyst.

Application to Participants' Accounts

Money-In (MI) Analysts log onto the Task Manager system and review each live check and lockbox transaction routed to their profile, review the scanned documents, live check detailed contribution and loan repayment information, and manually input the information into OmniCash. OmniCash automatically initiates a "match" process on plan level aggregate deposit totals and participant dollars on a daily basis whereby the contribution and loan repayment information is transmitted from OmniCash to CMS. EASE Omni is configured to automatically allocate contributions and loan repayments to a participant's account based on participant investment elections. (4.3)

For CMS plan level and participant dollars that match within OmniCash, a file is created and the contribution and loan repayment information is automatically transmitted into EASE Omni during the nightly batch cycle to be applied to the participants' accounts with the AUV or NAV relative to the date that both the contribution/loan repayment data and related receipts were IGO.

For transactions that are NIGO, the "Suspend" action is taken in Task Manager, which prompts the Analyst to call the Plan Sponsor within forty-eight hours.

Once the transaction is deemed IGO, the Analyst selects the action as "Process" in Task Manager. Imaged checks in Task Manager are used as back up.

Key calculations occur in EASE Omni as cash receipts are applied to participant accounts by investment/fund type with specific trade dates. Adjustments are made to the cash value if the amount is less than or greater than \$1.00 and in accordance with previously specified enrollment guidelines.

Each day, a Participant Services Supervisor compiles a report that reflects all outstanding items (suspense, recon, carryovers) and discusses them with the respective department in a meeting to ensure validity and/or to determine problems and next steps. On the last day of each week, the Participant Services Manager ensures that all suspense items aged more than 30 days has been researched and explained, and initials and dates the listing of suspense items. (4.4)

The QA Reviewer performs a 10% review of MI items by comparing the Task Manager source documents to EASE Omni, to ensure accuracy (dollars, payee, back dating, investment date), completeness and validity. Once the MI transaction and documents are QA reviewed, the Reviewer selects the action as “Process” in Task Manager which routes the item to a completed step.

If the transaction is incorrect or incomplete, the QA Reviewer adds comments to the transaction and selects the action as “Fail” in Task Manager which reroutes the transaction to the original Analyst or Peer.

On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya’s administrative systems, Voya’s banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately. Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled. (4.5)

401k Plan Servicing Voya Employees

This section pertains to Voya’s own 401(k) Savings Plan. Twice a month, Voya Payroll sends a file containing detailed contribution and loan repayment information with instructions on how to allocate amounts to participant accounts to a secure Voya FTP server.

The Voya Plan Manager receives three separate emails regarding the contribution file:

- Automated confirmation of the receipt of the contribution file sent by the payroll vendor that has been uploaded to EASE Omni.
- Automated confirmation summary that provides totals of the various contribution and loan repayment information on the vendor file. The following information is included in the confirmation:
 - Total employee contribution amount;
 - Total Roth contribution amount;
 - Total employer contribution amount;
 - Total loan payment amount;
 - Total Pretax catch-up contribution amount; and
 - Total Roth catch-up amount.
- The Plan Sponsor Control Total email from the Plan Sponsor outlining the contribution totals for each source of money.

The Voya Plan Manager compares the Plan Sponsor Control Total email to the file transfer Confirmation Summary email and ensures the total contributions for each source of money agrees. The Plan Manager initials and dates the Plan Sponsor Control Total email as evidence of the review. Discrepancies are researched and resolved.

The payroll vendor’s file is automatically loaded to EASE Omni, creating one contribution file and two loan files. These files are submitted to the next edit cycle in EASE Omni which automatically matches participant data and dollars and determines those transactions that cannot be processed. Depending on the type of rejected item, the Plan Manager either notifies the Plan Sponsor or researches these items so they can be included in the processing cycle or refunded back to the sponsor.

The Plan Manager verifies that the information within EASE Omni agrees to the Confirmation Summary to ensure that the data is complete.

The Voya Plan Manager creates a reconciliation report which compares the payroll data to EASE Omni data, taking into consideration any adjustments/rejects that affect wire transfer amount, including reviewing adjustments at plan participant level. All pre-processing adjustments and the newly calculated wire transfer amount are reflected on the reconciliation report. Once the payroll contribution file has been reconciled, the Plan Manager sends an email confirmation, with the reconciliation attached, to the Voya Payroll Department documenting the approval of the payroll file and providing a total amount that is to be wire transferred. (4.6)

Wire Transfer Receipt and File Processing

Twice per month on scheduled pay days, the Voya Payroll Department sends a wire transfer to the bank for the amount specified by the Plan Manager and sends the Plan Manager an email confirmation of the wire reference number. The Plan Manager verifies receipt of the wire in PeopleSoft eDS.

The Plan Manager compares the wire transfer amount received to the Wire Transfer request to ensure the two match. Once the wire is confirmed, the Plan Manager submits the payroll contribution and loan repayment file to EASE Omni for the nightly batch cycle.

After the transaction is posted to EASE Omni, a processing error file is created in EASE Omni reflecting any rejected contributions and loan repayments. The Plan Manager addresses these rejects by either refunding the payment in the case of a paid-off loan or working with the Plan Sponsor in the case of rejected contributions.

Post Processing Reconciliations

Each day, all financial transactions processed for EASE Omni plans flow to ReconPlus for reconciling purposes. This includes contributions, loan payments and any refund checks issued in PeopleSoft eDS.

The Plan Manager reviews ReconPlus and ensures that the wire transfer received, and the contributions, loan payments and any refunds match and balance after all files have been processed.

After the Voya payroll has been processed, the Operations Manager runs a ReconPlus report to determine that all items on the payroll are accounted for and determines if any items are outstanding within ReconPlus. If items are outstanding, the Operations Manager discusses each item with the Plan Manager to ensure proper corrections are made. The Operations Manager documents this on the ReconPlus report and initials and dates the report electronically as evidence of the review. (4.7)

Participant – Initiated Transactions and Account Changes

Transaction and account change requests may be initiated through the mail, fax, a telephone call to the RRSC, the toll-free line using the IVR, or the Internet via PWeb. Transactions and account changes that may be initiated by a plan participant must first be properly authorized and include changes to investment elections and contribution elections, inter-fund transfers, loan requests, withdrawals and distribution requests (collectively referred to as transactions).

For transactions initiated via IVR, PWeb or CSA, proper identification is required for a participant to access account information and make changes.

The IVR and PWeb systems are configured to require participants to authenticate using a valid Social Security number or log-in identification (ID) and a password. User access on PWeb is denied after a set number of unsuccessful log-in attempts. (5.1)

For those transactions processed through the RRSC, the CSA verifies the participant's identity by asking various personal questions (e.g., name, date of birth, social security number, address). Identity verification is performed via a recorded line. (5.2)

When a participant cannot properly authenticate via the IVR, the participant is routed to a CSA; the CSA validates the participant's identity by asking a series of questions in accordance with the participant's plan's rules. CSA calls take place on a recorded telephone line, while the IVR logs the call time.

Transaction requests received in the RRSCs are manually entered into CSW and PSR Connect by a CSA. CSW and PSR Connect automatically record the date and time of the entry. IVR requests are automatically logged into CSW and PSR Connect. For requests submitted through the RRSCs, the request and the effective date of the request are verbally confirmed with the participant by a CSA or through a recording when utilizing the IVR to determine whether it was handled as intended. RRSC calls take place on a recorded telephone line. (5.3)

Transactions initiated via the IVR, PWeb systems and PSR Connect are subject to edit checks on all transactions prior to processing. (5.4) The systems reject transactions with errors such as:

- Allocation percentages not equal to 100%
- Withdrawal amounts exceed maximum dollar amount available
- Transfer amounts requested exceed the balance available under terms of the plan
- Warning the user that more than one transfer on a fund was attempted in a day

The system edits will not allow the participant/processor to continue with the transaction where rejects occur. Participant-initiated requests that result in IVR errors are not transmitted to EASE Omni and the call automatically defaults to a CSA. Similarly, participant initiated transactions via PWeb that result in errors are not transmitted to EASE Omni, and the participant must retry the transaction.

Disbursements

Money out (MO) disbursements include the following: Surrenders, Withdrawals, Loans, Lump Sum, Excess Contribution, and Death Claims.

Note: Transactions initiated via PWeb, including permitted disbursements, are described above in *Participant – Initiated Transactions and Account Changes*.

CSAs who receive the participant calls verify the participant's identity by asking various personal questions via a recorded telephone line. The CSA initiates a pre-filled disbursement form and enters the detailed data into PSRConnect. The pre-filled disbursement request is then mailed to the participant with instructions for completion and signature. Certain disbursement requests (qualified relation orders, non-guaranteed repetitive payments) require customized forms and are considered non-routine.

The participant completes, signs, and sends the money out disbursement forms via mail/fax to the ASU. An ASU Analyst scans the disbursement forms into Task Manager, which automatically records the date and time that the documents are scanned, and routes the transaction to the appropriate business area based on task type.

Each morning MO Analysts log onto Task Manager and review each MO transaction routed to their profile.

The MO Analyst reviews each Task Manager item and performs an IGO review which consists of reviewing the documents for completeness, accuracy, signature, name, address, social security number, proper forms and IRS regulations, etc. The review is evidenced in Task Manager. For Death Claims IGO review, the MO Analysts ensure the original or photocopy death certificate is obtained when a transaction is greater than \$50k and agrees to the death claim form. If not, Lexis Nexis is reviewed to obtain the correct data (e.g. date of death, etc.).

Note: there may be special circumstances where a MO Analyst may process a death claim using other legal or certified documentation in lieu of Voya paperwork or forms.

Once the MO transaction and documents are deemed IGO, the MO Analysts selects the action as "Process" in Task Manager. For the TransactIT transactions, the MO Analyst selects "Complete" on TransactIT which then feeds Task Manager and automatically shows the transaction as "Process" in Task Manager.

If the MO or death claim transaction is NIGO, the MO Analyst selects the action as "Telephone" in Task Manager which routes the transaction to a NIGO Analyst.

Transactions that are IGO on TransactIT are automatically released daily through EASE Omni. For the transactions that are not on TransactIT, the MO Analyst manually adds the participant's transaction into EASE Omni manually.

As the disbursement request is manually entered into EASE Omni, the transaction must pass various on-line edits (e.g. wrong social security number, date input differs from current date, funds not available, more than three loans have been processed) and notifies the processor via a message window when an error occurs. The error is corrected by a MO Analyst prior to continuing to ensure data entry is accurate and complete.

For paperless transactions, errors that may occur in the update to EASE Omni show up on a Sponsor Connect error report within Task manager that is pulled daily. The Money Out team reviews the error and researches and resolves as appropriate to the error type.

For NIGO transactions, the NIGO Analyst contacts the participant, Plan Sponsor, TPA, and or agent within forty-eight hours. Once the transaction is IGO the information is forwarded to the original processor.

Key calculations occur in EASE Omni when the participant requests a withdrawal using a percentage where the dollar amount needs to be determined. For both specified and percentage withdrawals market fluctuations, deferred surrender charges, interest, and taxes (state or opt-out options) are all integral parts of the calculation.

EASE Omni edit/batch cycles can be viewed after each cycle. The EASE Omni batch cycle groups all disbursement transactions, subjects the transactions to system edits (fund limitations, plan specifications, etc.), reduces the participant's account balance, and creates a PeopleSoft eDS payment file.

Errors detected during the edit cycles are noted on the EASE Omni Error report which contains (money-out errors, quality assurance denials, plan manager errors, etc.). Processing Analysts research items on the report, which is also used as a research tool to assist in clearing errors identified in the QA process.

The EASE Omni disbursement file is transmitted overnight to PeopleSoft eDS which automatically groups the disbursements by checks or ACH/wire transfers. The PeopleSoft eDS transaction file is held until a QC or QA review has been performed.

A QA or QC reviewer logs into Task Manager and begins a 100% quality review of each MO transaction routed to their profile. The reviewer compares the Task Manager source documents to EASE Omni and to the PeopleSoft eDS transaction (e.g. payee, participant name, dollars, etc.) to ensure that the transaction is complete, accurate, processed timely and is properly authorized. Once the review is completed, the QA Reviewer evidences the review in Task Manager. (6.1)

If the MO transaction is incorrect or incomplete, the reviewer adds comments to the transaction and selects the action as "Fail" in Task Manager which automatically routes the transaction to a reprocess step.

The QC or QA reviewer accesses PeopleSoft eDS and manually approves each money-out disbursement transaction. PeopleSoft eDS automatically documents the reviewer's name and date of approval prior to being retrieved by the PACU.

A Financial Analyst within PACU releases the PeopleSoft eDS payment file via batch, which contains check requests that are transmitted for payment to the appropriate in-house printing area where the checks are printed and mailed, and ACH requests that are transmitted for payment by Treasury Services to the bank where the ACH disbursement is processed.

Designated individuals access Task Manager throughout the day and run the "Outstanding Task Detail Report" which contains cumulative, point of time outstanding transactions and is used to monitor transactions ensuring all transactions are being processed. An audit trail is created each time the report is run. On a weekly basis, a summary report evidencing daily transaction monitoring is placed on a shared drive. (6.2)

On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya's administrative systems, Voya's banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately. Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled. (6.3)

Rollovers

Rollovers occur when a participant moves their money out (surrenders) of their plan account and into (money in) an account (as allowed by regulations) that is not affiliated with the Plan. As such, for the purposes of this report, only the money out (surrender) affecting the plan's assets is within the scope of the examination.

ASU receives rollover requests through either a Money-Out form or Rollover Form along with the completed application and scans them into Task Manager. The date and time the documents were scanned is recorded and the transaction is routed to the appropriate business area based on task type.

A CRU Analyst performs an IGO review of the internal rollover request by accessing Task Manager and reviewing the money out documentation, which involves checking for completeness, accuracy, signatures, name, social security number, proper forms, IRS regulations, plan provisions, etc. The review is evidenced in Task Manager. If the form is NIGO, the appropriate individual (e.g., participant, sponsor, TPA, agent) is contacted and the issue is discussed in an attempt to bring the form into good order. Calls are made or emails are sent to assist in resolving the NIGO items. If it is deemed that the issues cannot be resolved, the form is handed off to the appropriate support team and withdrawn from Task Manager.

Once the documents are IGO, the CRU Analyst accesses Task Manager and enters the transaction information into EASE Omni and performs a self review.

EASE Omni edit/batch cycles are run four times a day and can be viewed after each cycle, noting that the batch cycle groups all disbursement transactions, reduces the participant's account balance, creates a PeopleSoft eDS payment file, and identifies potential system edits.

The EASE Omni disbursement file is transmitted overnight to PeopleSoft eDS which automatically groups the disbursements by checks or ACH/wire transfers. The PeopleSoft eDS transaction file is held until the transactions are QC or QA and released manually.

For surrendered funds that are moving from EASE Omni to another Voya recordkeeping system or if a wire or local check print is needed to move money to the receiving destination, the CRU Analyst will take an action of "Process" in Task Manager and create the wire or local print check the next day to be released by QA.

A 100% QA review is performed by a QA Reviewer by comparing the Task Manager source documents to EASE Omni to ensure accuracy (dollars, payee, investment date), completeness and validity. Once the transaction and supporting documents are successfully QA reviewed, the QA Reviewer selects the action as "Process" in Task Manager. (7.1)

If errors are found during the quality review, the QA Reviewer makes a notation in Task Manager and routes the transaction via Task Manager to be re-processed. Corrections are made and the Analyst takes an action step in Task Manager to resubmit the transaction for another QA review.

The QA Reviewer accesses PeopleSoft eDS and manually approves each rollover transaction. PeopleSoft eDS automatically documents the QA Reviewer's name and date of approval.

The PACU releases the PeopleSoft eDS payment file via batch, which contains check requests that are transmitted for payment to the appropriate in-house printing area where the checks are printed and mailed, and ACH requests that are transmitted for payment by Treasury Services to the bank where the ACH disbursement is processed.

For those transactions that are labeled as requiring a locally printed check, the CRU Analyst summarizes the check information and sends an email to PACU. PACU obtains the checks from the local printer and groups the checks. CCM signs for the checks upon pickup.

Designated individuals access Task Manager throughout the day and run the “Outstanding Task Detail Report” which contains cumulative, point of time outstanding transactions and is used to monitor transactions ensuring all transactions are being processed. An audit trail is created each time the report is run. On a weekly basis, a summary report evidencing daily transaction monitoring is placed on a shared drive. (7.2)

On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya’s administrative systems, Voya’s banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately. Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled. (7.3)

Systematic Distribution Options

Cash disbursement transactions for Systematic Distribution Options (SDOs) consist of Estate Conservation Options (ECO) and Systematic Withdrawal Options (SWO), where the account balance remains in the accumulation phase of the plans contract and is processed on the EASE Omni system.

ECO distribution options are intended to satisfy the participant’s required minimum distribution (RMD) as required by the Internal Revenue Code.

SWO distribution options provide three types of payment options: Specified Payment, Specified Period (which are monitored for RMD compliance) and Specified Percentage.

ECO/SWO distribution options are available to 401(k), 403(b), and 457 plan participants unless otherwise prohibited.

Participants are required to obtain money out disbursement forms from the Plan Sponsor, RRSC, Field Office and/or TPA/Brokers. The participant completes and signs the money out disbursement form and if applicable sends it to the Plan Sponsor who also signs the money out disbursement form authorizing the transaction. The Plan Sponsors and/or Participants send the money out disbursement forms via mail/fax to the ASU.

The disbursement forms are received by ASU and scanned into Task Manager as required which automatically records the date and time that the documents are received and routes the transaction to the appropriate business area based on task type.

The SDO Analyst reviews the transaction documents and performs an IGO review which consists of reviewing the documents for completeness, accuracy, signature, name, address, social security number, proper forms and IRS regulations, etc. If applicable, the SDO Analyst reviews CSW for plan level case notations to assist in understanding the request. Once the SDO transaction and documents are deemed IGO, the SDO Analysts evidences the review in Task Manager.

Although SDOs that are IGO are processed every day, they are set-up for bi-monthly run cycles (first and fifteenth of the month). The IGO date is utilized ensures proper valuation. SDO requests are processed prior to the first payment date.

For NIGO transactions, the SDO Analyst reviews the transaction supporting documents and contacts the participant, Plan Sponsor, TPA, and/or Agent within 48 hours. If a resolution is obtained the SDO

Analyst adds comments to Task Manager and proceeds to complete the IGO set up for the SDO request. The SDO Analyst then selects the action of “Process” in Task Manager.

SDO Analysts manually enters the IGO transactions into EASE Omni.

EASE Omni edit/batch cycle runs several times a day and can be viewed after each cycle. The batch cycles group all disbursement transactions, subjects the transactions to system edits, (e.g., fund limitations, plan specifications), reduces the participant’s account balance and creates a PeopleSoft eDS payment file. EASE Omni errors detected during the edit cycles are noted in a processing error file created in EASE Omni.

The EASE Omni disbursement file is transmitted overnight to PeopleSoft eDS which automatically groups the disbursements by checks or ACH/wire transfers. The PeopleSoft eDS transaction file is held until the QC or QA has been performed.

On a daily basis, after the nightly EASE Omni edit cycle has run, the SDO Analyst, accesses and uses EASE Omni error reports and the EASE Omni transaction record to ensure each new repetitive set up of an SDO transaction is properly performed.

For 100% of initial SDO payments, the QA reviewer compares the Task Manager source documents to EASE Omni folders to ensure accuracy and completeness. Once the QA review has been successfully performed, the Reviewer selects the action as “Process” in Task Manager. (8.1)

Subsequent SDO payments are auto released by PeopleSoft eDS and do not require manual approval. Partial withdrawals maybe requested and are released separately from the batch release.

A Financial Analyst within PACU releases the PeopleSoft eDS payment file via batch, which contains check requests that are transmitted for payment to the appropriate in-house printing area where the checks are printed and mailed, and ACH requests that are transmitted for payment by Treasury Services to the bank where the ACH disbursement is processed.

Designated individuals access Task Manager throughout the day and run the “Outstanding Task Detail Report” which contains cumulative, point of time outstanding transactions and is used to monitor transactions ensuring all transactions are being processed. An audit trail is created each time the report is run. On a weekly basis, a summary report evidencing daily transaction monitoring is placed on a shared drive. (8.2)

Subsequent SDO distributions, which are pre-scheduled for the 1st and 15th business day of each month, are automatically generated from PeopleSoft eDS, as outlined per the terms of the election form. The disbursements are then mailed to the address on file for the participant, unless alternate mailing instructions have been requested by the participant. Disbursements continue until the accumulation account is depleted or the distribution option is canceled.

On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya’s administrative systems, Voya’s banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately. Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled. (8.3)

Annuitizations

Under the terms of the annuity contract, when a contract holder or participant annuitizes and has the option of receiving the accumulated account value in a stream of periodic payments that are fixed in amount or variable in amount based on one or more variable investment options. The payments typically begin at retirement and continue for the lifetime of the annuitant or some other specified time. The period during which this stream of payments is paid is generally referred to as the annuitization phase (also known as the payout phase or the income phase).

Annuitizations and Single Premium Immediate Annuitizations (SPIAs) are elected by a participant by completing a settlement election form or SPIA application. Agents and/or brokers assist in the completion of the settlement election form or SPIA application, which must be signed by the Plan Sponsor, participant, and sales agent and/or broker. The ASU scans the forms into Task Manager, which routes the task for processing.

An Analyst accesses Task Manager, obtains the forms, and performs an IGO review which involves checking for completeness, accuracy, signature, name, address, social security number and proper forms. Once the forms are deemed IGO, the Analyst selects the action to “Process” in Task Manager to signify the account is ready to be created.

If the forms are NIGO, the participant, Plan Sponsor, TPA, and/or agent is contacted to attempt to achieve good order. If resolution is obtained, the NIGO Analysts make a notation in Task Manager and re-route the task back to the original processor. If there is no resolution, the task is rejected in Task Manager.

The Analyst processes the transaction by entering the data into EASE Omni.

EASE Omni edit/batch cycles run several times a day and can be viewed after each cycle. The batch cycles group all disbursement transactions, subjects the transactions to system edits, (fund limitations, plan specifications, etc.), reduces the participant’s account balance and creates a PeopleSoft eDS payment file.

Analysts use an EASE-generated error report as a research tool to detect transactions that erred in a cycle.

Designated individuals access Task Manager throughout the day and run the “Outstanding Task Detail Report” which contains cumulative, point of time outstanding transactions and is used to monitor transactions ensuring all transactions are being processed. An audit trail is created each time the report is run. On a weekly basis, a summary report evidencing daily transaction monitoring is placed on a shared drive. (9.1)

The EASE Omni disbursement file is transmitted overnight to PeopleSoft eDS which automatically groups the disbursements by checks or ACH/wire transfers. The PeopleSoft eDS transaction file is held until a QC or QA review has been performed.

The next day after the EASE Omni transaction is processed, the funds are wire transferred and a Task Manager task is created and sent to a Day Two Processing.

Day Two, Payout Services Analyst accesses OASIS and manually enters the payout record information.

The QA Reviewer logs into Task Manager and begins a quality review of each transaction routed to their profile, compares the Task Manager source documents to EASE Omni to ensure accuracy (dollars, payee, OASIS reports), completeness, validity and proper authorization. The QA Reviewer compares the OASIS 9NSR Report, the source documents and the RPS Interface Detail to ensure all of the previous day's activity was updated accurately. Once the transaction and documents are QA reviewed, the QA Reviewer selects the action as Process in Task Manager. (9.2)

For errors detected in the QA review, the Analyst reviews the Task Manager rerouted transactions in their profile and resolves the QA comments by correcting EASE Omni, OASIS (data integrity errors) or PeopleSoft eDS (check errors, name/address).

The QC or QA Reviewer accesses PeopleSoft eDS and manually approves each money-out disbursement transaction. PeopleSoft eDS automatically documents the QA Reviewer's name and date of approval.

PACU releases the PeopleSoft eDS payment file via batch, which contains check requests that are transmitted for payment to the appropriate in-house printing area where the checks are printed and mailed, and ACH requests that are transmitted for payment by Treasury Services to the bank where the ACH disbursement is processed.

On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya's administrative systems, Voya's banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately. Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled. (9.3)

Fund Operations

Fund Operations' processes include the pricing of investment options, the receipt and application of the credited interest rates on fixed products, processing of NAV and AUV trade files, and the confirmation of share positions and dividend accruals.

A suite of applications is used by Fund Operations in the daily valuation cycle. The FORCE system is used to complete the pricing function and the trading function.

Pricing

On a daily basis, after the New York Stock Exchange closes, pricing information is received for the various investment options offered in Voya products. The source of the information is the National Securities Clearing Corporation (NSCC), other fund companies or pricing vendors, proprietary price feeds, and/or faxes/e-mails. Information provided includes the current net asset value (NAV), dividend / capital gain distributions, and NAV change, and is either manually input into the FORCE system or imported through pricing files. The applicable AUVs (Accumulation Unit Values) are computed at the time pricing information is processed in the system.

The Fund Operations Pricing Analyst ensures that pricing is accurate and complete prior to sending pricing files to the administrative system by reviewing / resolving a number of controls over the pricing information as follows:

NAV Change – System-generated NAV change is compared to the received NAV change (where price change is received from pricing source). If there is a difference, the discrepancy must be researched and resolved for the applicable fund.

Dividend Discrepancy – Funds that expect a dividend / capital gain, but rates were not entered / processed, or dividends / capital gain rates received on funds that were not expected create discrepancies to be researched and resolved.

Multiple Pricing – Different prices / rates are received, either from multiple sources or same source. The Analyst reviews and determines the correct pricing information.

Zero Dividend Rate – Daily dividend paying funds that reflect a zero ordinary income rate on a given day are researched and resolved.

Once the Analyst has performed the above tasks, should there be a tolerance break the item would appear on the appropriate tolerance report below and be researched and resolved by the Analyst along with any other breaks.

NAV Tolerance Check – NAV daily percentage change is compared to the established threshold (by asset class). If the percentage change exceeds the threshold, the discrepancy must be researched and resolved for the applicable fund.

Stale Price – For funds where the current day NAV equals the prior day NAV, the discrepancy must be researched and resolved.

Dividend Rate Tolerance Check – Daily dividend paying funds' ordinary income rate is compared to established thresholds (per fund). If the rate exceeds the thresholds, the discrepancy must be researched and resolved for the applicable fund.

Breakage (for Insurance Business only) – Asset (NAV x Shares) / Liability (AUV x Units) difference is compared to an established threshold. If the difference exceeds the threshold, the discrepancy must be researched and resolved for the applicable fund / separate account / system.

For any pricing data that is manually entered into FORCE, it is reviewed and approved by another Fund Operations Analyst.

Price files are created only if the below criteria is met:

All prices and dividend rates have been received for the investment options.

All discrepancies have been resolved and approved, multiple pricing for a given fund has been resolved, and manually priced funds have been reviewed and approved.

Once all pricing items are reviewed, the pricing cycle is closed, the current day's price file overlays the prior day's file, and a backup file is also saved to the Fund Operations web server.

IT runs a series of jobs to retrieve the Daily Pricing Log files from the server, transmit them into EASE Omni, and ensure the data after transmission is accurate and complete. Errors are monitored by an IT Analyst and appropriate parties are informed of the errors. Depending on the nature of the error (i.e., financial or non-financial), it is either resolved immediately and the file is re-run or the file will run as scheduled and the error will be addressed in the next day's processing cycle.

At the completion of the pricing cycle, a digital copy of the Daily Pricing Report Package is created in FORCE by the Fund Operations Pricing Analyst and includes:

- Control reports with researched/resolved discrepancies
- Price file record counts
- Funds that paid dividends
- Manually priced funds with evidence of approval
- Comments related to pricing issues encountered

The creation of the Fund Ops Daily Pricing Report Package with the sign-off on discrepancy resolution is the evidence that the pricing cycle is complete and accurate. (10.1)

EASE Omni is configured to read share prices stored in plan level records. The value of each investment is calculated based on the shares and/or units held in a participant account and the participant account value reflects gain/loss based on current investment price. (10.2)

Interest Crediting Rate Changes

For Stabilizer current rate changes, a Stable Value (SV) Analyst updates a spreadsheet which summarizes new rates. A Peer SV Analyst reviews the new rates for completeness and accuracy and initials and dates the spreadsheet containing the rate changes as evidence of review. (10.3)

Fund Operations receives an email from the Product Pricing area on a monthly basis with fixed rate and credited rate files attached, including the SV rate change spreadsheet. The Fund Operations Manager confirms rate changes are requested by an authorized individual by referring to a listing of authorized individuals.

The Fund Operations Analyst enters the rate changes into the Fund Operations Database which is then used to calculate the prices (via FORCE) with the new rates. Daily price files are automatically created for each fund. As monthly rate changes are made, the new rates affect the rate factors that are used to calculate the funds' unit values.

The Fund Operations Manager reviews and compares the fixed rates and crediting rates per the Product Pricing source documents (typically received on a monthly basis) to the rate changes in the Fund Operations Database, ensuring completeness and accuracy. The Fund Operations Manager attaches the supporting documentation and initials and dates the Product Pricing email as evidence of the review. (10.4)

Trading

After the prices have been transmitted to EASE Omni and applied to participant transactions, the trading process is initiated.

The Fund Operations Trading Analyst ensure trades are accurate and complete prior to sending trades to the Fund Companies by reviewing a number of controls over the trading information as follows:

Fund Activity Tolerance (FAT) – a percentage of the administrative system trade (at fund / separate account / system level) is compared to the pre-trade balance. If the percentage exceeds the pre-established tolerance thresholds, a discrepancy exists for the record and must be researched/approved.

Margin Activity Tolerance (MAT) – a percentage of the administrative system trade (at margin code level) is compared to the pre-trade balance. If the percentage exceeds the pre-established tolerance thresholds, a discrepancy exists for the record and must be researched/approved.

Cash Activity Tolerance (CAT) – administrative system trade (at fund / separate account / system / margin code level) is compared to the system generated trade. If the difference exceeds the pre-determined tolerance threshold, a discrepancy exists for the record and must be researched/approved.

Breakage / Rounding (BAT) (for Insurance Business only) – Asset (NAV x Shares) and Liability (AUV x Units) differences are compared to the respective established threshold. If the difference exceeds the threshold, a discrepancy exists for the applicable fund, separate account and/or system and must be researched/approved.

Fund of Fund Rounding Activity Tolerance (FRAT) – Difference between Fund of Fund level trade and sum of underlying fund trades. If the difference exceeds the pre-established tolerance threshold, a FRAT control discrepancy exists and must be researched/approved.

Missing Information – Trade exists for an active investment option and the applicable trading data is missing for the record.

NSCC Settlement Difference – net settlement amount by membership is different than roll-up of individual NSCC trades. Difference must be researched / resolved.

Non-NSCC Settlement Difference – net non-NSCC settlement amount by line of business is different than roll-up of individual non-NSCC trades. Difference must be researched / resolved.

Negative Activity Tolerance (NAT) - a trade is passed from the administrative system and results in a negative unit balance for the AUV record. If a NAT occurs, the applicable administrative system owner is informed of the tolerance break.

Negative Share Activity Tolerance (NSAT) - a trade is passed from the administrative system and results in a negative share balance for an NAV record. If a NSAT occurs the applicable administrative system owner is informed of the tolerance break.

Zero Units and /or Positive Reserve (ZUPR) – Ending Units and Cash Flows are not received in the trade file for the record (at fund / separate account / system / margin code level) with prior day reserve.

Data Not Set-up – trade record received for an active investment option that is not set-up in the Fund Operations Database.

Inactive Funds – trade received on a record that is inactive.

FORCE system generates EASE Fund Operations Reports identifying trade activity that exceeds FAT, MAT, and CAT tolerance levels and sends an email with the reports to PACU. PACU sends an "OK to Trade" or if further research is required, email to Fund Operations. E-mails are generated by FORCE, regardless of whether or not there are control discrepancies. For all other control discrepancies, appropriate analysis and resolution is completed by Fund Operations.

Fund Operations does not send trades to Fund Companies until all control issues (breakage, missing information, and zero units, positive reserve) have been resolved and/or approved.

Trades are sent using the following methods: NSCC, trade file built specifically for the fund company receiving the file (proprietary trade file) and fax, or/ e-mail. For funds that cannot be traded via NSCC, or those that had discrepancies that needed to be resolved, the trades are performed via proprietary trade file, fax, or e-mail.

After all trades have been successfully sent, Fund Operations transmits settlement files to Treasury Services for the settlement of trades sent to the fund companies.

At the completion of the trading cycle, a Daily Trading Report Package is created in FORCE by the Fund Operations Trading Analyst and includes:

- Trade control results and appropriate approval of discrepancies as required (e.g. FAT, FRAT, NSTA BAT, MAT, CAT).
- Trade Adjustments Processed - Trade adjustments may originate from admin system requests or from non-routine events including missed trades, dividend corrections, in-kind transfers, fund mergers or settlement corrections.

The creation of the Fund Ops Daily Trading Report Package with the sign-off on discrepancy resolution is the evidence that the trading cycle is complete and accurate. (10.5)

Confirmation of Positions

Fund company share positions and daily accruals are received from multiple sources (e.g. NSCC, DST, and Bank of New York Mellon) into the Fund Operations ShareRecon application, which compares this data received to FORCE's records. The Fund Operations Analyst researches and resolves the differences in share positions and daily dividend accruals noted on an exception report.

A manual reconciliation is also performed by a Fund Operations Analyst for those funds not included in the automated reconciliation. The Fund Operations Analyst retrieves fund companies' share positions and daily dividend accruals from various sources and manually enters the information into the ShareRecon Application. After input, variances are calculated and displayed to the user.

The Fund Operations Analyst researches the differences displayed by the ShareRecon application and provides explanations for all variances greater than or equal to one positional unit directly into the ShareRecon application. ShareRecon is configured so that daily share reconciliation reporting cannot be

produced without an explanation for these differences; therefore the ability to run daily ShareRecon reports evidences that the research has been performed completely. (10.6)

Account Statements for Plans Subject to SEC Custody Rule

Participant statements are produced in accordance with client-level agreements. (11.1)

Participant information is also available via PWeb and IVR. (11.2)

Plan Sponsor Reports

The aggregate plan and participant account-level activities described above comprise the contents of the Plan Sponsor report packages provided by the Company to its plan sponsor clients to assist them in preparing their plan's financial reports. For Plan Sponsor reports generated by EASE Omni, client team members select the correct plan and reporting period for completeness and accuracy. (12.1)

The Plan Sponsor reports are run based on a standard job schedule that is tested as part of the *Service Organization Control 1 Report on the Description of IT General Controls System of Voya Services Company as it relates to Voya Retirement Insurance and Annuity Company and Voya Institutional Plan Services, LLC*.

D. COMPLEMENTARY USER ENTITY CONTROLS (CUEC)

In designing its System, the Company has contemplated that certain complementary controls would be implemented by user entities to achieve certain control objectives included in this report.

The complementary user entity controls, and applicable control objectives are listed in the grid below.

Control Objective	CUEC
C.O. 1	Instructions and information provided to the Company from the client should be in accordance with the provisions of applicable governing agreements or documents with clients.
C.O. 1 and 4	Timely written notification of changes to individuals authorized to affect activities on behalf of the client should be adequately communicated to the Company.
C.O. 2, 3, 4, 5, 6, 7, 8, 9, 11 and 12	Timely review of reports, confirmations, and client statements provided by the Company should be performed by the client, and timely notice of any discrepancies or missing reports should be provided to the Company.
C.O. 1, 5 and 6	Sufficient controls should exist within the client's organization to determine whether authorized instructions are valid, timely, and in compliance with regulatory requirements.
C.O. 1, 3, 4, 5, 6, 7 and 8	Sufficient controls should exist within the client's organization to determine whether transactions are accurate, complete, and appropriately authorized.
C.O. 2, 4 and 5	Changes to processing options should be appropriately authorized, implemented, and reviewed by the client.
C.O. 3 and 4	Routine balancing of output from programs to relevant control totals should be performed by the client.
C.O. 1, 2, 3 4, 5, 6, 7 and 8	Erroneous input data provided to the Company by the client should be corrected and resubmitted by the client.

E. SUBSERVICE ORGANIZATIONS

The Company uses various service organizations which are listed in the table below that provide information for the System (all hereinafter collectively referred to as the subservice organizations). This description includes only those controls and related control objectives at the Company and does not include controls and related control objectives of other subservice organizations. User entities should evaluate the relevance of these other subservice organizations in the planning of their audits.

Subservice Organization	Function
Voya Services Company	Provides information technology infrastructure support and administer centrally managed information technology controls for the Company's core applications.
RR Donnelley	Provides participant statements as required by a plan.
Williams Lea	Provides paper account change confirmations to participants that have not elected or are ineligible for electronic delivery.
The National Securities Clearing Corporation and various other fund companies or pricing vendors	Pricing of plan investment options.

SECTION IV

Description of Control Objectives, Controls, Tests and Results of Tests

SECTION IV – DESCRIPTION OF CONTROL OBJECTIVES, CONTROLS, TESTS AND RESULTS OF TESTS

A. PURPOSE AND SCOPE OF REPORT

On the pages that follow, the description of control objectives and the controls to achieve the objectives have been specified by, and are the responsibility of the Company. The testing performed by EY and the results of tests are the responsibility of the service auditor.

The control environment represents the collective effect of various factors on establishing or enhancing the effectiveness of the controls specified by the Company. In planning the nature, timing, and extent of EY's testing of the controls specified by the Company, EY considered the following aspects of the Company's control environment: organizational structure, policies and procedures, risk assessment processes and management monitoring procedures.

B. CONTROL ENVIRONMENT COMPONENTS

The control environment represents the collective effect of various components in establishing, enhancing or mitigating the effectiveness of specific controls. In addition to tests of the operating effectiveness of controls in the matrices of this report, EY's procedures also included tests of, or consideration of, the relevant components of the Company's control environment, including:

- The Company's organizational structure and the segregation of duties
- Management oversight
- External regulations and supervision
- Human Resources' policies and practices
- FCR
- Internal Audit

EY's tests of the control environment, risk assessment, monitoring, and information and communication included the following procedures to the extent they considered necessary:

- Inquiries concerning the Company's organizational structure, including segregation of duties, policy statements, accounting and processing manuals, personnel policies, and the Internal Audit and Compliance Departments' policies, procedures and reports
- Inspections, observations and re-performances with management, operations, administrative and other personnel who are responsible for developing, ensuring adherence to, and applying internal controls
- Inspections of control testing exceptions identified by management to determine their impact to the Company's control environment
- Observations of personnel in the performance of their assigned duties
- Inquiries of the Company's actions taken in response to recommendations to improve internal controls made by Internal Audit or FCR

The results of EY's tests of the control environment, risk assessment, monitoring, and information and communication controls did not identify any relevant deviations, and were considered in determining the nature, timing and extent of EY's testing.

C. TESTING PERFORMED AND RESULTS OF TESTS WHEN USING THE WORK OF MANAGEMENT

In performing the examination of the Description, EY used the work of FCR to assist in determining whether the controls related to the control objectives stated in the Description were operating with sufficient effectiveness to provide reasonable assurance that those control objectives were achieved throughout the period January 1, 2016 to December 31, 2016. EY used the work of FCR for controls in the following process areas:

- Transferred Assets
- Contribution and Loan Repayments
- Participant-Initiated Transactions and Account Changes
- Disbursements
- Rollovers
- Systematic Distribution Options
- Annuitizations
- Fund Operations

The nature of the testing performed by FCR related to controls over routine process activities, and included inquiry of relevant parties who performed the control activities, observation of the performance of the control activities at different times during the examination period, inspection of samples of documents evidencing the functioning of controls, and re-performance of the operation of certain controls. Any deviations identified by FCR are included under the Results of Testing for each control objective.

In connection with using the work of FCR, EY obtained the work papers supporting the tests performed and reviewed the work papers to evaluate whether the work was: (1) performed by a person having the appropriate skill and expertise, (2) properly supervised, reviewed and documented, (3) supported by sufficient, appropriate evidence to draw reasonable conclusions that were appropriate in the circumstances and consistent with the work performed, and (4) whether any deviations or unusual matters were appropriately resolved. In addition, EY: (1) re-performed all samples selected for testing, and (2) inspected the supporting documentation for all other tests to evaluate the consistency of the working papers to the supporting documentation. No deviations were noted as a result of these procedures.

D. TESTING OF INFORMATION PRODUCED BY THE ENTITY

For tests of controls requiring the use of information produced by the entity (e.g., controls requiring system-generated populations for sample-based testing), EY performed a combination of the following procedures where possible based on the nature of the information produced by the entity to address the completeness, accuracy, and data integrity of the data or reports used: (1) inspected the source of the information produced by the entity, (2) inspected the query, script, or parameters used to generate the information produced by the entity, (3) tied data between the information produced by the entity and the source, and/or (4) inspected the information produced by the entity for anomalous gaps in sequence or timing to determine the data is complete and accurate.

E. PROCESS LEVEL CONTROLS – CONTRACT AND PLAN ADMINISTRATION SERVICES

Control Objective 1: Plan Set-Up

Controls provide reasonable assurance that new and transferred plans are set up accurately and completely.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
1.1	An NBCA performs an in good order review (IGO) for accuracy and completeness. Any items not in good order researched and resolved. The NBCA evidences the review in Task Manager for Corporate plans or the Case Quality Audit Sheet for TEM plans as evidence of completion of good order review.	Inspected the respective evidence for a sample of new and transferred plans to determine whether the documents or checklists were signed-off as completed and reviewed and any items deemed not in good order were resolved. Re-performed the in good order review for a sample new plan setup to determine whether all of the necessary information has been received and is completed accurately.	No deviations noted.
1.2	A New Business Underwriter (NBU) Peer Review of each plan setup is performed to ensure accuracy and completeness. An email is sent to the Client Transition Manager (CTM) or Implementation Manager (IM) when complete.	Inspected evidence for a sample of new and transferred plans to determine whether the setup was Peer Reviewed by NBU Peer Reviewer for accuracy and completeness. Re-performed the Peer Review for a sample new plan setup to determine whether the plan was implemented accurately and completely in accordance with the plan setup documents and verified that an email was sent to the CTM or IM when complete.	No deviations noted.

Control Objective 2: Enrollment

Controls provide reasonable assurance that manual participant enrollment forms are processed accurately and completely.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
2.1	During the EASE Omni processing cycles, the enrollment data is subjected to various system edits (duplicate enrollment, fund not available, etc.).	Inspected a sample enrollment transaction to determine whether enrollment data was subjected to system edits and was processed completely and accurately during the EASE Omni processing cycle.	No deviations noted.
2.2	A Peer Review of 10% of manually keyed participant enrollments is performed to ensure accuracy and completeness. The Peer Review is evidenced in Task Manager.	Inspected Task Manager for a sample of participant enrollments that were peer reviewed, to determine whether Peer Reviews of 10% of manually keyed participant enrollments were performed and that errors identified, if any, were resolved. Re-performed Peer Review for a sample enrollment to determine whether all of the information received was processed completely and accurately and documented in Task Manager.	No deviations noted.

Control Objective 3: Transferred Assets

Controls provide reasonable assurance that transfer of plan assets to participant accounts are recorded accurately and completely.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
3.1	A designated Case Implementation Specialist (CIS) monitors bank reports and creates an email to the CTM for notification of when wire transfer information is received. The CTM or other authorized individual initials and dates the Daily Report Review Log as evidence of wire confirmation email review.	Inspected the Daily Report Review Log for a sample of days to determine whether a review was appropriately performed. Re-performed the CIS bank wire transfer review for a sample day to determine whether the date and amount of the wires per the e-mail agree to the wire report.	No deviations noted.
3.2	A CIS Peer Review takes place on COW by verifying transaction accuracy before it is pushed to EASE Omni. Evidence of the review maintained within the workflow screen on COW.	Inspected a sample of transferred assets to determine whether a Peer Review took place and was evidenced in COW transaction workflow screen. Re-performed a sample Peer Reviews to determine whether asset transaction information processed was transferred accurately and completely.	No deviations noted.
3.3	On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya's administrative systems, Voya's banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately. Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled.	Inspected a sample of monthly review checklists to determine whether all reconciliations have been prepared and reviewed. Re-performed a review for a sample of daily reconciliations to ascertain that bank, suspense, clearing and to/from accounts were reconciled completely and accurately.	No deviations noted.

Control Objective 4: Contributions and Loan Repayments

Controls provide reasonable assurance that contributions and loan repayments are recorded to participant accounts accurately, completely, and timely.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
4.1	A CCM Analyst receives the live checks and reviews the Live Check Log for completeness and accuracy, and initials the Live Check Log as evidence of the review. Discrepancies are researched and resolved.	<p>Inspected the Live Check Log for a sample of days to determine whether the review was performed by CCM by evidence sign-off on the Live Check Log.</p> <p>Re-performed review for each Live Check Log tested above to determine whether all checks within the Live Check Log are documented completely and accurately.</p>	No deviations noted.
4.2	A PACU Analyst compares the total deposits per the EASE Omni Daily Activity Summary report to the total deposits per the Bank Reported Transaction BAI Statement to ensure accuracy and completeness. If there are discrepancies, the time standard to research and resolve discrepancies is one business day. The Bank Reported Transaction BAI Statement and balancing package is printed and retained, and the daily balancing log is completed, dated and signed by the PACU Analyst.	<p>Inspected the daily balancing package for a sample of days to determine whether the comparison was performed and signed off.</p> <p>Re-performed the comparison for a sample day to determine whether the total contributions per EASE Omni agreed to the total bank deposit for that day completely and accurately and discrepancies were researched and resolved.</p>	No deviations noted.
4.3	EASE Omni is configured to automatically allocate contributions to a participant's account based on participant investment elections.	<p>Inspected a sample contribution transaction in a test environment to determine whether EASE Omni allocated the contribution based on investment elections determined by the participant.</p> <p>Inquired of management and inspected test and production directories of administration systems to determine whether the test environment maintained for the applications is configured the same (and runs on the same version/release) as the production environment.</p>	No deviations noted.

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	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
4.4	<p>Each day, a Participant Services Supervisor compiles a report that reflects all outstanding items (suspense, recon, carryovers) and discusses them with the respective department in a meeting to ensure validity and/or to determine problems and next steps. On the last day of each week, the Participant Services Manager ensures that all suspense items aged more than 30 days has been researched and explained, and initials and dates the listing of suspense items.</p>	<p>Inspected a sample of weekly reports to determine whether it included all relevant data and was signed and dated by the Participant Services Manager.</p> <p>Inspected supporting documentation for a sample suspense item to determine whether appropriate actions were taken and the item was included as outstanding in the report completed by the Participant Services Supervisor and reviewed weekly by the Participant Services Manager.</p>	No deviations noted.
4.5	<p>On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya's administrative systems, Voya's banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately.</p> <p>Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled.</p>	<p>Inspected a sample of monthly review checklists to determine whether all reconciliations have been prepared and reviewed.</p> <p>Re-performed a review for a sample of daily reconciliations to ascertain that bank, suspense, clearing and to/from accounts were reconciled completely and accurately.</p>	No deviations noted.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
401k Plan Servicing Voya Employees			
4.6	A Voya Plan Manager reconciles payroll data to EASE Omni data, includes pre-processing adjustments, and documents the wire transfer amount. The Plan Manager sends an email confirmation to the Voya Payroll Department, with the reconciliation attached, documenting approval including total amount to be wire transferred.	Inspected evidence for a sample of payroll periods to determine whether comparison was completed. Re-performed comparison for one payroll period within the sample to determine whether the comparison performed was complete and accurate, including review of plan participant level adjustments.	No deviations noted.
4.7	After the Voya payroll has been processed, the Operations Manager runs a ReconPlus report to ensure all items for the payroll cycle are accounted for. The Operations Manager documents this on the ReconPlus report and initials and dates the report electronically as evidence of the review.	Inspected ReconPlus reports for a sample of payroll periods to determine whether the review of the report was performed and evidenced by Plan Manager via initials and date.	No deviations noted.

Control Objective 5: Participant-Initiated Transactions and Account Changes

Controls provide reasonable assurance that participant-initiated transactions and account change requests are authorized and processed accurately.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
5.1	For transactions and account changes initiated through PWeb or IVR, participants are required to authenticate using a valid Social Security Number (SSN) or log-in Identification (ID), and a password. PWeb access is denied after a set number of unsuccessful logon attempts.	Observed authentication process for IVR and PWeb systems in a test environment to determine whether IVR and PWeb systems were configured to require a valid SSN or log-in ID, and a password to authenticate. Observed that access via PWeb was configured to disable the account after set number of unsuccessful log-in attempts.	No deviations noted.
5.2	For transactions and account change requests processed through the RRSCs, the CSA verifies the participant’s identity by asking various personal questions (e.g., name, date of birth, social security number, address.) Identity verification is performed via a recorded line.	Observed a sample of recorded telephone calls requesting transactions or account changes to determine whether the CSA requested proper information for identification.	No deviations noted.
5.3	For account changes submitted through the RRSCs, at the end of each transaction, the request and the effective date of the request is verbally confirmed with the participant by a CSA.	Observed a sample of recorded telephone calls to determine that “verbal readbacks” of request and the effective date of the request were appropriately performed and confirmed with the participant by the CSA.	No deviations noted.
5.4	Transactions initiated via The IVR, PWeb and PSRConnect are subject to edit checks prior to processing. The systems reject transactions with errors such as: <ul style="list-style-type: none"> • Allocation percentages not equal to 100% • Withdrawal amounts exceed maximum dollar amount available • Transfer amounts requested exceed the balance available under terms of the plan • Warning the user that more than one transfer on a fund was attempted in a day 	Observed sample transactions with elements of rejects as outlined within the key controls as entered into the test environment of the IVR, PSRConnect and PWeb systems to determine whether the sample transactions were rejected. Inquired of management and inspected test and production directories of administration systems to determine whether the test environment maintained for the applications is configured the same (and runs on the same version/release) as the production environment.	No deviations noted.

Control Objective 6: Disbursements

Controls provide reasonable assurance that manual requests for surrenders, withdrawals, loans, lump sums, excess contributions, and death benefit disbursements are properly authorized and are processed accurately, completely, and timely.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
6.1	A QA or QC review of each money out transaction is performed by comparing source documents to EASE Omni and PeopleSoft eDS to ensure accuracy, completeness, timeliness and proper authorization. The review is evidenced in Task Manager.	Inspected a sample of disbursements to determine whether the disbursement request was subject to a QA review and evidenced within Task Manager. Re-performed the QA review for a sample disbursement to determine whether the disbursement information per source documents agreed to the information in EASE Omni and PeopleSoft eDS to ensure accuracy, completeness, and authorization.	No deviations noted.
6.2	Designated individuals access Task Manager throughout the day and run the “Outstanding Task Detail Report” which contains cumulative, point of time outstanding transactions and is used to monitor transactions ensuring all transactions are being processed. An audit trail is created each time the report is run. On a weekly basis, a summary report evidencing daily transaction monitoring is placed on a shared drive.	Inspected a sample of weekly summary reports to determine whether it was placed on a shared drive as evidence of daily transaction monitoring. Inspected a sample of daily Outstanding Task Detail Reports to determine that daily outstanding items are being monitored and processed timely.	No deviations noted.

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	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
6.3	<p>On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya's administrative systems, Voya's banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately.</p> <p>Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled.</p>	<p>Inspected a sample of monthly review checklists to determine whether all reconciliations have been prepared and reviewed.</p> <p>Re-performed a review for a sample of daily reconciliations to ascertain that bank, suspense, clearing and to/from accounts were reconciled completely and accurately.</p>	<p>No deviations noted.</p>

Control Objective 7: Rollovers

Controls provide reasonable assurance that rollover transactions are processed accurately, completely, and timely.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
7.1	A 100% QA review is performed by a QA Reviewer by comparing the Task Manager source documents to EASE Omni to ensure accuracy (dollars, payee, investment date), completeness and validity. Once the transaction and supporting documents are successfully QA reviewed, the QA Reviewer selects the action as “Process” in Task Manager.	<p>Inspected a sample of rollovers to determine whether a QA review was performed and evidenced in Task Manager.</p> <p>Re-performed a QA review for a sample rollover to determine whether the source documents agreed to EASE Omni records, indicating processing was complete and accurate.</p>	No deviations noted.
7.2	Designated individuals access Task Manager throughout the day and run the “Outstanding Task Detail Report” which contains cumulative, point of time outstanding transactions and is used to monitor transactions ensuring all transactions are being processed. An audit trail is created each time the report is run. On a weekly basis, a summary report evidencing daily transaction monitoring is placed on a shared drive.	<p>Inspected a sample of weekly summary reports to determine whether it was placed on a shared drive as evidence of daily transaction monitoring.</p> <p>Inspected a sample of daily Outstanding Task Detail Reports to determine that daily outstanding items are being monitored and processed timely.</p>	No deviations noted.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
7.3	<p>On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya's administrative systems, Voya's banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately.</p> <p>Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled.</p>	<p>Inspected a sample of monthly review checklists to determine whether all reconciliations have been prepared and reviewed.</p> <p>Re-performed a review for a sample of daily reconciliations to ascertain that bank, suspense, clearing and to/from accounts were reconciled completely and accurately.</p>	<p>No deviations noted.</p>

Control Objective 8: Systematic Distribution Options

Controls provide reasonable assurance that systematic distribution option transactions are processed accurately, completely, and timely.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
8.1	A QA review of each initial SDO payment is performed by comparing source documents to EASE Omni to ensure accuracy and completeness. The review is evidenced in Task Manager.	For a sample of distribution options, inspected source documents to determine whether a QA review was performed and evidenced by notation in Task Manager. Re-performed QA review for a sample systematic distribution option to determine whether information was input into EASE Omni accurately and completely based on the original source documentation.	No deviations noted.
8.2	Designated individuals access Task Manager throughout the day and run the “Outstanding Task Detail Report” which contains cumulative, point of time outstanding transactions and is used to monitor transactions ensuring all transactions are being processed. An audit trail is created each time the report is run. On a weekly basis, a summary report evidencing daily transaction monitoring is placed on a shared drive.	Inspected a sample of weekly summary reports to determine whether it was placed on a shared drive as evidence of daily transaction monitoring. Inspected a sample of daily Outstanding Task Detail Reports to determine that daily outstanding items are being monitored and processed timely.	No deviations noted.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
8.3	<p>On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya's administrative systems, Voya's banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately.</p> <p>Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled.</p>	<p>Inspected a sample of monthly review checklists to determine whether all reconciliations have been prepared and reviewed.</p> <p>Re-performed a review for a sample of daily reconciliations to ascertain that bank, suspense, clearing and to/from accounts were reconciled completely and accurately.</p>	<p>No deviations noted.</p>

Control Objective 9: Annuity Payments

Controls provide reasonable assurance that annuity payment transactions are authorized and processed accurately, completely, and timely.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
9.1	Designated individuals access Task Manager throughout the day and run the “Outstanding Task Detail Report” which contains cumulative, point of time outstanding transactions and is used to monitor transactions ensuring all transactions are being processed. An audit trail is created each time the report is run. On a weekly basis, a summary report evidencing daily transaction monitoring is placed on a shared drive.	<p>Inspected a sample of weekly summary reports to determine whether it was placed on a shared drive as evidence of daily transaction monitoring.</p> <p>Inspected a sample of daily Outstanding Task Detail Reports to determine that daily outstanding items are being monitored and processed timely.</p>	No deviations noted.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
9.2	<p>The QA Reviewer logs into Task Manager and begins a quality review of each transaction routed to their profile, compares the Task Manager source documents to EASE Omni to ensure accuracy (dollars, payee, OASIS reports), completeness, validity and proper authorization. The QA Reviewer compares the OASIS 9NSR Report, the source documents and the RPS Interface Detail to ensure all of the previous day's activity was updated accurately. Once the transaction and documents are QA reviewed, the QA Reviewer selects the action as Process in Task Manager.</p>	<p>Inspected a sample of annuitization transactions to determine whether QA was performed and approved for release as evidenced in Task Manager.</p> <p>Re-performed QA review for one annuitization within the sample to determine whether complete, accurate and authorized information was input into EASE Omni based on the original documentation.</p>	No deviations noted.
9.3	<p>On a daily basis, activity impacting bank, suspense, clearing and to/from accounts is fed into ReconPlus by Voya's administrative systems, Voya's banks and PeopleSoft and is reconciled by the PACU to ensure that activity is recorded completely and accurately.</p> <p>Monthly, a PACU reviewer signs off on a monthly review checklist to confirm that all bank, suspense, clearing and to/from accounts have been reconciled.</p>	<p>Inspected a sample of monthly review checklists to determine whether all reconciliations have been prepared and reviewed.</p> <p>Re-performed a review of a sample of daily reconciliations to ascertain that bank, suspense, clearing and to/from accounts were reconciled completely and accurately.</p>	No deviations noted.

Control Objective 10: Fund Operations

Controls provide reasonable assurance that fund values are processed accurately, completely, and timely; trade values are updated accurately and completely; and share position are clerically accurate and complete.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
Pricing and Interest Crediting Rate Changes			
10.1	<p>At the completion of the pricing cycle, a digital copy of the Daily Pricing Report Package is created in FORCE by the Fund Operations Pricing Analyst and includes:</p> <ul style="list-style-type: none"> • Control reports with researched/resolved discrepancies • Price file record counts • Funds that paid dividends • Manually priced funds with evidence of approval • Comments relating to pricing issues encountered <p>The creation of the Fund Ops Daily Pricing Report Package with the sign-off on discrepancy resolution is the evidence that the pricing cycle is complete and accurate.</p>	<p>For a sample of days inspected the Daily Pricing Report Package with the sign-off on discrepancy resolution to determine whether the pricing cycle is complete and accurate.</p> <p>Observed daily review for a sample day to determine whether process is occurring as outlined.</p>	<p>No deviations noted.</p>

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	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
10.2	EASE Omni is configured to read share prices stored in plan level records. The value of each investment is calculated based on the shares and/or units held in a participant account and the participant account value reflects gain/loss based on current investment price.	<p>Observed a system demonstration of EASE Omni in a test environment and reperformed a calculation to determine whether the value of the investment was accurately calculated based on the current share price.</p> <p>Inquired of management and inspected test and production directories to determine whether the test environment maintained for the applications is configured the same (and runs on the same version/release) as the production environment.</p>	No deviations noted.
10.3	For Stabilizer current rate changes, a Stable Value (SV) Analyst updates a spreadsheet which summarizes new rates. A Peer SV Analyst reviews the new rates for completeness and accuracy and initials and dates the spreadsheet containing the rate changes as evidence of review.	<p>Inspected the spreadsheet for evidence of the Peer SV Analyst review as evidenced by the initials and dates on the spreadsheet.</p> <p>Re-performed review for a sample item to determine that all stabilizer current rate changes are complete and accurate.</p>	No deviations noted.
10.4	The Fund Operations Manager reviews and compares the fixed rates and crediting rates per the Product Pricing source documents (typically received on a monthly basis) to the rate changes in the Fund Operations Database, ensuring completeness and accuracy. The Fund Operations Manager attaches the supporting documentation and initials and dates the Product Pricing email as evidence of the review.	<p>Inspected FORCE for a sample of changed interest rates to determine whether the rates changed agree to evidence supporting the changed rates.</p> <p>Inspected evidence for a sample of months supporting the review of fixed and crediting rates to determine whether comparison review was performed by the Fund Operations Manager.</p>	No deviations noted.

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	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
Trading			
10.5	At the completion of the trading cycle, a Fund Operations Daily Trading Report Package is created in FORCE by the Fund Operations Trading Analyst. The creation of the Fund Ops Daily Trading Report Package with the sign-off on discrepancy resolution is the evidence that the trading cycle is complete and accurate.	Inspected the Daily Report Package for a sample of days to determine whether there was evidence of completion of all required tasks. Re-performed review for a sample item to determine that Fund Operations Daily Trading Report Package is complete and accurate.	No deviations noted.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
Confirmation of Positions			
10.6	<p>The Fund Operations Analyst researches the differences displayed by ShareRecon and provides explanations for all variances greater than or equal to one positional unit directly into ShareRecon. ShareRecon is configured so that daily share reconciliation reporting cannot be produced without an explanation for these differences; therefore the ability to run daily ShareRecon reports evidences that the research has been performed completely.</p>	<p>Inspected the Share Confirmation Process Checklist for a sample of days to determine whether the review was completed and that variances, if any, had been investigated as evidenced by comments for out of balances.</p> <p>Inspected evidence to determine whether variances have been identified and followed up on appropriately. Inspected a sample of daily ShareRecon reports to determine whether reconciliation and research procedures have been performed completely.</p>	<p>No deviations noted.</p>

Control Objective 11: Account Statements

Controls provide reasonable assurance that account statements reflecting security positions for plans whose Custodian is subject to the SEC Custody Rule are generated for participants in a complete and accurate manner.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
11.1	Participant statements are produced accurately in accordance with client-level agreements.	<p>Inspected statements for a sample of participants subject to the SEC Custody Rule to determine whether participant statements were produced accurately and per client-level agreements.</p> <p>For a sample of funds within the statements above, performed validation procedures with the underlying fund house at the Omnibus level to determine whether the units and dollars were appropriately stated in accordance with client-level agreements.</p>	No deviations noted.
11.2	Participant information is available via PWeb and IVR.	<p>Observed and inspected PWeb to determine whether participant information is available online.</p> <p>Inspected plan balance information in a participant statement selected from the sample in test 11.1 above and compared the information to PWeb to determine whether the accurate information was available in PWeb.</p>	No deviations noted.

Control Objective 12: Plan Sponsor Reports

Controls provide reasonable assurance that Plan Sponsor reports are generated in a complete and accurate manner.

	Description of Controls Provided by the Company	Tests of Operating Effectiveness Performed by EY	Results of Tests
12.1	For Plan Sponsor reports generated by EASE Omni, client team members select the correct plan and reporting period for completeness and accuracy.	Observed the generation of the Plan Sponsor reports from EASE Omni through the input of key parameters such as client and period. Traced a sample of items from Plan Sponsor reports, including but not limited to 5500 Report, Sponsor Activity Report, Loan Audit Report, Plan Administration Report, Transaction Activity Report, Distribution Report, to ascertain that reports were produced accurately and completely as compared to data within EASE Omni.	No deviations noted.

SECTION V

OTHER INFORMATION PROVIDED BY VRIAC AND VIPS

SECTION V – OTHER INFORMATION PROVIDED BY VRIAC AND VIPS

The information in Section V describing Business Resumption and Continuity is presented by the Company to provide additional information and is not part of VRIAC's or VIPS' description of controls that may be relevant to a user entity's internal control. Such information has not been subjected to the procedures applied in the examination of the description of controls applicable to the processing of transactions for user entities, and accordingly, EY expresses no opinion on it.

BUSINESS RESUMPTION AND CONTINUITY

It is the policy of Voya Financial to have viable Business Continuity Plans in place and tested for all critical departments to resume business activities following a catastrophic or other incident which renders a facility uninhabitable for an unacceptable period of time. Further, it is the policy of Voya Financial to have in place, a viable and tested Crisis Management Plan to describe how a crisis situation would be identified and managed (resolve the crisis and restore operations to a normal level) to address those incidents that may jeopardize the safety of its employees and/or the reputation or image of the Company. These plans are continually updated to reflect changes to business operations. In addition to these Business Continuity Plans at its major sites, Voya Financial maintains a Business Recovery Plan for its computer environment, which is reflected in its Disaster Recovery Plan.

Voya Financial has an *Incident Management Disaster Recovery Process* in place for its computer environment, specifying how and when a disaster is declared, the roles and responsibilities of teams and steps to be taken in the event of a disaster. In addition, each primary site maintains site plans with site-specific contacts and actions. Critical Infrastructure (i.e., network, phone, email) and Platform Services (i.e., database, middleware) maintain plans, as well as each critical application.

Plans are built around a worst-case scenario involving loss of a data center or loss of access to the data center, but are also adaptable to less severe disasters. There are three phases in recovery planning:

- React: Immediate response, damage assessment and critical notifications
- Respond: Communications, plan activation and environmental and operational restoration
- Recover: Operational readiness, testing and business resumption

To lessen risk, Voya Financial operates multiple data centers and support multiple recovery options. Four fully hardened primary data centers are maintained to support the mainframe and distributed environments. The production environments of each data center are mirrored to an alternate primary data center. Alternate data centers supply dedicated recovery equipment and data replication that provide recovery across data centers for critical distributed applications. Voya Financial also maintains a contract with an outside vendor to provide dedicated recovery capabilities for mainframe applications. Data replication occurs across production and recovery centers, and provides a low likelihood of significant data loss. Data centers contain on-site generators and UPS systems to provide continuous power to facilities. A fully redundant wide area network connects all of the data centers in the U.S., including the third party recovery facility.

