

FASCore Documentation

FUNCTIONAL PROCESS: Plan Maintenance

PROCEDURE: Allocations & Transfers by Money Source

DATE: June 2008

Overview

These procedures describe all aspects of setting up money sources at a Plan level using categories. This allows participants to establish different investment elections and process transfers for each separate money source category via the participant website. The money sources tied to a specific category must have the same investment options. Money source categories are defined by the sponsor. **Allocation changes and transfers by money source categories can only be processed via the participant website.** Not available via PSC, VRU or with a CSR. An employer will not be able to view the money source categories on PSC. **Rebalancer and dollar cost transfers can not be processed by money source categories and therefore these features must be turned off. This includes the Web Synchronize Allocation/Transfer logic if a plan is utilizing as this is a rebalancer feature. Additionally, plans that offer ProManage can not have money source categories set up as the rebalancer functionality does not recognize them.**

This feature is designed for plans that have different investment options by money sources. Additionally, this can be used for plans that have the same investment options by money source but wish to offer different allocations/transfers by money sources and Non-Qualified plans that track each contribution year in a separate money source bucket.

It is important to note plans with multiple money sources that set up several categories will make processing transactions for the participant very cumbersome as they will have to process a transaction for each category separately. There is no “select all” button. Example of this would be a Non-Qualified plan that tracks each contribution year in a separate money source bucket.

A few examples of plans that may want to set up money source categories are:

1. Plans that offer employer stock to the employer money sources but not to the employee sources. The employer source would not be employer directed.
2. Plans that want to allow participants to make changes for their profit sharing source separately from their employee and employer match sources.
3. Non-Qualified plans that track each contribution year in a separate money source bucket. A participant may want to invest the money in the buckets that will be paid out first more conservatively vs. buckets that will be paid out in later years more aggressively.

Procedure

I. Establishing Money Source Categories for Plans with Different Investment Options by Money Source

A. Conversion

1. The client defines the money source categories. Example: A plan has employee pre-tax, employer match and profit sharing money sources and has employer stock that is only available to the employer sources. The employer sources are not employer directed. If employer directed, then the investment options would be considered the same across all sources. The employee pre-tax source would be set up as one category and the employer match and profit sharing sources as another category.
2. Each money source set up for the plan must be defined into a category. A plan's holding account does not need to be assigned to a category as participants do not have access to this source.
3. The label for each category can be defined by the employer – limit of 10 characters. This is what the participant will see on the website when making allocation changes or processing transfers. Example: EE pre-tax and ER pre-tax or Category 1 and Category 2.
4. Plan requests the Allocation Default Process be set up.
 - a. PSC does not recognize money source categories
 - b. A Plan must be set up for the allocation default process
 - c. Setting up the allocation default process allows new participants to be added via the PDI file and the investment elections automatically defaulted into the Plan's default fund(s).
 - d. The default allocation will be set up across all money sources
 - e. Once the participant receives a PIN, they can access the website and change their investment elections by money source category if they choose.
 - f. Reminder - the enrollment form does not include investment options for plans using the allocation default process.
 - g. If the plan is not set up with the allocation default process, the employer will not be able to set investment elections for new participants as the investment options vary by source. Contributions will reject.
 - h. The Plan will receive the following message when trying to add investment elections for a participant:
"Allocations which are different by money source can not be displayed"
The message appears but the Allocation screen does not.
5. The client details the money source categories in the implementation package and submits to FASCore.

6. The Rebalancer and Dollar Cost Transfers will not be activated. The web synchronize allocations/transfer should not be activated as this is a rebalancer feature. Additionally, the Plan can not be set up with ProManage.

B. Post-conversion

1. The client defines the money source categories. Example: A plan has employee pre-tax, employer match and profit sharing money sources and has employer stock that is only available to the employer sources. The employer sources are not employer directed. If employer directed, then the investment options would be considered the same across all sources. The employee pre-tax source would be set up as one category and the employer match and profit sharing sources as another category.
2. Each money source set up for the plan must be defined into a category. A plan's holding account does not need to be assigned to a category as participants do not have access to this source.
3. The label for each category can be defined by the employer – limit of 10 characters. This is what the participant will see on the website when making allocation changes or processing transfers. Example: EE pre-tax and ER pre-tax or Category 1 and Category 2.
4. If the Plan is not set up with the Allocation Default Process, they must request to have it added.
 - a. PSC does not recognize money source categories
 - b. A Plan must be set up for the allocation default process
 - c. Setting up the allocation default process allows new participants to be added via the PDI file and the investment elections automatically defaulted into the Plan's default fund(s).
 - d. The default allocation will be set up across all money sources
 - e. Once the participant receives a PIN, they can access the website and change their investment elections by money source category if they choose.
 - f. Reminder - the enrollment form does not include investment options for plans using the allocation default process.
 - g. If the plan is not set up with the allocation default process, the employer will not be able to set investment elections for new participants as the investment options vary by source. Contributions will reject.
 - h. The Plan will receive the following message when trying to add investment elections for a participant:

“Allocations which are different by money source can not be displayed”

The message appears but the Allocation screen does not.
5. A data base change(DBC) can be requested to identify any participants on file with no investment elections and default them to the Plan's default fund(s) for all money sources. Additionally, it should be requested to have the participant allocation default indicator be set to a

“Y “for those participants. If the DBC is not run, the employer will receive reject messages when processing contributions for the first time for anyone who was previously added to the system with no investment election. Allow 7-10 business days for the DBC to be completed.

6. The request is faxed to FASCore detailing the money source categories along with the category names.
Additionally, the allocation default process request must be submitted if applicable.
7. The Rebalancer and Dollar Cost Transfers will be turned off for the Plan in addition to the web synchronize allocations/transfer if applicable. Additionally, the Plan can not be set up with ProManage.
8. The set up will generally be completed within five (5) business days.

II. Establishing Money Source Categories for Plans with the Same Investment Options by Money Source

- A. Plans that do not have different investment options by money sources are not required to use the allocation default process.
- B. When a new participant is added the employer will be able to set the allocations but the election will be across all sources.
- C. The enrollment form investment option section will not reflect the money source categories. A custom form request should not be submitted as the employer is not able to add the allocations by money source category on the PSC.
- D. Participants can access the website once they receive a PIN to make changes by money source categories.
- E. **Conversion**
 1. The client defines the money source categories. Example: A plan has employee pre-tax, employer match and profit sharing money sources and they want to allow participants to make changes for their profit sharing source separately from their employee and employer match sources. The employee pre-tax and the employer match source are set up as one category and the employer profit sharing source as another category.
 2. Each money source set up for the plan must be defined into a category. A plan's holding account does not need to be assigned to a category as participants do not have access to this source.
 3. The label for each category can be defined by the employer – limit of 10 characters. This is what the participant will see on the website when making allocation changes or processing transfers. Example: EE/ER and Employer or Category 1 and Category 2.
 4. The client details the money source categories in the implementation package and submits to FASCore.
 5. The Rebalancer and Dollar Cost Transfers will not be activated in addition to the web synchronize allocations/transfer as this is a

rebalancer feature.

Additionally, the Plan can not be set up with ProManage.

F. Post-conversion (see notes under II. A,B,C, & D above)

1. The client defines the money source categories. Example: A plan has employee pre-tax, employer match and profit sharing money sources and they want to allow participants to make changes for their profit sharing source separately from their employee and employer match sources. The employee pre-tax and the employer match source are set up as one category and the employer profit sharing source as another category.
2. Each money source set up for the plan must be defined into a category. A plan's holding account does not need to be assigned to a category as participants do not have access to this source.
3. The label for each category can be defined by the employer – limit of 10 characters. This is what the participant will see on the website when making allocation changes or processing transfers. Example: EE/ER and Employer or Category 1 and Category 2.
4. The request is faxed to FASCore detailing the money source categories along with the category names.
5. The Rebalancer and Dollar Cost Transfers will be turned off for the Plan in addition to the web synchronize allocations/transfer if applicable. Additionally, the Plan can not be set up with ProManage.
6. The set up will generally be completed within five (5) business days.

III. Considerations

- A. Functionality is only available on the participant website. Not available via PSC, VRU or with a CSR.
- B. Rebalancer or Dollar Cost Transfers do not recognize money source categories and therefore these functions will be turned off.
- C. Plan can not be set up with Promanage as the rebalancer functionality does not recognize money source categories.
- D. Participants who have a scheduled Rebalancer or Dollar Cost transfer set up to occur in the future should be notified these transactions will not be processed once the money source categories are in place.
- E. Plan's with the web synchronize allocations/transfer processing set up should be turned off if applicable as this is a rebalancer feature.
- F. The minimum transfer amount for plan's that offer the TD Ameritrade Personal Portfolio Account will apply to each category. The system will not combine categories to meet the minimum transfer amount.
- G. A participant will have to process a transaction for each category separately even if they want all the categories to be the same as there is no "select all" button.
- H. Participants who initiate an allocation change or transfer via the VRU for a plan with **different investment options by money source categories** will receive an error message after committing the request.

1. They will be transferred to a CSR who will inform the participant to process the request via the website.
 2. A VRU bulletin should be added to the plan notifying the participants their plan has multiple contribution source categories and allocation changes and transfers must be processed via the website.
 3. An internal FASCore Plan level bulletin should also be added so that Client Service is aware the Plan is set up with money source categories.
- I. Participants who initiate an allocation change or transfer via the VRU for a plan with investment options that are the same by money source categories will be able to complete the request.
1. The change will be across all sources.
 2. A VRU bulletin should be added to the plan notifying the participants their plan has multiple contribution source categories. If they want to make changes separately for each category they need to process their request via the website. If they want the change to be the same across all sources/categories, they can initiate via the VRU.
 3. An internal FASCore Plan level bulletin should also be added so that Client Service is aware the Plan is set up with money source categories.
- J. Plans set up with on-line enrollment will require the participant to enter an allocation for each money source category. They will not be able to complete the enrollment process without doing so.
- K. Plan's set up with deferral recordkeeping will not be able to set deferrals by money source category.
- L. The allocation default indicator will automatically be removed for participants who make a change to their allocations in a money source category that were previously defaulted. If the participant does not make a change to each category, the money sources that are not updated, will continue to be flagged as a defaulted allocation.
- M. The Incomplete Recordkeeping Report will reflect a participant that has any money source with the allocation default indicator set. If one money source category was updated but not all the categories, they will be reflected on the report.
- N. PARPIN documents will group identical allocations by money source. It will not reflect allocations by money source categories.
- O. Participant statements will reflect the allocations separately for each money source not by money source category. This will increase the number of pages in the statement if a plan has several money sources.

IV. Participant Website Screen Shot Samples

1. Contribution Allocation Change for a Money Source Category

MetLife Retirement SavingsLink - Microsoft Internet Explorer

MetLife [Logout](#) [Home](#) [Print Friendly Version](#)

[View Account Information](#) [Change Account Information](#) [Fund Information](#) [Administer Loans](#) [Electronic File Cabinet](#) [Education](#) [Tools](#) [Manage Your Self-Directed Brokerage Account](#) [Statements](#)

[Redirect Future Contributions](#) [Transfer Money](#) [Cancel Transfers](#) [Beneficiary Update](#) [Change PHI](#) [Manage Your Self-Directed Brokerage Account](#) [Change Registration](#)

Redirect Future Contributions for Plan 1009521-N1 Presbyterian Health Plan Elective Nonqualified Deferred Compensation Plan

Wednesday, Jun 18, 2008, 06:22 PM Eastern Daylight Time

Your plan has multiple contribution source categories. Please select one of the categories for which to redirect your future contributions.

Selection	
<input type="radio"/>	1999 CNT - (click to display contribution sources)
<input type="radio"/>	2000 CNT - (click to display contribution sources)
<input type="radio"/>	2000 PlnYr - (click to display contribution sources)
<input type="radio"/>	2001 CNT - (click to display contribution sources)
<input type="radio"/>	2001 PlnYr - (click to display contribution sources)
<input type="radio"/>	2002 CNT - (click to display contribution sources)
<input type="radio"/>	2002 PlnYr - (click to display contribution sources)
<input type="radio"/>	2003 CNT - (click to display contribution sources)
<input type="radio"/>	2003 PlnYr - (click to display contribution sources)
<input type="radio"/>	2004 CNT - (click to display contribution sources)
<input type="radio"/>	2004 PlnYr - (click to display contribution sources)
<input type="radio"/>	2005 CNT - (click to display contribution sources)
<input type="radio"/>	2005 PlnYr - (click to display contribution sources)
<input type="radio"/>	2006 CNT - (click to display contribution sources)
<input type="radio"/>	2007 PlnYr - (click to display contribution sources)
<input type="radio"/>	2008 PlnYr - (click to display contribution sources)
<input type="radio"/>	2009 PlnYr - (click to display contribution sources)
<input type="radio"/>	2010 PlnYr - (click to display contribution sources)
<input type="radio"/>	2011 PlnYr - (click to display contribution sources)

Participant selects which category they want to make a change.
By hovering over the hyperlink text, a participant can see the exact money sources that are within a sponsor defined money source category or they can click on the link to view sources.

MetLife Retirement SavingsLink - Microsoft Internet Explorer

MetLife [Logout](#) [Home](#) [Print Friendly Version](#)

[View Account Information](#) [Change Account Information](#) [Fund Information](#) [Administer Loans](#) [Electronic File Cabinet](#) [Education](#) [Tools](#) [Manage Your Self-Directed Brokerage Account](#) [Statements](#)

[Redirect Future Contributions](#) [Transfer Money](#) [Cancel Transfers](#) [Beneficiary Update](#) [Change PHI](#) [Manage Your Self-Directed Brokerage Account](#) [Change Registration](#)

Redirect Future Contributions for Plan 1009521-N1 Presbyterian Health Plan Elective Nonqualified Deferred Compensation Plan

Wednesday, Jun 18, 2008, 06:24 PM Eastern Daylight Time

[2007 PlnYr](#) - (click to display contribution sources)

The current allocations shown are only for the contribution sources within the category selected.

Your current deposit allocations for [2007 PlnYr](#) are:

Investment Options	Percent
American Funds Growth Fund of America A (AFGRTH)	50%
Vanguard Institutional Index Fund (INSIDX)	50%

Enter your desired allocations into the template below for the category selected. Please enter whole numbers only. Your new allocation choices must total 100%.

Redirect future contributions as follows:

Investment Options	Enter Percentage	Investment Options	Enter Percentage
American Funds New Perspective Fund A (AF-NPR)	<input type="text"/> %	Dodge & Cox International Stock Fund-A (DODFX)	<input type="text"/> %
AIM Small Cap Growth Fund - A (GTSAX)	<input type="text"/> %	Franklin Balance Sheet Investment - A (FR-BLS)	<input type="text"/> %
Keefe Small Cap Value Fund (KSCVX)	<input type="text"/> %	BlackRock Mid-Cap Value Equity Port A (BMCAX)	<input type="text"/> %
Munder MidCap Core Growth A (MGOAX)	<input type="text"/> %	American Funds Growth Fund of America A (AFGRTH)	<input type="text"/> %
American Funds Washington Mutual Fund A (AF-WMI)	<input type="text"/> %	Oppenheimer Capital Appreciation Fund (OP-CA)	<input type="text"/> %
Vanguard Institutional Index Fund (INSIDX)	<input type="text"/> %	Vanguard Windsor II Fund - Admiral (VWNAX)	<input type="text"/> %
American Funds American Balanced Fund A (AF-BAL)	<input type="text"/> %	PIMCO Total Return - Inst. (PTRRX)	<input type="text"/> %
MetLife Growth Plus Account (GROPLS)	<input type="text"/> %		

Total: %

[Continue](#) [Reset](#)

Once the participant selects a category, each screen will continue to reflect the category they chose.

MetLife Retirement SavingsLink - Microsoft Internet Explorer

MetLife [Logout](#) [Home](#) [Print Friendly Version](#)

[View Account Information](#) [Change Account Information](#) [Fund Information](#) [Administer Loans](#) [Electronic File Cabinet](#) [Education](#) [Tools](#) [Manage Your Self-Directed Brokerage Account](#) [Statements](#)

[Redirect Future Contributions](#) [Transfer Money](#) [Cancel Transfers](#) [Beneficiary Update](#) [Change PII](#) [Manage Your Self-Directed Brokerage Account](#) [Change Registration](#)

Redirect Future Contributions for Plan 1009521-N1 Presbyterian Health Plan Elective Nonqualified Deferred Compensation Plan

Wednesday, Jun 18, 2008, 06:27 PM Eastern Daylight Time

This transaction will be reported on your next quarterly statement, a confirmation of this transaction will not be mailed to you at this time. Please print the confirmation screen and keep it for your records.

Investment Allocation for Future Contributions on 100% Future are:	
Investment Options	Percent
American Funds New Perspective Fund A (AF-NPR)	50.00%
AIM Small Cap Growth Fund - A (GTSAX)	50.00%

Redirecting your future contributions does not affect your account balance.

Money transferred or deposited into a guaranteed fund or certificate, if allowed by your Plan, may have restrictions on transfers out. If you have questions regarding any guaranteed fund or certificate, please contact Client Service.

Funds may impose redemption fees on certain transfers, redemptions or exchanges if assets are held less than the period stated in the fund's prospectus or other disclosure documents. For more information, please refer to the fund's prospectus and/or disclosure documents.