

METLIFE CASH PROCESSING

Processing Effective Dates

- Contributions and supporting detail received in “good order” prior to NYSE market close (generally 4:00 pm Eastern Time) will receive an effective date of that day.
Contributions and supporting detail received in “good order” after NYSE market close will receive an effective date of the next Business Day.

Process when both Payroll Cash and Supporting Detail are received, but there is a difference in the amounts

- If the difference is 5% or less, FASCORE will process the payroll in accordance with the Effective Date statement above. In addition, FASCORE will attempt to contact the Plan or Third Party Administrator (TPA) prior to evoking the 5% rule, and obtain permission to hold the funds. If after the first attempt the difference is not resolved, at minimum additional follow-up will be attempted on business day 5 and business day 10. In the unlikely event that the funding is not received within 30 days, FASCORE will create an accounting entry to remove the item from the Suspense report. Recovery efforts will continue with the Plan or TPA.
- If the difference is greater than 5%, FASCORE will not process the payroll. FASCORE will contact the Plan or Third Party Administrator (TPA) within 24 hrs to obtain clarification/resolution/permission to hold funds. If after the first attempt the difference is not resolved, at minimum additional follow-up will be attempted on business day 5 and business day 10. If funding is not received by day 10, then a refund will be processed to return the funds back to the originator.
- Additional FASCORE resources including Plan Services and Account Management may also be contacted for assistance.

Plan Level Suspense Controls – Report Review and Action

Suspense Control Report

- Suspense reports are received systematically each business day. The information is reviewed daily by an Account Researcher or above. They ensure all suspense narratives are accurately updated by the cash processing team. This is a cumulative report; therefore a suspense item will remain on the report until

it is resolved. Once an item is resolved, it will no longer appear on the next day suspense report.

Types of Information Included

- On a daily basis, the Cash Operations Team receives a system generated suspense report. The report includes:
 - Un-invested Cash – Full Payrolls
 - Electronic data without dollars
 - Less than 5% condition

Actions Taken

Pending Difference between data received and dollars.

- Overage: In instances where there is an overage and confirmed by the Plan, a refund may be initiated by the 10th business day. There are instances when an overage may not result in a refund based on special instructions from Management/Plan to hold for offset with next payroll.
- Shortage: In instances where there is a shortage, FASCORE will work with the Plan /TPA to recoup the difference.

Explanation of the Worksheets within the Suspense Report

- Daily Plan Suspense Tab: This is the report in its original state generated from FASCORE's system.
- Somerset Tab: This represents an extraction of Somerset Cash Team responsible for processing/ resolving issue. The description column outlines the nature of the error condition.
- 25 Day Lag Tab: This represents incoming payrolls files from Plan(s) that are sent to FASCORE prior to receipt of funding. The system automatically assigns a cash effective date of 30 business days from date of receipt.
- GP00 Tab: These are files that are remitted by Plans and systematically uploaded by FASCORE.
- FILES Tab: This represents files that are automatically processed based on the effective (funding) date provided by the plan. This will remain on the report until the funding is received.

Cash Operations Review includes:

Daily:

- Plan Suspense Report lists Group level unallocated Cash Events
- Aging Report Lists unallocated contributions by number of days outstanding

- Aged items over \$500,000 must be updated daily on the Suspense Share Point site. This site is also monitored by the Financial Control Reconciliation Team.

Weekly:

- Cash Operations Management and Financial Control review aged suspense items on a weekly basis and discrepancies are investigated and updated status is provided.

Monthly:

- Month end suspense signoff required by FASCORE internal Regulatory Compliance Audit Team by 10th business day of the following month. This report must be signed by the Assistant Manager or Manager.

Additional Oversight:

- Internal Regulatory Compliance Audit Team performs a monthly independent audit to validate that Operational Processing Controls are being followed.