GREAT-WEST FINANCIAL

Bright tomorrows begin today℠

Update Vesting

September 19, 2013

RETIREMENT SERVICES

Agenda

- Setup on Recordkeeping system
- Implementation process
- Current methods of updating vesting
- Demo of new process
- Next steps
- Upcoming training

Setup on recordkeeping system

- Full vesting vs. Information
  - Full vesting means that Great-West Financial℠ will calculate the vesting on an ongoing basis.
    - Must be receiving full PDI (contribution file) on the plan
    - Will calculate on Distributions/Loans as well (but can be overridden on the To Do List)
  - Information (INFO) means that Great-West Financial will show vesting on statements and on the Participant web
    - Do not receive ongoing vesting updates with payroll files
    - Need to receive updates at least annually to meet PPA requirements from TPA or plan sponsor
  - Other option – NONE
    - Great-West Financial will not show any vesting information on statements or online.
    - TPA would be required to produce PPA compliant statements

Setup Continued

- Calculation Input method
  - Three options
    - Hours – TPA or Plan can provide current YTD hours.
    - Years of Service (YOS) – Provide current YOS earned for each participant
    - Percent - Provide actual percent for each participant for each vested money type
  - Information received using Hours or YOS methods are applied to the vesting schedule received during conversion.

Implementation Process

- ## Default setup
  - Our current default is to set up a plan not using Full PDI to use INFO with Years of Service.

- On the TPA checklist we ask if the TPA will be providing regular updates for vesting purposes

❑ Other:________________________________ ❑ Other:___________________________

Vesting on Participant Statements – Pension Protection Act

❑ Yes - Great-West to reflect vesting on statements. Actual Hours methods for Years of Service crediting requires annual vesting updates via the website by plan sponsor or TPA. If plan is able to process payroll via a PDI (payroll data interchange) file, Great-West is able to track and show the plans vesting on statements (PDI files are required if Great-West will track eligibility and/or offer automatic/online enrollment).

❑ NONE - TPA will provide a supplemental statement to plan participants to provide vested percentages for each plan participant

IF YES IS SELECTED ABOVE (Great-West to reflect vesting on statements), AND PLAN USES AN ACTUAL HOURS METHOD FOR TRACKING YEARS OF SERVICE FOR VESTING, WILL TPA PROVIDE VESTING UPDATES FOR PLAN? ❑ Yes ❑ No **NOTE: The TPA Cannot select 'Yes' for plans using Elapsed Time or Equivalency methods for calculating Years of Service OR if Great West is providing online enrollment or automatic enrollment services.**
If the TPA will be providing vesting updates to Great-West, the TPA will be required to provide an initial Years of Service file prior to blackout release and periodic Years of Service updates via the PartnerLink website manually or through established file upload processes for Actual Hours methods.

Current Update Process

- There are 2 methods currently to update vesting.
  - Input manually on PartnerLink
    - Under the plan tab select Administration
    - Then select Update Vesting

Update Vesting - View/Update Individuals

Period	Current (Effective date: 02/27/2012)
Employee Status	Active and Terminated Employees
Sort By	Last Name

Displaying page 1
Individuals 1 - 10 of 10
* = Hours may be excluded based upon plan rules.
Note: Updates are not allowed because plan calculates vesting by employment year.

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	SSN/ Last Name	Previous Plan Year End Date	Years of Service	Birth Date	Hire Date	Term Date
1	EDWARDS, JANE			01/01/1966	01/01/2011	
2	222-11-3333 MOORE, ROLLIN	12/31/2010	1	01/01/1970	01/01/2010	
3	444-55-1111 PARNEL, JULY	12/3[illegible]2010	2	[illegible]/01/196[illegible]	01/01/2009	
4	111-33-4444 TANOSHI, SAMUAL	12/3[illegible]2010	[illegible]7	[illegible]/01/196[illegible]	01/01/1964	
5	555-33-5555 VALEZ, ALENE	12/31/2010	9	02/12/1960	02/02/2002	02/02/2011
6	000-06-0000 PARTICIPANT, F	12/31/2010	0	01/12/1961	07/19/2010	
7	000-07-0000 PARTICIPANT, G	12/31/2010	5	03/28/1970	03/01/2005	
8	000-08-0000 PARTICIPANT, H	12/31/2010	0	11/18/1964	07/19/2010	
9	000-09-0000 PARTICIPANT, I	12/31/2010	1	09/25/1955	04/07/2010	
10	000-10-0000 PARTICIPANT, J	12/31/2010	1	05/23/1962	08/07/2008	

* = Hours may be excluded based upon plan rules.
Note: Updates are not allowed because plan calculates vesting by employment year.

Current Vesting Update Process

- Upload a file
  - To do so you need to contact Plan Technical Support for each plan
  - Create the file layout
  - Test the file
  - Create the file to be loaded
  - Load each plan separately

New Vesting Update Process

– 3 simple steps

– Download a file containing all current vesting information from Partner*Link*®. This file can contain, all or a portion of your block of plans at Great-West Financial.
  - This file will be in the exact layout needed to upload the information
  - The file can be run for either current or prior period (calendar year basis)
  - You can also download a sample layout.
– Update the file with current information
– Upload the file to Partner*Link*
  - Can upload multiple plans at a time.

New Vesting Update Process

- Items of note

  - The file name must be vesting_data.csv, and saved as a CSV file.
  - An error file will produce and be placed in the Manage My Reports directory ..if applicable
  - An FAQ document is available on the Update Vesting page

Updating existing plans

- Confirm plans are set up for correct input method
  - Contact your TPA Director to review your plans
- If any changes needed the method can be updated
  - updated participant information to be received prior to the update.
  - Great-West Financial to load new participant information.
  - Future updates can be loaded using the Update Vesting tab.
- If no changes needed ..use the new process.

Upcoming training

- Over the last year we have been able to complete some major initiatives that we believe will increase your efficiency when working with Great-West Financial.
  - Updated information in our Year end Files
  - Ability to reorder year end files as needed
  - Now the updated vesting process
- Our next improvement is to have an online input of the TPA checklist information.
  - We will have an interface in Partner*Link* that you will go to enter all of the plan provisions.
  - The information loaded will automatically load into the recordkeeping system which will reduce any data entry mistakes.
  - This new process will be released in October. A training webinar will occur on October 22, 2013. An announcement of the times and instructions to join will be sent at a later date.

Questions??