

Information about your Summary Annual Report

Why do I have to provide a Summary Annual Report (SAR) and when do I need to provide it?

The Employee Retirement Income Security Act of 1974 (ERISA), regulation 2520.4b-1, requires all employee benefit plans covered by Title I of the Act to provide the SAR. The SAR must be provided within 2 months after your Form 5500 or Form 5500-SF Annual Report filing deadline to all plan participants and beneficiaries receiving benefits.

What information is included on the Summary Annual Report?

The content of the SAR is prescribed from the Department of Labor's (DOL) model language. This content is outlined in regulation 2520.104b-10(d)(3) and is tied directly to the information reported on your Form 5500 or Form 5500-SF Annual Report.

Can I add information to the SAR?

You may add additional information to the SAR. Anything added needs to be in a separate paragraph at the end of the SAR. This additional paragraph must have the heading "Additional Explanation."

If a plan participant requests copies of the Annual Report can I charge for them to help with the costs?

The SAR shows the charges for copies for the Form 5500 or 5500-SF Annual Report as \$1.00 for the full report or \$.10 per page. This is correct only if it is at or below your actual copying costs. The maximum you can charge is \$.25 per page, regardless of cost. The regulation describing the allowable charge is ERISA Regulation 2520.104b-30.

Is the Form 5500 or Form 5500-SF Annual Report available electronically?

The 5500 and 5500-SF is considered public information. All filings are stored on the Department of Labor's Web site.

I have a number of plan participants that are not literate in English, do I need to provide a SAR in the language in which they are literate?

For plans covering fewer than 100 participants at the beginning of the plan year, if 25 percent or more of all participants are literate only in the same non-English language, those participants must receive the SAR with a prominent notice in their language. The same is true for plans covering 100 or more participants, in which 500 or more participants or 10 percent of all participants (whichever is less) are literate in the same non-English language.

The notice in a non-English language must offer assistance in translating and understanding the SAR. The notice must clearly state any procedures the participants must follow to obtain assistance in understanding the SAR. Since the assistance notice needs to be specific to the procedures of your company, we do not provide the notice.

How and to whom should I distribute the SAR?

After you have reviewed the SAR and made any changes, distribute the SAR and explanation materials if needed to each person covered by your plan at the end of the plan year. This would include those participants that terminated employments, beneficiaries and retirees and any other participant that has a vested deferred benefit. This would be everyone included as a participant on Form 5500 line 6f (6f is the total of lines 6a(2), 6b, 6c, and 6e) or Form 5500-SF line 5b.

What are acceptable distribution methods?

There are three acceptable ways to distribute the SAR:

- Mail a copy to plan participants and beneficiaries receiving benefits at their home address.
- Distribute a copy to plan participants at work.
- Electronic Media

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