

Summary Annual Report Distribution

Distribution Methods

A plan administrator may use any of the following methods to distribute the Summary Annual Report (“SAR”):

- Hand delivery
- Electronic media (e.g. email)
- Mail (first, second or third class). The plan administrator only may use second or third class mail if the plan administrator guarantees return and forwarding postage and requests address correction. Furthermore, the plan administrator must redistribute any second or third class mail the post office returns with an address correction by first class mail or by hand delivery. Note that this method is generally required for any former employees who are entitled to a copy of the SAR.

Electronic Media

The plan administrator may distribute a Summary Annual Report by way of electronic media if:

- The plan administrator must use a system that is reasonably calculated to ensure actual receipt of the Summary Annual Report by participants and beneficiaries (e.g. return-receipt system) and protects confidentiality/
- The plan administrator must provide a notice (electronically or in writing) informing the participants (a) that it intends to deliver the notice electronically, (b) of the significance of the Summary Annual Report and (c) of the participant’s right to request a paper copy
- The plan administrator provides a paper copy of the Summary Annual Report upon the request of a participant.

The plan administrator may distribute the information electronically to two categories of participants:

1. Participants who: (a) have the ability to access the Summary Annual Report anywhere that the participant is expected to perform his/her duties and (b) accessing the employer’s electronic delivery system is an integral part of their duties (e.g. accessing the employer’s website); and
2. Participants who: (a) consent to electronic disclosure and who have not withdrawn the consent, (b) consented to electronic delivery electronically and have provided an electronic address, (c) prior to consent have been provided a statement indicating the type of documents to which their consent covers and (d) following consent if software or hardware requirements change, the plan administrator provides a new notice and reobtains the consent. The employees who have a computer at their desk likely will fall into category one. For employees who do not have access to computers, the plan administrator will have to complete the requirements for category two.

If distributing the Summary Annual Report electronically, please follow these guidelines.

Distribution Options

A plan administrator may distribute the Summary Annual Report in different ways to different classes or categories of employees. Not all employees are required to receive the Summary Annual Report in the same manner.

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