

Defined Contribution Plans - Participant Notices and Disclosure Guide

Type	Information Provided	Provide To	Electronic Delivery	Due Date(s)	Penalty
Summary Plan Description (SPD)	Primary disclosure to participants and beneficiaries regarding benefits and rights under the plan. Must reflect plan's provisions.	Participants and terminated participants and/or beneficiaries with benefits under the plan.	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Within 90 days for newly eligible participants. Updated version required every 5 years if plan is amended/restated.	If information not provided to plan participants upon request, DOL may assess penalties up to \$110 per day.
Summary of Material Modifications (SMM)	Describes changes to the plan provisions that are required to be in the SPD.	Participants and terminated participants and/or beneficiaries with benefits under the plan.	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Not later than 210 days after the end of the plan year in which the amendment is adopted	If information not provided to plan participants upon request, DOL may assess penalties up to \$110 per day.
Summary Annual Report (SAR)	Narrative summary of the information reported on the Form 5500 for the plan year.	Participants and terminated participants and/or beneficiaries with benefits under the plan.	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Within 9 months of plan year end, or 2 months after extended due date of Form 5500 filing (with approved extension)	If information not provided to plan participants upon request, DOL may assess penalties up to \$110 per day.
Qualified Default Investment Alternative (QDIA) Notice	When QDIA will be used; description of the investment(s); right to direct investments; where can obtain additional information; fees and/or expenses and expense ratios.	Each participant and beneficiary under the plan on whose behalf an investment in a qualified default investment alternative may be made	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Initial - 30 days prior to plan entry or date of first investment in QDIA. Subsequent - At least 30 days prior to start of plan year	Loss of Fiduciary protection under ERISA 404(c).
Safe Harbor Notice (Nonelective)	Safe harbor formula, other plan contributions available, eligible compensation, how/when to make deferral elections, vesting and distributions provisions, where to obtain additional information.	Each eligible employee and newly eligible employees (post Secure Act - notice no longer required unless plan also provides an ACP Test Safe Harbor Match)	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	At least 30 (no more than 90) days before beginning of the plan year. Newly eligible employees - prior to entry date (no more than 90 days before)	Possible loss of Safe Harbor Status for the plan year (if any employer contributions are contingent upon deferrals), may require correction under EPCRS
Safe Harbor Notice (Match)	Safe harbor match formula, other plan contributions available, eligible compensation, how/when to make deferral elections, vesting, loan and distributions provisions, where to obtain additional information.	Each eligible employee and newly eligible employees	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	At least 30 (no more than 90) days before beginning of the plan year. Newly eligible employees - prior to entry date (no more than 90 days before)	Loss of Safe Harbor Status for the plan year, may require correction under EPCRS
Automatic Contribution Arrangement (ACA) Notice	ACA percentage, rights to opt out or how to elect different percentage, how the contributions will be invested. May be combined with QDIA notice.	Each participant to whom the ACA applies	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Before each plan year (30 days). Participants must have a reasonable amount of time before first contribution to opt out or make an election.	DOL may assess a civil penalty of not more than \$1,000 a day for each violation by any person

Eligible Automatic Contribution Arrangement (EACA) Notice	Generally same as the Safe Harbor Notices except must also include level of ACA percentages, rights to opt out or how to elect different percentage, how the contributions will be invested and employee's right to make a permissible withdrawal and procedures to do so. May be combined with QDIA notice.	Employees covered by the EACA (may not apply to employees with affirmative elections on file)	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	At least 30 (no more than 90) days before beginning of the plan year. Newly eligible employees - prior to entry date (no more than 90 days before). For plans with immediate or short eligibility provisions, ASAP prior to first compensation paid subject to ACA.	DOL may assess a civil penalty of not more than \$1,000 a day for each violation by any person
Qualified Automatic Contribution Arrangement (QACA) Notice (Nonelective)	Generally same as the Safe Harbor Notice (nonelective) except must also include ACA percentage, rights to opt out or how to elect different percentage, how the contributions will be invested. May be combined with QDIA notice.	Each eligible employee and newly eligible employees	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Early enough that the employee has a reasonable period of time after receipt of the notice to make the elections. Plan cannot make the default election effective before the earlier of the 2nd pay date after notice provided or first pay date after 30 days notice is provided.	DOL may assess a civil penalty of not more than \$1,000 a day for each violation by any person
Qualified Automatic Contributions Arrangement (QACA) Notice (Match)	Generally same as the Safe Harbor Notice (match) except must also include ACA percentage, rights to opt out or how to elect different percentage, how the contributions will be invested. May be combined with QDIA notice.	Each eligible employee and newly eligible employees	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Early enough that the employee has a reasonable period of time after receipt of the notice to make the elections. Plan cannot make the default election effective before the earlier of the 2nd pay date after notice provided or first pay date after 30 days notice is provided.	DOL may assess a civil penalty of not more than \$1,000 a day for each violation by any person
Employer Discretionary Match	Effective date of match, type of match (formula or dollar amount), limits, period used to calculate the match and any additional requirements which may apply.	Each eligible employee and newly eligible employees	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Depends on annual or periodic match. Annual: Within 60 days after the match has been deposited for the plan year. Periodic: Within 60 days after the last match deposit has been made for the plan year.	Considered an operational failure which could jeopardize the favorable tax qualified status of the plan.
Fee Disclosure Notice under Labor Reg. 2550.404(a)(5)	Relative fee and expense information so that participants may make informed decisions with regard to the management of their individual accounts. Includes plan-related and investment-related information. (DOL Field Assistance Bulletin 2012-02R)	Participants in a defined contribution plan that provides participant self-direction of investments.	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Initially upon becoming eligible for the plan and annually thereafter. Any change requires at least 30 (no more than 90) days notice before change is effective.	DOL may assess a civil penalty for fiduciary breach in an amount up to 20% of the applicable recovery amount.
ERISA Section 404(c) Plan Disclosure	Election is made in the plan document, intent to be compliant with ERISA 404(c). Information is found in the 404(a)(5) Fee Disclosure Notice.	Participants and beneficiaries in an individual account plan where fiduciary is electing protection under 404(c). Generally included in the Summary Plan Description (SPD).	Yes - See 404(a)(5) Fee Disclosure Notice	Yes - See 404(a)(5) Fee Disclosure Notice	Loss of ERISA Section 404(c) protection.
Covered Service Provider Notice under Labor Reg. 2550.408(b)(2)	Services provided, compensation (direct or indirect) the service provider expects to receive	Plan Fiduciary(s)	N/A - Must be in writing.	Reasonably before contract or changes to contract are effective. No later than 60 days the CSP is informed of a change, unless not feasible - then ASAP.	Potential Prohibited Transaction (unless relief provided under PTE for Failure of CSP to disclose)

Quarterly Pension Benefit Statement (QPBS) - Individual account plan with participant investment direction	Total account and vested account under the plan. Value of each investment held and allocated to the participant. Must include statement of limits or restrictions to direct investments, diversification information and link to the DOL website. Lifetime income disclosure.	Participants and beneficiaries with balances under the plan.	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	At least once each quarter or upon request.	If information not provided to plan participants upon request, DOL may assess penalties up to \$110 per day.
Annual Pension Benefit Statement	Total account and vested account under the plan. Lifetime income disclosure.	Participants and beneficiaries with balances under the plan.	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	At least once per year or upon request.	If information not provided to plan participants upon request, DOL may assess penalties up to \$110 per day.
Blackout Notice (Sarbanes Oxley Notice)	Reason for black out, participant rights that will be suspended, length of period (start and end dates), participant will not be able to direct investments and should review holdings before period begins to determine appropriateness	Each participant or beneficiary in an individual account plan who is affected by the black out period.	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	At least 30 (no more than 60) days before the black out period begins.	DOL may assess civil penalty up to \$152 (indexed) a day per participant from the date of failure or refusal to provide the blackout notice.
Notice of Plan Termination (non Safe Harbor 401(k) Plan)	Name of plan, date of notice, all accounts fully vested, distribution options and timing to respond (generally 30 days) to prevent account balance from being rolled over to an IRA account.	Participants and beneficiaries with balances under the plan.	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Notice (other than distribution notices) generally not required unless plan is a Money Purchase Plan.	N/A - Notice not required but is strongly encouraged.
Notice of Plan Termination (Safe Harbor 401(k) Plan)	Name of plan, date of notice, all accounts fully vested, distribution options and timing to respond (generally 30 days) to prevent account balance from being rolled over to an IRA account.	Participants and beneficiaries with balances under the plan.	Yes for participants with effective access, participants may opt out of E-Notice and be provided paper copy.	Notice (other than distribution notices) generally not required if plan runs full 12 month plan year. Mid-Year termination of a Safe Harbor plan will require a 30 day notice.	Loss of Safe Harbor Status for the plan year, may require correction under EPCRS
Rollover Notice (402(f) Notice)	Rules under direct rollover options, rules under withholding tax, 60 day rollover rules, special rules regarding taxation of distributions. Default cash out procedures for forced cash outs or automatic IRA rollovers and loan offsets (if applicable).	Distributees of eligible rollover distributions (e.g., termination of employment, attainment of NRA, plan termination, disability or death)	Yes, however must be provided individually to each distributee.	At least 30 but no more than 180 days prior to distribution.	IRS penalty of \$100 for each failure, not to exceed \$50,000 in a calendar year, imposed on person who fails to provide the notice.

All notices should be written in a manner that can be easily understood by the average participant. While not required, foreign language notices may need to be provided if a predominant number of participants speak a non-English language.

SPD - No requirement to provide in foreign language unless 25% of participants are literate in another language for plans with under 100 participants, or plans with more than 100 participants lesser of 10% or 500+ literate in same language