



Safe Harbor Electronic Communications

A WEB APPLICATION REPLACING PAPER COMMUNICATIONS

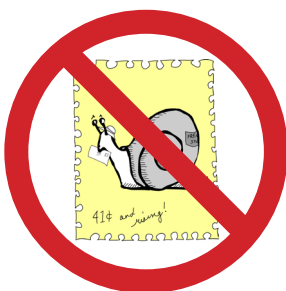
Prior to 2002, multiemployer plans were unable to take advantage of the proposed safe harbor for electronic communications which required that employees be able to access and print plan communications at their workplace and at the employer's expense. However, in 2002, the final rules granted multiemployer plans an expansion of this safe harbor that, in short, allows any participant with Internet access to opt-in to receive almost all plan communications electronically.

HOW MUCH MONEY IS YOUR PLAN WASTING ON UNNECESSARY PAPER COMMUNICATIONS?

Add up your plan's printing and postage budget.

Be sure to include an annual rate for SPDs, Newsletters, SARs, EOBs, COBRA Notices, and all other printed communications. Now for a rough estimate of how much money your plan is leaving on the table, assume that 10% of participants opt-in in the first year, another 10% in the second, and so on until you reach an assumed maximum participation rate.

**Wow! EVERY MONTH YOU DELAY MEANS MORE
UNNECESSARY COSTS FOR YOUR PLAN.**



MultiEmployer's Safe Harbor Electronic Communications Program helps you in your ongoing effort to make it easier and faster for participants to get important plan information. And most important, by using electronic communications, there is a substantial reduction of the costs associated with paper/U.S. Mail communications. Together, this effort results in a higher level of service to plan participants. An added benefit is that replacing paper communications is great for the environment.

The first requirement for an electronic communications plan is the creation and deployment of a static web site. The next phase is a combined utilization of email and the web site. The final phase is to offer secure, encrypted electronic access to personal benefit statements and information. Participation in the program is voluntary. Unless a participant opts in, he will continue to receive all communications from the plan via printed material sent by U.S. Mail.

THIS WEB APPLICATION HAS TWO LEVELS OF IMPLEMENTATION. The first is for general plan communications, and has low security requirements. The second is for personal information and has the same high security and confidentiality requirements as any participant self-service application.

LEVEL I – GENERAL PLAN INFORMATION

- SPD
- SAR
- SMM
- Newsletters
- Announcements

LEVEL II – PERSONAL PLAN COMMUNICATIONS

(A Standard Feature of Our Participant Self-Service Application)

- Pension Benefit Statements
- Explanation of Benefits
- COBRA Notices
- W2/1099-R
- Student Status Request

HOW IT WORKS

Level I: All participants will be sent an “activation key” via U.S. Mail. After receiving the activation key, the participant will need to go to the Plan web site and go to the electronic communication activation page. There he will be asked to input the activation key and email address. The page will also ask for the last four digits of his Social Security number and the his date of birth. When these items match the information on file, the email address will be registered and the participant will be set up for future electronic communications.

From then on he will receive an email whenever a general communication is prepared by the plan such as a Summary Plan Description, notice of changes in the benefit programs, or Summary Annual Report. The email will explain the purpose and importance of the communication and provide the participant with links to the document and/or web pages on the site which contain the communication.

Level II: For personal health and financial information a secure user name/password system is required. Since this level of e-communications is usually deployed as part of the Participant Self-Service Application, opt-in can occur during registration for secure access to personal benefit information, or at a later time. When the Plan has a communication for the participant an email notification is sent. The participant will be prompted for a user name/password when clicking on the link to the communication contained in the email. The participant must always complete the secure login in order to access the electronic communication containing confidential information.