

EFAST2 Communication

Electronic Filing Form 5500 Just Around the Corner!

When Congress passed the Pension Protection Act of 2006, it included a provision which requires that you file Form 5500 electronically. This new rule applies to every Form 5500 filing you make after December 31, 2009.

Meet EFAST2

The new fully electronic processing system is known as EFAST2 and is scheduled to go *live* on January 1, 2010. Electronic filing applies to all Form 5500 reports filed for plan years beginning on or after Jan. 1, 2009.

The first stop for you to interact with the new EFAST2 system is a feature known as I-REG (Internet Registration). You will need an Internet connection and an e-mail address to sign up for credentials, via the I-REG program.

Who Needs Credentials?

The person(s) who signs the face of the Form 5500 on behalf of either the plan sponsor or the plan administrator (or both) must apply for “signer” credentials using the I-REG system. All plan sponsors will receive a postcard from the DOL, probably in January 2010, inviting them to apply for their credentials. There are several important rules about these electronic credentials.

- Only one set of credentials will be issued for each e-mail address. Signer credentials permit the user to sign as the plan sponsor, the plan administrator, or both.
- You may apply for credentials as a (1) filing author, (2) filing signer, (3) schedule author, (4) transmitter, or (5) third-party software vendor. Typically, a person who signs Form 5500 will require only the *filing signer* credentials because they will rely on their service provider to actually author and transmit the filing.
- The credentials belong to the you as an individual, not the business for which you work. Think of the credentials in the same way you think of your social security number (SSN) - the SSN always belongs to you, no matter where you work. For this reason, you will want to update your profile whenever your e-mail address changes, so that any notification from DOL is delivered to you in a timely fashion.

After Jan. 1, 2010, you may log in to I-REG at www.efast.dol.gov to register for your credentials. There will be a series of input screens for you to act upon, culminating in the assignment of specific electronic credentials, comprised of a User ID and PIN.

Where Do I Sign?

While the new system is referred to as a paperless system, that is only on the part of the government. Plan sponsors must maintain a fully executed (wet signature) copy of the Form 5500 with all schedules and attachments. If the filing is for a defined benefit plan, the wet signature copy of the actuarial schedule, Schedule SB or MB, must be part of the plan’s permanent records, as well. The instructions for the 2009 Form 5500 indicate plan’s copy may be stored electronically, so long as the electronic copy captures the handwritten signatures.

The electronic “signing ceremony,” as it is dubbed, will be a new process for you, this year. In addition to signing a paper copy of the Form 5500, you will receive an e-mail inviting you to link to my Form 5500 software. There, you will be presented with a series of screens to act upon, thereby executing the signing ceremony. By inserting your User ID and PIN, you will sign the filing electronically.

You will no longer ship a paper filing off to Lawrence, Kansas. Instead, WebsterRogers will transmit the electronically signed filing and provide you with a copy of the filing status report, which is proof that the filing was “processable” and verifies the date and time of receipt by the EFAST2 system of the electronic filing.

What Do I Need To Do?

Fortunately, WebsterRogers will be able to manage much of the transition to the electronic filing system for you. We’ll make sure you are ready to easily make the jump to electronic filing! Contact Carol Beverly at 843-665-5900, cbeverly@websterrogers.com.