

## Sixth Circuit Decision Highlights Importance of Distributing Accurate SPDs

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A recent case decided by the U.S. Court of Appeals for the Sixth Circuit provides yet another example of the importance of ensuring that plan documents and summary plan descriptions (SPDs) accurately and consistently describe plan benefits. In *Pearce v. Chrysler Group LLC Pension Plan*, the plan document provided that a participant who was not actively employed at retirement would be ineligible to receive an early retirement supplement. In contrast, the SPD stated that a participant did not need to be actively employed at retirement to remain eligible for the early retirement supplement. This discrepancy became an issue when an employee accepted a termination incentive, and the employer, relying on the language in the plan document, argued that this made the employee ineligible for the early retirement supplement. The employee requested that the lower court (i) grant equitable estoppel to prevent the employer from relying on the plan document, and (ii) reform the plan document to conform to the SPD; the lower court rejected both of those requests. The Sixth Circuit agreed with the district court and held that equitable estoppel was not available because the terms of the plan document were unambiguous. However, because the employee did not have access to the plan document and the employer repeatedly directed the employee to the SPD (which contained materially misleading information on this point), the Sixth Circuit remanded the case in part so that the district court could determine whether the plan should be equitably reformed. **Practical Tip:** ERISA Section 102(b) requires an SPD to contain “circumstances which may result in disqualification, ineligibility, or denial or loss of benefits.” Even if the terms of the plan document govern over the terms of the SPD, it is a violation of ERISA to distribute an SPD that does not accurately explain the eligibility requirements to receive benefits under the plan. [View \*Pearce v. Chrysler Group LLC Pension Plan\*, No. 17-1431 \(6th Cir. June 20, 2018\)](#).