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### **i INFORMATION**

#### PARTICIPANT NEWSLETTER

### ***Worth A Look* Goes Online**

Beginning this spring, *Worth A Look*, the participant newsletter, goes digital. **The new online *Worth A Look* will continue to feature award-winning educational content**,\* as well as timely video content from the Wall Street Journal, MarketWatch, and SmartMoney. Our website, [www.TA-Retirement.com](http://www.TA-Retirement.com) will provide easy access to current and previous editions of the newsletter.

Take a sneak peek here for the [English](#) and [Spanish](#) versions of the newsletter.



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#### **Have feedback?**

Just **reply** to this email with your comments or suggestions.

#### INVESTMENT LINE-UP

### **Updated Enrollment Forms for Your Plan's Investment Line-Up**

If your plan has been affected by any changes to investment choices, please remember to replace your old enrollment forms with updated enrollment forms. **You can access your new enrollment forms (which include the updated investment line-up) through our website at [www.TA-Retirement.com](http://www.TA-Retirement.com)** and print them directly from your computer.

Simply log into your account, select "Plan Administration" from the left menu, click on "Forms", and it will automatically bring you to the "Participant" tab. If you have any questions regarding this change, please call us at (866) 498-4557, Monday through Friday, 9 a.m. to 8 p.m. Eastern Time.

Be sure to update your enrollment forms to reflect any investment line-up changes in your plan.

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## U.S. ECONOMIC FORECAST

# U.S. Economy Possibly Poised to Expand Faster as Headwinds Abate

In AllianceBernstein's February 2012 commentary, their experts note that real gross domestic product (GDP) in the U.S. rose by a respectable 2.8% annualized in the fourth quarter of 2011, slightly less than the 3% estimated by many forecasters and 3.2% anticipated by AllianceBernstein.



Factors that contributed to GDP growth include:

- Growth in the consumer goods and housing sectors
- A substantial increase in inventory (used mainly for the goods-producing industries)

The contribution to GDP growth made by a significant inventory increase leaves some experts questioning the sustainability of last year's fourth quarter gains into 2012. However, AllianceBernstein asserts that "the overall environment supports a continuation of improved economic growth through 2012, driven by a modest rebound in private construction and ongoing gains in consumer durables, capital spending and exports."

## INVESTOR EDUCATION

# Don't Miss the Market's Best Days

The professionals at Putnam remind us that it's not timing the market, but time in the market that counts. Missing as few as the 10 best days in the market over the last 15 years would have cost you \$12,779 in earnings. Putnam posits that the best way to participate in stock market gains is to stay invested.

Transamerica Retirement Services does not provide investment advice. AllianceBernstein and Putnam Investments provide investment management services for some of the investment choices offered in Transamerica's retirement plans. Neither AllianceBernstein nor Putnam Investments are affiliated with Transamerica Retirement Services.

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Transamerica is committed to providing you with informative articles to share with your plan participants as part of their ongoing investor education.

## LEGISLATIVE / COMPLIANCE

## 408(b)(2) FEE DISCLOSURE UPDATE

# Transamerica Prepares to Distribute 408(b)(2) Fee Disclosures in April

On February 3, 2012, the U.S. Department of Labor issued final 408(b)(2) regulations regarding service providers' disclosure of plan services and fees to plan fiduciaries.

**Under the final fee disclosure regulations, the effective date was extended from April 1, 2012 to July 1, 2012.**

Despite the extension of the effective date, **Transamerica expects to provide all of our clients with the required disclosures during the month of April through the following correspondence:**



For a detailed analysis of the final fee disclosure regulations, click on [TCRS 2012-1](#), issued by the Transamerica Center for Retirement Studies.

- **Notification Email** — The primary contact assigned to your plan will receive an **e-mail that the 408(b)(2) disclosures have been placed in the Document Center** on [www.TA-Retirement.com](http://www.TA-Retirement.com). Note: This process only applies to clients who have consented to do business electronically. For clients who have not consented to do business electronically, disclosure will be sent hardcopy via regular mail.
- **Online Tutorial** — A video tutorial, which provides you with an **easy-to-understand overview of the disclosure document**, will be provided on [www.TA-Retirement.com](http://www.TA-Retirement.com).
- **Notification to Financial Advisor or Third Party Administrator (if applicable)** — The Financial Advisor or TPA for your plan will be notified that you have been provided with disclosures. They will have **access to view your plan's disclosure as well as the tutorial**.

We have consolidated all of the services that you receive and the fees that you pay for those services into one concise document to help you assess the value proposition associated with the fees you pay. Although the format of the document may be new to you, **we have not amended our pricing structure, nor introduced any new fees.**

We hope that you will take the time to watch the tutorial we have prepared as an accompaniment to your fee disclosure document. **Should you have any questions about your 408(b)(2) fee disclosure after reading it and watching the tutorial, please contact your plan service representative.**

As always, our primary goal is to provide our clients with the information and tools they need to effectively fulfill their fiduciary responsibilities and administer their retirement plan.

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## COMPLIANCE CALENDAR

**March 12**

### **Transamerica Completes Compliance and Nondiscrimination Testing.<sup>1</sup>**

- Employer instructs Transamerica to refund any excess contributions (deferrals) and/or excess aggregate contributions (match) by this date to avoid the 10% penalty.<sup>2</sup> Transamerica must receive instructions by March 12 to meet the March 15 deadline.<sup>3</sup> (If your plan has an Eligible Automatic Contribution Agreement [EACA] that covers all eligible employees, this deadline is extended to June 30.)
- Employer passes a board resolution declaring an employer discretionary contribution, if any, and makes any discretionary or required employer contributions to the plan (by September 15 if a corporate tax extension is filed).
- If appropriate, employer files Form 7004 (which extends the deadline for filing corporate taxes, for making employer contributions to the plan, and filing Form 5500). The 5500 filing deadline is extended only to September 15, if using Form 7004.<sup>4</sup>
- For a plan with an EACA that covers all eligible employees, Transamerica must receive complete census data and the Additional Plan Data Form by May 30 in order to guarantee completion of 401(k) nondiscrimination testing by June 27, which is the latest date by which Transamerica must

receive refund instructions for distributions to be made by June 30.

**March 15 – September 15**

## **Profit-sharing Plan Contributions**

Make contributions, if any, to a profit-sharing plan by March 15, or September 15 with a corporate tax extension.<sup>5</sup>

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Transamerica or Transamerica Retirement Services refers to Transamerica Retirement Services Corporation, which is headquartered in Los Angeles, CA.

\* Transamerica Retirement Services' communication materials have received awards from various organizations, including the Awards for Publications Excellence ("APEX") in 2011; Communicator Awards 2011; DALBAR, Inc. in 2011; Hermes Creative Award in 2011; MarCom Awards in 2011; Mutual Fund Education Alliance ("MFEA") STAR Awards in 2011; and Telly Awards in 2011. For more information please refer to the website

[www.TA-Retirement.com](http://www.TA-Retirement.com).

<sup>1</sup> Compliance and nondiscrimination testing refers to a series of tests including the minimum coverage, annual additions, top-heavy, actual deferral percentage (ADP), and actual contribution percentage (ACP) tests.

<sup>2</sup> If the plan fails the ADP and/or ACP test(s), the correction can be made by distributing excess contributions. If a correction is made within 2 ½ months after the end of the plan year (on or before 3/15 for a calendar year plan), the employer avoids paying a 10% excise tax to the IRS on the amount of the correction. If the corrective distributions are made more than 2 ½ months after the end of the plan year, the employer will pay the 10% excise tax on the corrective distributions. For plans with an EACA that applies to all eligible employees, the deadline is extended to 6/30.

<sup>3</sup> If your plan has an EACA that applies to all eligible employees, Transamerica must receive refund instructions by 6/24 to meet the 6/30 deadline.

<sup>4</sup> Form 7004 extends the deadline for filing corporate taxes, making employer contributions to the plan, and filing Form 5500. Form 7004 must be filed within 2 ½ months following fiscal year-end. If your fiscal year does not end on 12/31, please discuss actual dates with your TPA and/or tax counsel.

<sup>5</sup> Actual deadline is 2 ½ months following fiscal year-end. If your fiscal year does not end on December 31, please discuss actual dates with your service provider. If contributions are to be deducted they must be deposited prior to the filing of the corporate tax return which may not be March 15 or September 15.