

June 2012 — In this issue:

Information »

- Employees Want Help on Retirement Planning
- Increasing Participants Deferral Rates

Market Insight »

- Investors Look Forward to More Policy Help
- Setting Expectations

Legislative / Compliance »

- Transamerica Update on Participant Disclosure Regulations
- Your Role in the New Participant Disclosure Requirements

Compliance Calendar »

- Upcoming Compliance Tasks



SPONSOR E-NEWS

View with images

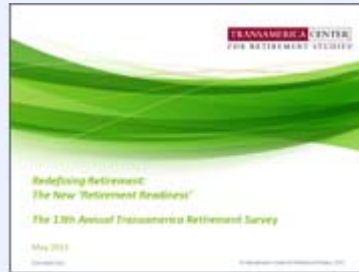
i INFORMATION

RETIREMENT SURVEY

Employees Want Help on Retirement Planning

The experience of the past few years has caused many American workers to change their view of retirement. That's according to the [13th Annual Transamerica Retirement Survey](#) of more than 3,600 American workers conducted by the

Transamerica Center for Retirement Studies.^{®1} This new vision of retirement highlights the need to redefine "retirement readiness" to include an employment component and help employees plan accordingly.



Other key findings from the survey include:

- 44 percent expect to rely on savings from 401(k) or similar retirement plans as their primary source of income when they retire
- 90 percent of respondents cited an employee self-funded plan as an important benefit, second only to health insurance
- 62 percent desire information and guidance about retirement planning from their company
- 52 percent cited a good starting point or educational materials that are "easier to understand" as a way to motivate them to learn more about saving for retirement

The report also offers a checklist of five essential elements necessary to achieve "retirement readiness" under its revised definition. To view the report and full survey results, visit The Center's website at www.transamericacenter.org.

¹ The Transamerica Center for Retirement Studies[®] ("The Center") is a non-profit, private foundation. The Center is funded by contributions from Transamerica Life Insurance Company and its affiliates and may receive funds from unaffiliated third-parties. For more information about The Center and the full results of the 13th Annual Transamerica Retirement Survey, please refer to www.transamericacenter.org.

Compliments of
SponsorConnect
(866) 498-4557



Have feedback?

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

FINANCIAL INDEPENDENCE

Increasing Participants' Deferral Rates

It's a good time to remind your participants about the advantages of increasing their contribution rate. Increasing their contribution rate by one percent or more can add up and help brighten their retirement outlook.

To help you share this message with your participants, we've provided an Independence Day-themed [communication](#) that you can forward in email or post on your intranet site. We hope this makes communicating with your participants even easier and helps them plan for financial independence.



[Go back to the top ^](#)

MONTHLY MARKET INSIGHT

INVESTMENT COMMENTARY

Investors Look Forward to More Policy Help

The experts at [BlackRock](#) believe that in both the U.S. and Europe, weaker economic data may impel policymakers "to engage in further easing measures." BlackRock states, "Although we expect the European economy to remain weak and troubled by ongoing debt problems, we continue to believe that the U.S. economic backdrop remains fairly benign ... Our view is that some sort of compromise should materialize, which should help the U.S. economy remain on stable footing." According to BlackRock, the possibility of additional actions by European and U.S. policymakers resulted in the Dow Jones Industrial Average, S&P 500, and Nasdaq Composite gaining positive ground mid-month after a significant drop in the markets in early June.



Transamerica is committed to providing you with informative pieces that can help your participants plan for a successful retirement.

INVESTOR EDUCATION

Setting Expectations

[This investor education piece](#) from Janus suggests that investors match their expectations of stock returns with their time horizons. Although the average annual total return for the S&P 500 over the last 30 years (1982 - 2011) is 12.45%, year-by-year returns have varied. In fact, 47% of the returns in the last 30 years ended with a gain or loss of over 20%.

Transamerica Retirement Services does not provide investment advice. BlackRock and Janus provide investment management services for some of the investment choices offered in Transamerica's retirement plans. BlackRock and Janus are not affiliated with Transamerica Retirement Services.

[Go back to the top ^](#)

Transamerica Update on Participant Disclosure Regulations



Starting this year, the U.S. Department of Labor (DOL) is requiring retirement plan sponsors to provide more information about the fees associated with their plans. The purpose of the DOL regulation is to provide uniform guidelines and make sure that employees have the information they need to make informed decisions about the investment of their retirement plan accounts. The effective date is August 30, 2012.

Summary of New Disclosures

The DOL regulations specify that disclosures are to be provided in three formats:

- **An annual disclosure** with both general plan information and a comparative chart for all investment choices available through the plan;
- **Information on quarterly statements** regarding the actual fees deducted from a participant's account and the services provided for those fees; and
- **A website for employees** that contains additional plan and investment information.

You can find more information on the DOL's participant fee disclosure requirements at

- <http://www.dol.gov/ebsa/newsroom/fsparticipantfeerule.html>
- <http://www.dol.gov/ebsa/regs/fab2012-2.html>
- http://www.dol.gov/ebsa/publications/401k_employee.html

Your Role in the New Participant Disclosure Requirements

As the plan sponsor, your role is an important one. You will be required to take action by ensuring that everyone who may direct investments in the plan (some examples of whom are listed below) receives the new Disclosure & Comparative Chart (provided to you by Transamerica) in advance of the August 30 effective date.

Examples of individuals required to receive the new Disclosure & Comparative Chart include:

- your active participants,
- employees eligible to join the plan,
- retirees and former employees with a balance in the plan,
- active beneficiaries who have taken control of a plan account, and
- alternate payees under a Qualified Domestic Relations Order.

We also recommend that you become familiar with these FAQs that Transamerica is providing to both you and your advisor:

- [Frequently asked questions for plan sponsors](#)
- [Frequently asked questions for participants](#)

What you can expect from Transamerica:

- We are providing sponsors with the new, required Disclosure &

Comparative Chart via our online Document Center. Under the new regulations, sponsors must ensure that this disclosure is distributed annually to everyone who is eligible to direct investments in the plan.

- You and your financial advisor (if applicable) will receive an email when the sponsor's Disclosure & Comparative Chart is available for viewing online.
- The plan sponsor must provide this disclosure by August 30 to everyone who may direct investments in the plan.
- Transamerica's quarterly participant statements will show the dollar amount of fees actually deducted from the participant's account during the quarter. By the September 30, 2012 quarterly statement cycle, all participants in Transamerica plans will have received their required updated statement.
- To help participants understand this additional information, we are providing sponsors and participants with this [simple guide to understanding the new participant statement](#), along with a [sample participant statement](#).
- Transamerica's participant website will include all of Transamerica's required plan and investment-related information for participants in advance of the effective date.

These efforts align with Transamerica's longstanding commitment to transparency and best practices in the retirement plan industry. We thank you for choosing Transamerica as your plan's provider, and allowing us to bring "best in class" services to you and your plan's participants.

If you have any additional questions, please call us at (866) 498-4557, 9 a.m. to 8 p.m. Eastern Time, Monday through Friday.

[Go back to the top ^](#)



COMPLIANCE CALENDAR

July 31

File Form 5500 / 8955-SSA

For calendar year plans ended December 31, 2011.

1. File Form 5500 or Form 5558.¹ If plan audit² is required, employer must receive accountant's opinion to include with Form 5500 filing.
2. File Form 8955-SSA or Form 5558¹ for those plans required to file a form 8955-SSA registration statement with the Internal Revenue Service.

¹ Form 5558 is an application for extension until October 15 of Form 5500 / 8955-SSA filing. If Form 5558 is not filed, but a Form 7004 is filed (to extend the corporate tax filing), the filing deadline for Form 5500 is extended to September 15.

² An audit is generally applicable for plans with 100 or more participants at beginning of plan year, an independent qualified public accountant must conduct an audit of the plan's financial statements, including review of the plan's Form 5500, schedules, internal control practices, and other information.

[Go back to the top ^](#)