

October 2012 — In this issue:

**Information »**

- Improving Employee Education Efforts
- Happy 401(k) Day
- E-Sweepstakes Giveaway

**Market Insight »**

- The Federal Reserve's Plan
- Staying Committed to Diversification

**Legislative / Compliance »**

- Participant Fee Disclosure Requirements for Investment Changes

**Compliance Calendar »**

- Upcoming Compliance Tasks



# SPONSOR E-NEWS

**[View with images](#)**

## **i INFORMATION**

### PLAN MANAGEMENT

## Improving Employee Education Efforts

Are you looking for ways to help your participants become more comfortable saving and investing for their retirement? Consider creating an **Education Policy Statement** to serve as a written strategy that guides your education efforts. **An Education Policy Statement provides a blueprint for meeting the educational needs of your plan's participants and helps you document your plan's commitment to employee education.**



The five primary components of an Education Policy Statement are:

- **Purpose** — establishing a formalized employee education program, including benchmarking
- **Plan objectives** — improving plan participation, deferral rates, account balances, and asset allocation (diversification)
- **Education goals** — satisfying ERISA participant communications requirements, promoting financial literacy, and helping employees maximize their opportunities in the plan
- **Measurements/benchmarking** — specifics about how you plan to measure success
- **Roles and responsibilities** — defining the various parties involved in employee education for your plan and what they do

To learn more, download your free copy of our new white paper, **Creating an Education Policy Statement — A Commitment to Improving Employee Financial Literacy** [here](#).

Compliments of  
**SponsorConnect**  
(866) 498-4557 1148



### Have feedback?

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

Host your own Happy 401(k) Day celebration and encourage your employees to actively participate in their retirement plans.

## Happy 401(k) Day

As a leader in the retirement services industry, Transamerica Retirement Services continuously seeks opportunities to provide you with materials that can help you motivate and engage your employees in their retirement planning.



**This year's 401(k) Day Campaign — Happy 401(k) Day — is designed to inspire your employees to plan their own retirement celebrations and reflect on their retirement futures.**

We encourage you to choose any day to celebrate and host your 401(k) Day event. To assist you, we have created a suite of 401(k) Day materials, including a poster, participant flyer, planning tips, and statement stuffers, available in both English and Spanish.

You can download our 401(k) Day materials by visiting the [401\(k\) Day](#) page of [www.TA-Retirement.com](http://www.TA-Retirement.com) or order printed materials by logging into your account and accessing eKits.

## E-Sweepstakes Giveaway

Transamerica is offering a sweepstakes giveaway to encourage participants to opt in for e-required notices. The new e-required notices feature became available last month and allows participants to receive their notices electronically rather than on paper. The sweepstakes will run from November 15 through December 15. We will be giving away an iPad® and ten \$50 American Express® gift cards every week. During the month of the sweepstakes, we will send emails to participants reminding them of the giveaway. Participants who opt in for e-required notices via [www.TA-Retirement.com](http://www.TA-Retirement.com) will automatically be entered in our weekly giveaway. [Learn more here.](#)



[Go back to the top ^](#)

## MONTHLY MARKET INSIGHT

### INVESTMENT COMMENTARY

## The Federal Reserve's Plan

The experts at AllianceBernstein predict that the Federal Reserve's latest quantitative easing program, QE3, will be more successful in stimulating the economy than its predecessors. In their commentary, [Will QE3 Be More Effective than QE2?](#), they point to QE3's focus on improving the financing conditions for the recovering housing market as a constructive strategy. They note that "we have always found that policy changes tend to work better when they piggyback a trend that is in place, rather than trying to reverse a trend already underway."



We hope you will share these articles with your participants as part of your investor education efforts.

### INVESTOR EDUCATION

## Staying Committed to Diversification

Staying Committed to Diversification by Goldman Sachs Asset Management demonstrates how a more diversified portfolio has historically produced a greater return than a less diversified portfolio 99% of the time during the period between December 31, 1972 and December 31, 2011. It's a timely reminder of the potential benefits of staying invested in a well-diversified portfolio.

Transamerica Retirement Services does not provide investment advice. AllianceBernstein and Goldman Sachs Asset Management (GSAM) provide investment management services for some of the investment choices offered in Transamerica's retirement plans. AllianceBernstein and GSAM are not affiliated with Transamerica.

[Go back to the top ^](#)



## LEGISLATIVE / COMPLIANCE

### PLAN MANAGEMENT

## Participant Fee Disclosure Requirements for Investment Changes



Plan sponsors are required to **provide eligible employees with 30 to 90 days advance notice of any changes that affect the fees charged under their plan**, as per the U.S. Department of Labor regulations under ERISA section 404a-5, which became effective August 30, 2012.

Since altering your plan's investment choices typically impacts the fees charged under the plan, Transamerica has modified our investment change processes and procedures to help plan fiduciaries satisfy the regulations' requirements.

Enhancements to our investment change process include:

- **New instructions will help you set an effective date for the investment change.** This will help you ensure that you have enough lead time to notify participants within the required time frame
- **The instructions and participant notice will be delivered to you electronically as soon as your initial request is submitted**
  - If your request is submitted via E-Signature, you may select the effective date for your investment changes and complete the approval process in one session
  - If your request is sent via hard copy and submitted by fax, the sponsor is asked to hold the request until five days prior to the effective date and then send it to Transamerica for processing
- **The participant notice has been revised**, and now includes detailed information about the fees and benchmarks for the investment choices that are being added to the plan

To request an investment change, login to [www.TA-Retirement.com](http://www.TA-Retirement.com), and select "Plan Investments," then "Add/Delete Investments." As always, our goal is to help our plan sponsors meet their regulatory requirements with ease and confidence. If you have any questions regarding these enhancements, please contact us at (866) 498-4557 1148 .

To help plan sponsors stay in compliance with recent regulations, Transamerica has made enhancements to our investment choice change process.

[Go back to the top ^](#)



**October 3 - December 2 — Safe Harbor Annual Participant Notice** — If your calendar-year, defined contribution plan document includes a safe harbor plan design for the 2013 plan year, this is the timeframe for providing the required 2013 annual safe harbor notice.

**October 3 - December 2 — Qualified Default Investment Alternative (QDIA) Participant Notice** — If your calendar-year, defined contribution plan intends to comply with the U.S. Department of Labor rules for default investments, this is the timeframe for providing the required 2013 annual QDIA notice.

**October 3 - December 2 — Automatic Enrollment Participant Notices** — If your calendar-year, defined contribution plan document includes an Automatic Contribution Arrangement (ACA), Eligible Automatic Contribution Arrangement (EACA) or Qualified Automatic Contribution Arrangement (QACA) for the 2013 plan year, this is the timeframe for providing the required annual notice to participants.

**November 1 - December 31 — Required Minimum Distribution (RMD) Processing** — Transamerica will send you detailed information in November regarding participants in your plan who will be age 70 1/2 by the end of 2012. Transamerica will also provide you instructions on how to determine which of these age 70 1/2 participants must receive an RMD by December 31, 2012.

[Go back to the top ^](#)

---

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

---

This email was sent by Transamerica Retirement Services  
1150 S. Olive Street, 9th Floor  
Los Angeles, CA 90015

[Privacy Policy](#)

[One-Click Unsubscribe](#)