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## INFORMATION

### INFORMATION

## Begin the New Year with Transamerica Retirement Solutions

Beginning in January, you and your participants will start to be introduced to our new brand — **Transamerica Retirement Solutions.**

- The change to our new brand will not affect the way in which you or your participants do business with us.
- Your participants will receive a message about the new brand on their December 31 statements, and in the participants' January electronic newsletter.
- After January 1, please consider all references to "Transamerica Retirement Services" to mean "Transamerica Retirement Solutions."

As always, we will continue to keep you fully informed about all enhancements to your retirement plan services. If you have any questions, please call us at (866) 498-4557, Monday through Friday, from 9 a.m. to 8 p.m. Eastern Time.



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### Have feedback?

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## MONTHLY MARKET INSIGHT

### INVESTMENT COMMENTARY

## Some Signs of Life in Employment and the Chinese Economy

The experts at BlackRock address [three issues](#) currently impacting the U.S. economy — the fiscal cliff, November's employment report, and the Chinese economy. They believe that



We hope these articles provide you and your participants with helpful information that leads to planning for a successful retirement.

although a comprehensive fiscal cliff deal is possible, it is unlikely, and more apt to be comprised of small, stop-gap measures, which could negatively impact economic growth. They consider the November employment report as neutral to growth because of its mixed results. On a brighter note, BlackRock views China's recent manufacturing recovery as beneficial to the global economy, and a mitigating factor against weaknesses in the U.S. and Europe.

#### INVESTOR EDUCATION

## What a Difference a Year Makes

The chart in this [piece](#) by Legg Mason shows the age at which your money would have run out if you had retired at the age of 65 with \$1 million in any one of the years from 1926 to 1982. If you had retired in 1974, you would have had only 19 years of income. However, waiting one year to 1975 would have increased your years of income to more than 30. Market performance can make a difference when withdrawing income, especially in down market years.

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

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#### LEGISLATIVE / COMPLIANCE

##### LEGISLATIVE/COMPLIANCE

## Legislative and Regulatory Landscape: 2012-2013

In an effort to keep you informed of legislative and regulatory initiatives that may affect your company's retirement plan, we are providing you with a link to [Legislative and Regulatory Landscape: 2012-2013](#) by T. Rowe Price. This clear and concise summary **of retirement plan policy issues defines and categorizes key issues in 2012-2013 as *Expected, Possible, or Not Likely*** to help you create a timeline for your 2013 actions.



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##### LEGISLATIVE / COMPLIANCE

## Plan Ahead With the 2013 Compliance Calendar

Our 2013 compliance calendar can help you prepare for your plan's compliance requirements in the upcoming year. For your convenience, we offer this [handy reference guide](#) which **provides quick access to mandatory annual plan events and reporting.**



##### HARDSHIP DISTRIBUTIONS / LOANS

## Hurricane Sandy Relief

On November 16, 2012, the IRS issued an announcement of relief for participants impacted by Hurricane Sandy.

Transamerica is committed to providing you with current regulatory and legislative updates.

The relief period extends from October 26, 2012 through February 1, 2013, and covers participants, and certain of their family members or dependents, whose (a) principal residence or (b) place of employment on October 26, 2012 was in a covered Hurricane Sandy disaster area.

The relief allows participants to take a hardship distribution or loan from their retirement plan, even if the plan does not currently contain such language, provided the employer agrees to later amend the plan. A conforming amendment to the plan would be necessary, but the amendment may be postponed for approximately one year.

Please note: If a plan sponsor determines that they will offer their participants the expanded Hurricane Sandy relief, a conforming amendment is necessary even if the plan already allows hardship distributions/loans.

If the plan already contains hardship distribution/loan language, the attached TCRS release explains additional relief from certain rules and documentation requirements that might normally apply. Examples of additional relief include:

- Expanding distributions for hardships incurred by the participant's lineal ascendants and descendants.
- Waiving a suspension period from employee contributions (for hardship distributions taken during the relief period).
- Temporary waivers of certain verification documentation (such as verifying the financial need and amount for a hardship), and obtaining spousal consent or a death certificate.

If a temporary waiver of certain verification documentation is allowed, the employer must first make a good-faith attempt to obtain the documentation, and then after the distribution/loan, must make a reasonable attempt to obtain any missing documentation. Note that temporarily waiving verification documentation might result in a document or operational risk. Upon eventual receipt and review of the documentation post-distribution/loan, the plan administrator may discover that the distribution/loan should not have been made at all, or was made for too great an amount.

For employers interested in offering the Hurricane Sandy relief, please contact us to obtain the appropriate "plan change authorization" form and a participant notice template.

The "plan change authorization" form contains options for the employer to elect (not all elections may apply), and must be dated, signed, and returned to Transamerica. Transamerica needs the information to track which employers are offering the relief to their plan participants, which of the relief options will be offered, and to identify the plans for which we will need to prepare a conforming plan amendment.

The participant notice template is for the employer to indicate the elections made on the checklist, and then to distribute to participants (including former employees and beneficiaries entitled to benefits from the plan).

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## COMPLIANCE CALENDAR

**December 31**

**Compliance Deadline**

For plan years ending 12/31/2011, make sure any necessary compliance

corrections are completed.\*

\*Compliance and non-discrimination 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. Failure to make these corrective distributions could result in plan disqualification.

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