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INFORMATION

Update on Participant Disclosure Regulations

The U.S. Department of Labor requires plan sponsors to provide employees with annual information about the fees associated with their retirement plans. The annual Disclosure & Comparative Chart (provided to you by Transamerica) includes both general information about the plan fees and services provided by Transamerica, and a comparative chart for all investment choices available through the plan.



As the plan sponsor, you must ensure that everyone who may direct investments in the plan (see examples listed below) receives the annual Disclosure & Comparative Chart in advance of the August 30 annual deadline.

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.

To help you answer any questions you may receive from employees, we are providing FAQs regarding this annual disclosure:

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

Next steps for the annual disclosure:

- We are providing sponsors with the annual, required Disclosure & Comparative Chart via our online Document Center.
- Before the end of August, 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.**

- If any of your participants have elected e-delivery via Transamerica's website, we will electronically deliver the annual disclosure to them.
- You can easily find out which participants are receiving electronic delivery from Transamerica if you generate the Employee Address report at www.TA-Retirement.com (login > Plan Reports > Participant Reports > *Employee Address*). On the *Employee Address* report, the "e-notices" column reads "electronic" (instead of "paper") for those participants who are receiving electronic delivery of their annual disclosure from Transamerica.
- Plan sponsors must ensure the delivery of this annual disclosure to all others who are eligible to direct investments in the plan.

These efforts align with Transamerica's longstanding commitment to transparency and best practices in the retirement plan industry. **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.**

Target Date Investments - Tips from the DOL



As sponsors and fiduciaries of 401(k) plans assess plan design features that will help support the retirement readiness efforts of their plan participants, target date investments are increasingly being viewed as a viable and desirable investment offering in their plans. Target date investments allow the participant to select their anticipated retirement date and receive automatic investment allocations among stocks, bonds, and cash. Target date investments may be a good fit for participants who are less knowledgeable about investing, as well for those more sophisticated participants who simply do not want to actively manage their retirement plan investments. For these reasons, plan sponsors may want to consider becoming familiar with target date investments, and their potential value as an investment offering in their 401(k) plan. But, in considering target date investments, sponsors and participants should be aware that target date investments are not all created equally.

There are considerable differences between target date investments offered by different providers. To help you begin to familiarize yourself with these increasingly popular investment choices, we have included a link to [Tips for ERISA Plan Fiduciaries](#) published by the U.S. Department of Labor (DOL). The DOL provides valuable information about target date investments, including basics and things to remember when choosing target date investments. We think you will find this information valuable whether you are considering adding target date investments to your plan's investment offering, or you simply want to know more about these investments so that you can perform appropriate due diligence with respect to target date investments already in your plan.

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INVESTMENT COMMENTARY

Investor Concerns Increase, but an Early Fed Shift Remains Unlikely



In this month's [commentary](#), the experts at BlackRock analyze the recent stock market volatility and outflows from stock and bond funds, which they believe are rooted in investors' fears that the Federal Reserve (Fed) will soon tighten its monetary policy. They view the current investor reactions as extreme. They reason that although some changes are likely to occur by the end of this year or early next year, "any movement by the Fed will be gradual (and communicated well in advance) given that large segments of the U.S. economy are still quite lethargic."

INVESTOR EDUCATION

Tax-deferred Investing Can Make a Big Difference

This piece by Janus reminds us of the [benefits of tax-deferred investing](#). Most retirement plan participants do not pay taxes on their earnings until they withdraw their money, generally at retirement. This means that all of the money they contribute to their plans is put to work, which can make a big difference in how much they accumulate for their retirement.

Transamerica Retirement Solutions 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.

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LEGISLATIVE / COMPLIANCE

Legislative and Regulatory Landscape: 2013



To help plan sponsors stay informed of possible upcoming legislative and regulatory actions, we have provided a link to T. Rowe Price's [Legislative and Regulatory Landscape: 2013](#). As indicated in the chart, although legislative actions affecting employer-sponsored defined contribution plans are expected to be minimal in 2013, the U.S. Department of Labor is expected to maintain its close attention to plan investment and fiduciary issues.

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Transamerica strives to keep you up to date on legislative and regulatory issues, so you can plan your 2013 initiatives from a well-informed perspective.

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COMPLIANCE CALENDAR

July 31

File Form 5500 / 8955-SSA

For calendar year plans ended December 31, 2012.

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.

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