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i INFORMATION

Creating more Super Savers for retirement

Imagine a future where the majority of American workers are saving at least 10% per year for retirement. A 10% annual savings rate could dramatically improve the retirement outcomes for many workers.

Transamerica Retirement Solutions believes that every American worker should be able to retire with confidence.

PLANSponsor® magazine recently covered our drive to create a nation of Super Savers for retirement in [this interview with Transamerica's Stig Nybo](#). Stig's new book, [Transform Tomorrow: Awakening the Super Saver in Pursuit of Retirement Readiness](#), was recently published to foster a national conversation about the ways we can help workers save for a more secure future. The book's proceeds will be directed toward raising public awareness of the need to save more for retirement.

All of us at Transamerica Retirement Solutions share your commitment to helping your participants plan successfully for retirement. That's why we remain solely focused on delivering an outstanding retirement plan for you and your employees.

Thank you for allowing us to help create a more secure future for your employees.



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

RETIREMENT PLANNING TOOLS

Introducing OnTrack® for Plan Participants

Transamerica Retirement Solutions' growing suite of retirement savings tools and resources will soon be branded with a common look, feel, and philosophy under the umbrella program —

OnTrack. Available in April, OnTrack provides you with the tools you need to help motivate your employees to participate in your company's retirement plan and your



We hope the OnTrack program offers you the tools you need to help motivate your employees to save for and achieve a successful retirement.

participants to increase their savings rates.

The program features Transamerica's **brighten your outlook** retirement theme, and includes the following:

- **[Retirement Outlook Estimator](#)** — This new online tool helps employees to establish their personal retirement outlook and enables them to quickly calculate how much they need to save — before they have enrolled in the plan.
- **OnTrack online** — This interactive retirement planning tool helps participants:
 - Develop and improve their savings strategy with a real-time gap analysis of their current strategy versus their goal
 - Explore different investment strategies
 - Receive automatic updates of their "retirement outlooks" whenever they sign in to their accounts
- **OnTrack report** — At plan sponsor request, this personalized report offers each participant a snapshot assessment of their saving and investing strategy in relation to their retirement income goal.
- **RetireIncomeTrackSM** — This on-demand, personalized report shows participants how to optimize the income generated by all their retirement assets, striking a balance between their specific risks and goals. The report is based on a personalized participant questionnaire.
- **RetireTrackSM** — Transamerica's quarterly e-newsletter is designed to keep your employees up-to-date on personal finance topics, and focused on retirement readiness.

The new OnTrack program provides easy access to our planning tools for you and your participants.

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MONTHLY MARKET INSIGHT

INVESTMENT COMMENTARY

Markets Upbeat, But Some Economic Pieces Missing

In this month's commentary, the experts from BlackRock analyze the [ongoing recovery of the U.S. economy](#). Although they maintain that the economy could "hit a speed bump" in the second quarter of this year due to sequester spending cuts, they say it is clear the current recovery is building momentum. In order for the recovery to be self-sustaining, however, BlackRock's experts believe that real disposable income data (which will be released later this month) must show growth.



We hope these articles provide valuable and informative insights that help your employees as they plan for a comfortable and secure retirement.

The Benefits of Asset Allocation

This chart from Goldman Sachs Asset Management illustrates the ever-changing landscape of the [top performing asset classes](#) over the last 15 years. Investors can benefit from these variations and reduce their risk by diversifying their portfolios across a number of asset classes.

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

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LEGISLATIVE / COMPLIANCE

Know Your Forfeiture Options

Qualified plan sponsors may be confused about what to do with the accumulated funds in their forfeiture accounts. A forfeiture arises when a participant, who is less than 100% vested, terminates employment and takes a distribution, leaving the non-vested portion of the account to be transferred to the forfeiture account. Typically, this happens as of the date of the distribution, although some plans may require non-vested amounts to be forfeited later.



Treasury Regulation 1.401-7(a) states that as a general rule, forfeitures "must be used as soon as possible to reduce the employer's contributions under the plan." This would require the forfeiture be used in the year in which the forfeiture occurred or in the plan year following the year in which the forfeiture occurred.

Here are some ways in which forfeitures may be used:

1. As permitted by Revenue Ruling 84-156, **forfeitures may pay for plan expenses.** However, after all plan expenses have been paid for a particular plan year, any remaining forfeitures should be used no later than the immediately succeeding plan year.
2. **Forfeitures may be reallocated to a designated group of participants,** such as those employed on the last day of the plan year. This should be done annually, at the time the annual nondiscrimination testing is performed.
3. **Forfeitures may be used to reduce future employer contributions.** Note, a problem can arise when the employer doesn't spend the forfeitures on expenses and then decides not to make employer contributions in a plan year, or in some cases, for a number of years.

If you have accumulated forfeitures in your plan, your options will depend on how long the forfeitures have been accumulated and the amount involved. However, some situations might require additional legal action. You should discuss your particular situation with your legal counsel.

Transamerica Retirement Solutions seeks to provide you with the information you need to help keep your plan in compliance.

To receive further general information, call *SponsorConnect* at (866) 498-4557 to be put in contact with your Compliance Analyst.

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COMPLIANCE CALENDAR

March 15 – September 15

Annual Plan Contributions

Make 2012 Plan Year contributions, if any, to a qualified plan by 3/15, or 9/15 with a corporate tax extension.¹

April 1 – July 31

Form 5500

Expect signature-ready electronic Form 5500, summary annual report (SAR) and IRS form 8955-SSA from your plan's record-keeper (the SAR is not filed with the Form 5500). The Form 5500 requires electronic signature and electronic filing to the Department of Labor's filing system (Efast2).

April 1

Required Minimum Distributions

If previously requested by the plan participant or Third Party Administrator, Transamerica will issue trustee authorized Required Minimum Distribution (RMD²) payments to participants who turned 70½ or retired in 2012 and postponed their first RMD payment to 2013.

April 13

Excess Deferral Refunds

Deadline for issuing excess deferral refunds (deferrals that exceed the Internal Revenue Code section 402(g) limit).³

¹Actual 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.

²RMDs must commence no later than 4/1 of the year following the later of (a) the calendar year in which the participant attains age 70 ½, or (b) if permitted by your plan, the calendar year in which a non-5% owner retires. However, if a participant is a 5% owner, the RMD must commence by 4/1 following the calendar year in which a participant attains age 70 ½ regardless of employment status. Participants who are non-5% owners may be entitled to defer payment until retirement if they are still employed at age 70 ½ (if permitted by your plan). For RMD purposes, a 5% owner is anyone who owns more than 5% of the employer (including ownership due to family attribution rules).

³Participants, 49 years old or younger in 2012 cannot exceed the annual limit set by the IRS in Internal Revenue Code section 402(g) which is \$16,500 for participant's pre-tax contributions and any Roth contributions (deferrals) to a 401(k) plan. Participants, 50 years old or older in 2012 are allowed to make pre-tax contributions and any Roth contributions (deferrals) to a 401(k) plan totaling \$22,000, which consists of pre-tax and Roth contributions that cannot exceed \$16,500, as well as, catch-up contributions that cannot exceed \$5,500. Excess deferrals made in 2012 must be distributed to the participant, with related earnings, by 4/15/2013. Failure to make these corrective distributions could result in plan disqualification.

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