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SPONSOR E-NEWS

i INFORMATION

Transamerica Launches America Saves Week Facebook Promotion

Each year, Transamerica Retirement Solutions supports a national America Saves Week initiative. This year, Transamerica asks participants to tap their inner Super Saver and take action. Between February 24 and March 1, your employees have the chance to win prizes by participating in Transamerica's "Super Savers: Who's your villain?" Facebook promotion.



Your participants may have already received information about the promotion. We hope you will encourage them to *Like* the [Transamerica Retirement Solutions Facebook](#) page, and submit the name and description of a villain who is plotting to attack the Super Saver within them. By submitting their Supervillain, they will be eligible to win a special Super Saver t-shirt, \$100 gift card — or even \$500 gift card. See the [official rules](#) for details.

NEW PARTICIPANT SERVICE

Virtual Hold is Now Available in Spanish

Virtual Hold, a feature that offers participants the option to schedule a callback from Transamerica quickly, is now available in Spanish as well as English. Implementing Virtual Hold for our Spanish-speaking participants offers them more choices to receive efficient customer service.



Here is how Virtual Hold for Spanish speakers works:

View with images

Compliments of
SponsorConnect
(866) 498-4557



Have feedback?

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

- If a participant presses option 2 for Spanish within the Interactive Voice Response phone system, and we estimate a hold time of one minute or greater, he or she is presented with the option to receive a call back as quickly as possible, or to continue to hold for a Transamerica specialist.
- If the participant opts for a call back, they can hang up and “virtually” hold their place in line. As quickly as possible, the Virtual Hold system will call them back to connect them with an available Transamerica specialist.

Virtual Hold offers an easy and convenient way for your English- and Spanish-speaking participants to contact us, and demonstrates Transamerica's ongoing commitment to providing state-of-the-art technological solutions that can make life more efficient for your participants.

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MONTHLY MARKET INSIGHT

MARKET COMMENTARY

Is the Consumer Borrowing Cycle Finally Starting?

U.S. household borrowing, as measured by the use of revolving credit (such as credit cards), increased by nearly \$10 billion in the fourth quarter of 2013 — the greatest quarterly increase since the beginning of 2008. During the same quarter, real consumer spending rose to a three-year high of 3.3%. The experts at AllianceBernstein view last quarter's numbers as [promising signs](#) that consumer spending may grow at a faster pace in 2014 than it did last year.



INVESTOR EDUCATION

Withdrawing too much when you're in retirement limits how long your savings last.

This [information from Putnam Investments](#) cautions investors against taking too high a withdrawal rate from their retirement portfolios and investing too conservatively during retirement. Both these actions can decrease the number of years retirement savings can last.

Transamerica Retirement Solutions does not provide investment advice. AllianceBernstein L.P. and Putnam Investments provide investment advisory services for some of the investment choices offered in Transamerica's retirement plans. AllianceBernstein L.P. and Putnam Investments are not affiliated with Transamerica Retirement Solutions.

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We hope you will include these articles in your ongoing investor education efforts.



If you would like to learn more about plan audits, click on one of these helpful links.

Evaluating the Evaluator: How to Select a Plan Auditor

Generally, federal law requires that retirement plans with more than 100 participants must be audited by an individual who is certified as a public accountant by a state regulatory authority and independent of the entity sponsoring the plan.



Whether you are preparing for your plan's first audit, interested in engaging a new auditor, concerned about the cost of your plan's previous audits, or just want to learn more about plan audits, here are some informative pieces:

- [Selecting an Auditor for Your Employee Benefit Plan](#), a brochure prepared by the U.S. Department of Labor Employee Benefits Security Administration
- [Obtaining Quality Employee Benefit Plan Audit Services: The Request for Proposal and Auditor Evaluation Process](#), a document prepared by the American Institute of Certified Public Accountants Employee Benefit Plan Audit Quality Center

These resources can help provide the valuable information you need to guide you through your auditor selection process.

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COMPLIANCE CALENDAR

March 10

Transamerica Completes Compliance and Nondiscrimination Testing¹

- Employer instructs Transamerica to refund any excess contributions (deferrals) and/or excess aggregate contributions (match) by this date to avoid the 10% penalty. Transamerica must receive instructions by March 10th to meet the March 15th deadline.²
- If your plan has an Eligible Automatic Contribution Arrangement (EACA),³ and if the EACA applies to all eligible employees, the deadline by which Transamerica must receive complete census data (including the Additional Plan Data Form) is June 5, 2014. This will guarantee completion of 401(k) nondiscrimination testing by June 27, 2014. Transamerica must receive refund instructions by June 27 in order for distributions to be made by June 30, 2014.

March 15 – September 15

Profit-Sharing Plan Contributions

- Employer passes a board resolution declaring an employer discretionary contribution, if any, and makes any discretionary or required employer contributions to the plan.
- If appropriate, employer files for an extension of time to file their federal income tax return (which extends the deadline for making employer contributions to the plan, and filing Form 5500). The 5500 filing deadline is extended only to September 15 with this form.⁴ As needed, Transamerica

will file IRS form 5558⁵ by July 31, 2014 (calendar-year plan) to extend the due date of the form 5500 to October 15, 2014.

¹ Compliance and nondiscrimination 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.

^{2,3} If the plan fails the ADP and/or ACP test(s), a correction can be made by distributing excess contributions. If a distribution is made within 2 1/2 months after the end of the plan year (on or before 3/15 for a calendar-year plan), the employer avoids paying a 10% excise tax to the IRS on the amount of the correction. If corrective distributions are made more than 2 1/2 months after the end of the plan year, the employer would be subject to paying a 10% excise tax on the corrective distributions. For plans with an EACA that applies to all eligible employees, the deadline is extended to 6/30.

⁴ If contributions are to be deducted they must be deposited prior to the filing of the employer's federal income tax return. Please consult your tax counsel for details on filing for an extension of time to file your federal income tax return and deducting any employer contribution to the plan.

⁵ Form 5558 extends the due date of the form 5500 an additional 2 1/2 months from its filing deadline of 7 months following the plan year-end.

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Transamerica or Transamerica Retirement Solutions refers to Transamerica Retirement Solutions Corporation.