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## **i INFORMATION**

### Transamerica Introduces New Video about Retirement Readiness



At Transamerica, we believe one of the most critical financial and social issues facing American workers today is retirement readiness. It is our mission to raise awareness of and focus resources on this issue, so all Americans are able to retire with confidence.

In support of this effort, we have created a video, featuring Stig Nybo, Transamerica's President of Sales and Pension Distribution, that offers answers to the following questions:

- Why are so many people falling short in their ability to be retirement ready?
- Whose responsibility is it to show them the way?
- How do we move people from spending more to saving more?

To view this video, choose one of the links below:

YouTube link: <http://www.youtube.com/watch?v=MdjJaLJrDys&feature=youtu.be>

Vimeo link: <http://vimeo.com/79830720>

### New Study About Women and Retirement



In recognition of International Women's Day (held on March 8) and its focus on women's social, political and economic advancement, nonprofit Transamerica Center for Retirement Studies® (TCRS) has released a study, *Fourteen Facts About Women's Retirement Outlook*, to raise awareness of the financial risks women face and how they can achieve a brighter retirement.

Did you know that:

- Only 7 percent of women are "very confident" in their ability to fully retire with a comfortable lifestyle.

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- Forty-three percent of women expect to work past age 70 or do not plan to retire.
- Most (65 percent) Baby Boomer women do not have a backup plan if forced into retirement sooner than expected.

Based on findings from the 14th Annual Transamerica Retirement Survey of Workers, *Fourteen Facts* highlights specific areas of opportunity for women. It also outlines some of the underlying reasons why women are at greater risk than men of not achieving a secure retirement, such as lower incomes, lower lifetime earnings, time out of the workforce to be a parent or caregiver, and longer life expectancies that drive a need for greater savings. [Click here](#) to read the *Fourteen Facts* survey report, fact sheet, and additional information.

### **About Transamerica Center for Retirement Studies®**

*The Transamerica Center for Retirement Studies (TCRS) is a division of Transamerica Institute,<sup>SM</sup> a nonprofit, private foundation. TCRS is dedicated to educating the American public on trends, issues, and opportunities related to saving and planning for retirement and achieving financial security in retirement. For more information about TCRS, please visit [www.transamericacenter.org](http://www.transamericacenter.org).*

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## **MONTHLY MARKET INSIGHT**

### MARKET COMMENTARY

## **Happy Birthday, Bull Market**

March 10th marked the five-year anniversary of the beginning of the current bull market. [The experts at BlackRock believe](#) that although the situation in Crimea remains volatile, and recent improvements in the labor market have underperformed those of previous recoveries, stock prices are likely to continue to increase.



### INVESTOR EDUCATION

## **10 Easy Ways to Save**

The professionals at Janus suggest [10 painless ways to find more money](#) to save for retirement, including eating at home, reducing the cable bill, and adjusting the thermostat. Following even a few of these tips can make a difference in your retirement nest egg.

Transamerica Retirement Solutions does not provide investment advice. BlackRock and Janus provide investment advisory 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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We hope these articles provide you with valuable information that you will share with your participants as part of your ongoing education efforts.



## Required Restatement of Pre-Approved Defined Contribution Plan Documents Coming Soon



Every six years, the Internal Revenue Service (IRS) requires that pre-approved defined contribution (e.g., 401(k), Profit Sharing or Money Purchase) plan documents be restated in their entirety to include language for recent changes in the laws or regulations. A pre-approved plan document is one that generally contains optional provisions and boilerplate language that the IRS has reviewed and approved as meeting the basic requirements for a tax-qualified plan. A majority of service providers in the qualified retirement plan industry use pre-approved plan documents as the statutory document for their clients' retirement plans.

Each six-year period is known as a "cycle" and 2014 is the beginning of the new cycle for employers to restate their plans. This new cycle is commonly referred to as the PPA restatement cycle, since the major changes reflected in these new documents are required to comply with the Pension Protection Act of 2006 (PPA). In general, the plan's service provider will draft the PPA restatement, then forward the restated documents to their clients for review and signature.

Plan sponsors that use a pre-approved defined contribution plan document will have a two-year period to adopt a restated document. This two-year period begins one or two months after the IRS issues approvals on the documents that were submitted for pre-approval. The IRS is expected to issue these approvals by March 31, 2014. If this is the case, the two-year period for the PPA restatement cycle is expected to begin May 1, 2014 and end April 30, 2016.

Based upon a number of factors and considerations, retirement plan service providers prepare a prioritized listing of when during the two-year period they will restate each of their clients' plan documents. The most important thing for you to keep in mind is that timing is important, and all documents must be restated within the two-year window allowed by the IRS. When you receive your restated document package from your plan provider, you should review it, resolve any questions as quickly as possible, and return the signed documents to your service provider within the time period requested.

## 401(k) Plan Committee Meetings Can Be Valuable Plan Management Tools



Many plan sponsors establish a 401(k) plan committee to oversee and make fiduciary decisions regarding the operation of the plan.

When properly established and managed, a plan committee can be a valuable resource to help sponsors administer their plan.

To create successful plan committee meetings, consider the following steps:

- Establish regular quarterly meetings.
- Distribute an agenda and all materials to be discussed to members for review prior to the meeting.
- Include advisors, service providers, or individuals responsible for day-to-day

Plan sponsors are required to restate their plan documents to include any changes in laws and regulations over the last six years.

operations to provide updates.

- Appoint one member to take detailed minutes of the meeting, including decisions made and follow up tasks to be completed.
- File the minutes, along with any resolutions and documents created as a result of the meetings, with the plan documents.
- Retain a binder of all plan committee documents for future use or in case of an audit.

General structure for meetings:

- Call to order
- Review and approval of minutes of prior meeting
- Review status of outstanding issues and current agenda
- Presentation by financial advisor/service provider
- Update by administrator of daily activity
- Quarterly update items
- Assignment of tasks
- Adjournment of meeting

To view sample agendas for a full year of plan committee meetings, click this [link](#). For additional guidance on plan committee meetings, you can review the articles available on [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

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## COMPLIANCE CALENDAR

### **March 15 – September 15** **Annual Plan Contributions**

Make 2013 Plan Year contributions, if any, to a qualified plan by 3/15, or 9/15 with a corporate tax extension.<sup>1</sup>

### **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 recordkeeper (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 (RMD)**

If previously requested by the plan participant or third party administrator, upon receipt of the completed RMD form, Transamerica will issue trustee authorized RMD<sup>2</sup> payments to participants who turned 70½ or retired in 2013 and postponed their first RMD payment to 2014.

### **April 15** **Excess Deferral Refunds**

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

<sup>1</sup>Actual 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.

<sup>2</sup>RMDs 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).

<sup>3</sup>Participants, 49 years old or younger in 2013 cannot exceed the annual limit set by the IRS in Internal Revenue Code section 402(g) which is \$17,500 for participant's pre-tax contributions and any Roth contributions (deferrals) to a 401(k) plan. Participants, 50 years old or older in 2013 are allowed to make pre-tax contributions and any Roth contributions (deferrals) to a 401(k) plan totaling \$23,000, which consists of pre-tax and Roth contributions that cannot exceed \$17,500, as well as, catch-up contributions that cannot exceed \$5,500. Excess deferrals made in 2013 must be distributed to the participant, with related earnings, by 4/15/2014. Failure to make these corrective distributions could result in plan disqualification.

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