

April 2014 — In this issue:

Information »

- An Easier Way to File Your Form 5500
- Defining the "Signing Authority" for Form 5500

Market Insight »

- Interest Rates and the Economy
- Diversified Investing Never Goes Out of Style

Legislative / Compliance »

- Monitoring Your Forfeiture Account Balance

Compliance Calendar »

- Upcoming Compliance Tasks



SPONSOR E-NEWS

View with images

Compliments of
SponsorConnect
(866) 498-4557



Have feedback?

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

i INFORMATION

An Easier Way to File Your Form 5500

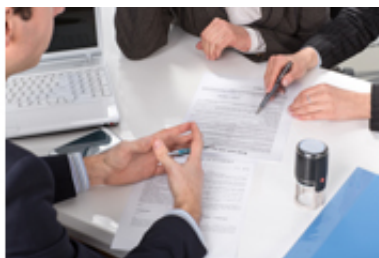
Transamerica is pleased to announce that we have made the Form 5500 filing process quicker, easier, and more convenient because now you can file in just one click. As soon as the Form 5500 is available, the primary contact for your plan will receive an email. The email will provide a link that will navigate them directly to the Form 5500 signing page.



Additionally, if you are a large plan filer, you will now be able to find audit information, along with a draft of the Form 5500, in the online audit package located in the Document Center at TA-Retirement.com. If you have any questions or would like more information, please contact SponsorConnect at 866-498-4557, Monday through Friday, 9 a.m. to 8 p.m. ET.

Defining the "Signing Authority" for Form 5500

Transamerica is committed to helping you prepare for the upcoming filing of your Form 5500. One of the most frequently asked questions regarding the filing is "Who is authorized to transact business on behalf of the plan?"



Signing Authority for Form 5500:

- Per IRS instructions and for the purpose of Title 1 of ERISA, the Plan Administrator is required to file the Form 5500.
 - The Plan Administrator is designated in the Adoption Agreement (or the Basic Plan Document).
 - If the Plan Administrator is an entity (such as the Employer), the Employer can authorize a person to transact business on behalf of the Plan Administrator and can sign electronically.
 - The Plan Administrator/authorized person must obtain electronic signing credentials through www.efast.dol.gov.

- The Form 5500 may also be signed electronically by the Employer/Plan Sponsor but is not required, however, the electronic signature of the Plan Administrator is required. Any Form 5500 that is not signed by the Plan Administrator will be subject to rejection and civil penalties under Title 1 of ERISA.

Please note, the Plan Administrator is an individual at your company, not Transamerica. If you are unsure who has signing authority for your plan, please check with the preparer of your plan document.

[Go back to the top ^](#)

MONTHLY MARKET INSIGHT

MARKET COMMENTARY

Interest Rates and the Economy

The experts at JP Morgan offer [their views](#) on why they believe the slow rate at which the Federal Reserve aims to raise short-term rates could lead to asset bubbles or general inflation. They advise investors to diversify their bond portfolios, and take advantage of attractive stock buys as well.



INVESTOR EDUCATION

Diversified investing never goes out of style

To support the importance of diversification, the professionals at JP Morgan offer [this chart](#) of investment style annual returns from 2004 to 2013, arranged in order of performance. Since no one style has consistently outperformed the others, a well-diversified portfolio may help mitigate market fluctuations.

Transamerica Retirement Solutions does not provide investment advice. J.P. Morgan Asset Management provides investment advisory services for some of the investment choices offered in Transamerica's retirement plans. J.P. Morgan Asset Management is the marketing name for the asset management businesses of JPMorgan Chase & Co. J.P. Morgan is not affiliated with Transamerica.

[Go back to the top ^](#)

LEGISLATIVE / COMPLIANCE

Monitoring Your Forfeiture Account Balance

Your plan may require participants to complete a period of service before becoming fully vested in matching or non-elective employer contributions. If a participant's employment is terminated prior to becoming fully vested, a plan may forfeit the non-vested portion at the time a distribution is processed. Special rules apply to these forfeited benefit amounts.



We hope you will share these articles with your participants as part of your ongoing education efforts.

At Transamerica, a participant's non-vested portion is transferred to the plan's designated Forfeiture Default Fund when a termination distribution is processed.

The assets remain invested in the Forfeiture Default Fund until, as the plan document indicates, they are used in one of three ways:

- **To pay administrative expenses of the plan**
- **As an additional employer contribution, which is allocated among the remaining participants of the plan**
- **To reduce future employer contributions**

The Internal Revenue Service (IRS) has increased focus on forfeiture usage, and forfeitures are a popular topic in IRS plan audit articles. The IRS may review how you monitor your Forfeiture Account. Their main areas of concern have been how promptly the balance is used and that it is used in accordance with plan document provisions.

How to Monitor Your Plan's Forfeiture Balance

- Log on to www.TA-Retirement.com.
- Select "Plan Reports" in the left menu, then choose the "Plan Level" tab.
- Generate a "Forfeiture Balance" report.

For further information on forfeitures, you can contact SponsorConnectSM at 866-498-4557 to be put in contact with your Compliance Analyst.

[Go back to the top ^](#)



COMPLIANCE CALENDAR

April–May

Late April and May: no compliance deadlines for calendar year-end plans.

[Go back to the top ^](#)