



News

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Transamerica Retirement Solutions Announces Retirement Plan Exchange to Enhance Retirement Readiness of Small Business Employees

The Retirement Plan ExchangeSM offers small businesses a cost-efficient retirement plan with fiduciary and administrative support

HARRISON, NY – May 1, 2013 – Transamerica Retirement Solutions today announced “The Retirement ExchangeSM,” a new retirement plan solution designed to help more small businesses offer workplace retirement plans to more employees, and to help employees save for retirement at higher rates.

“We intend for the Retirement Plan Exchange to result in more retirement plan coverage for more small business workers,” said Jim Kais, vice president and national practice leader for special markets at Transamerica Retirement Solutions.

The Retirement Plan Exchange is likely to appeal to small businesses that don’t currently offer a retirement plan, allowing more employees to be covered by retirement plans. The Retirement Plan Exchange is also likely to appeal to small businesses that want to outsource plan administration and fiduciary tasks in order to remain focused on their company’s growth. Historically, key reasons that employers do not offer a retirement plan to their employees include:

- Cost
- Knowledge in plan administration and liability
- Concerns about complexity and the amount of work involved

The Retirement Plan Exchange is a cutting-edge solution designed to offer small businesses cost efficiencies along with the protections and convenience of fiduciary and administrative support. The advantages to small businesses that participate in the Retirement Plan Exchange include:

- **Cost-efficiency** – Participating employers can enjoy cost advantages through asset pooling and fee reductions as plan assets increase. The Retirement Plan Exchange also allows a small business to save on audit fees, document preparation and filing fees.

- **Comprehensive Professional Fiduciary Platform** - A small business can also mitigate its fiduciary responsibilities because the Retirement Plan Exchange will assume certain fiduciary duties on behalf of the participating employer. Plan sponsors who participate in the Retirement Plan Exchange will benefit from the professional services of an independent 3(38) investment fiduciary who selects and monitors the plan's investment line-up. An independent, named, non-investment 3(21) fiduciary will have discretion over the disposition of plan assets, plan operations, appointment of other fiduciaries, and hiring/firing of service providers.
- **Administrative Ease** - The Retirement Plan Exchange also provides administrative relief to participating employers by outsourcing all plan administrative duties – a benefit that is typically available only for large retirement plans. The Retirement Plan Exchange offers an independent 3(16) Plan Administrator, who takes responsibility for a host of day-to-day plan duties and for hiring a Third Party Administrator. The Third Party Administrator will take responsibility for plan compliance and testing, and can also consult with small businesses on the many, flexible plan design provisions that the Retirement Plan Exchange offers to participating employers.

“Transamerica is offering this groundbreaking retirement plan solution for small businesses so that more American workers will be able to retire with confidence,” Kais said. “Transamerica is committed to improving employees’ retirement readiness and will serve as the record keeper for the arrangement. Fiduciary and administrator services will be handled by independent firms who are not affiliated with Transamerica.”

To help plan participants better prepare for retirement, the Retirement Plan Exchange will auto-enroll eligible workers at a six percent contribution rate with a two percent auto increase in each of the next two years. “We believe that employees who are saving at least 10 percent annually for retirement will experience dramatically improved retirement outcomes, which is the focus of all retirement plans,” Kais continued. “We’re also making a Roth provision available to all plan participants, so that they can choose to save before or after tax.”

“These opportunities for increased retirement plan coverage of employees, increased savings rates, and flexible before- and after-tax savings opportunities demonstrate Transamerica’s commitment to improving retirement outcomes for U.S. workers,” Kais added. “The Retirement Plan Exchange is a comprehensive, cost-efficient solution that can allow more small businesses to offer retirement savings benefits to their employees.”

For more information, call Transamerica at (888) 401-5826, and select Option 1.

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About Transamerica Retirement Solutions

Transamerica Retirement Solutions is a leading provider of customized retirement plan solutions for small to large organizations.

Transamerica partners with financial advisors, third party administrators, and consultants to cover the entire spectrum of defined benefit and defined contribution plans, including:

401(k) and 403(b) (Traditional and Roth); 457; profit sharing; money purchase; cash balance; Taft-Hartley; multiple employer plans; nonqualified deferred compensation; and rollover and Roth IRA.

Transamerica helps more than three million retirement plan participants save and invest wisely to secure their retirement dreams. For more information about Transamerica Retirement Solutions Corporation, please visit [trretire.com](https://www.trretire.com).

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