

Retirement plan services  
**SIMPLE IRA and  
SIMPLE IRA Plus<sup>SM</sup>**

Solution summaries



**CAPITAL  
GROUP<sup>®</sup>**

**AMERICAN  
FUNDS<sup>®</sup>**



**Understand your  
SIMPLE IRA options**



# Offer lower costs and less complexity

With SIMPLE IRAs, you can provide many of the benefits associated with 401(k)s, but without the high cost or complexity. Moreover, investors can save more with a SIMPLE IRA than a traditional IRA.

## An opportunity to help more investors

**15.6 million** small businesses operate in the U.S.\*

**89%** of all companies in America are small businesses.\*

**42%** of companies with less than 100 employees do not offer retirement benefits.†

## Two solutions give you greater flexibility

We offer two types of SIMPLE IRAs to help meet your needs:

### SIMPLE IRA

A collection of individual IRAs with a participant-level financial professional relationship.

### SIMPLE IRA Plus

A 401(k)-style experience with a plan-level financial professional relationship.

## The same benefits are at the core of each solution

- **Designed for small businesses** with up to 100 employees.
- **Easy plan design** with no complex IRS forms to complete.
- **Lower administration costs** than a 401(k) plan.
- **Tax-deductible business expenses** for mandatory employer contributions.
- **Higher contribution limits** compared to a traditional IRA.
- **Immediate vesting** of employee and employer contributions.
- **Quality investments options** from the American Funds, including the American Funds Target Date Retirement Series®.

\*Number of U.S. businesses with 99 or fewer employees. North American Industry Classification System, October 2021, <https://www.naics.com/business-lists/counts-by-company-size/>

†U.S. Bureau of Labor Statistics, Retirement benefits: Access, participation, and take-up rates, March 2021

**Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.**

## Choose the solution that's right for you

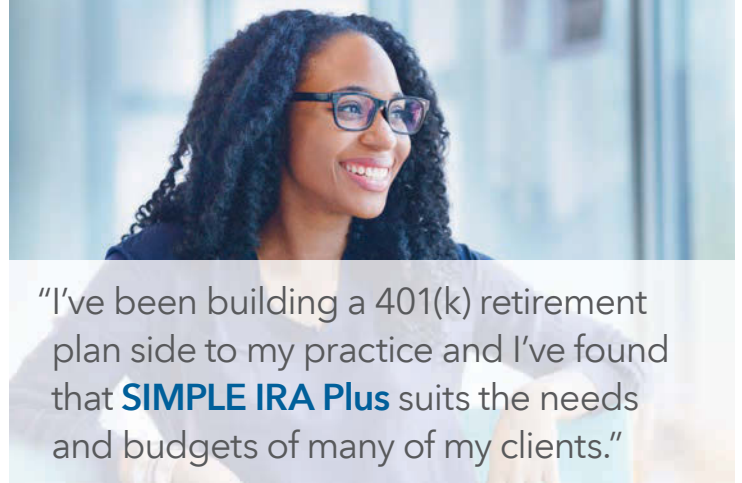
### SIMPLE IRA



"I primarily work with individual investors. So, **SIMPLE IRAs** are usually the right solution for my small-business clients."

- **An individual relationship** with each plan participant.
- **Flexible pricing** with Class A and C shares for commissionable models and Class F-2 shares for fee-based models.
- **A broad range of investments** that include American Funds and the American Funds Target Date Retirement Series.
- **An easy enrollment process** that's facilitated by the financial professional.

### SIMPLE IRA Plus



"I've been building a 401(k) retirement plan side to my practice and I've found that **SIMPLE IRA Plus** suits the needs and budgets of many of my clients."

- **An institutional retirement plan model** that allows the financial professional to serve the plan and access plan-level reports.
- **Flexible pricing** with Class R-3 shares for commissionable models and Class R-5E shares for fee-based models.
- **Customizable fund menus** comprised of American Funds and the American Funds Target Date Retirement Series.
- **A default investment option** can help improve outcomes when participants don't select their investments.
- **Streamlined enrollment** through select online capabilities and simplified forms.

#### We're here to help

Have questions about your SIMPLE IRA options or other retirement plans? Reach out to your retirement plan sales team at **(800) 421-9900** or visit [capitalgroup.com](https://capitalgroup.com).

#### Are you using another plan provider?

Plan outcomes are critically important. No matter which provider you choose, consider offering the American Funds Target Date Retirement Series.

# Compare the features and benefits of SIMPLE IRAs

	SIMPLE IRA	SIMPLE IRA Plus
<b>Service model</b>	<ul style="list-style-type: none"> <li>Financial professional may provide individual advice on investment selection</li> <li>Trading may be done by the participant and, at the participant's request, by the financial professional</li> </ul>	<ul style="list-style-type: none"> <li>Financial professional serves the plan, with access to plan-level reports, and may provide general education and enrollment guidance to participants</li> <li>All trading is done by the participant</li> </ul>
<b>Pricing</b>	<ul style="list-style-type: none"> <li>A one-time \$10 setup fee and \$10 annual fee per participant</li> <li>Pricing varies by plan size (A share breakpoints), sequencing of investments and share class (A, C or F-2)</li> <li>A and C shares for commissionable models (A shares for non-levelized compensation)</li> <li>F-2 shares for fee-based models</li> </ul>	<ul style="list-style-type: none"> <li>A one-time \$25 setup fee and \$25 annual fee per participant</li> <li>R-3 shares for commissionable models and R-5E for fee-based models</li> <li>Levelized compensation</li> </ul>
<b>Investments</b>	All American Funds (except tax-exempt funds), including the American Funds Target Date Retirement Series	Customizable fund menus comprised of American Funds (except tax-exempt funds), including the American Funds Target Date Retirement Series
<b>Plan default investment option</b>	A plan default investment option is not available	A qualified default investment alternative (QDIA) is available
<b>Enrollment</b>	Financial professional generally facilitates enrollment for each participant	Select online enrollment capabilities and simplified enrollment forms to streamline the enrollment process
<b>Contributions limits for 2022*</b>	<p><b>\$28,000 or \$34,000</b></p> <ul style="list-style-type: none"> <li>Employee: \$14,000 or, if age 50 or older, \$17,000</li> <li>Employer: \$14,000 or, if participant is age 50 or older, \$17,000 based on:</li> <li>Dollar-for-dollar match of up to 3% of compensation</li> <li>2% of compensation† for all employees (non-elective)</li> </ul>	<p><b>\$28,000 or \$34,000</b></p> <ul style="list-style-type: none"> <li>Employee: \$14,000 or, if age 50 or older, \$17,000</li> <li>Employer: \$14,000 or, if participant is age 50 or older, \$17,000 based on:</li> <li>Dollar-for-dollar match of up to 3% of compensation</li> <li>2% of compensation† for all employees (non-elective)</li> </ul>
<b>Plan testing and reporting</b>	None	None

\* Source: IRS

† Compensation on which the employer calculates the 2% contribution is limited to \$305,000.

**Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and summary prospectuses, which can be obtained from a financial professional and should be read carefully before investing.**

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