

# Morgan Stanley



CAPITAL  
GROUP®

AMERICAN  
FUNDS®

PlanPremier®-Bundled

## Retirement plan proposal



Presented to:

Prepared by:

Date:





## Build a better plan with world-class partners

With **PlanPremier-Bundled** from Capital Group, home of American Funds, and investment management services from Morgan Stanley, you can give your employees a retirement plan backed by two leading financial firms.

Capital Group's PlanPremier-Bundled 401(k) solution is designed to provide a flexible and full-service retirement plan for businesses of any size. Plan administration is handled by Capital Group for an all-in-one solution. Combined with 3(38) investment management from Morgan Stanley, the result is a plan that reduces your fiduciary risk, helps give you more time to spend on your business, and helps your employees achieve the retirement they deserve.



### Investment oversight

Rely on Morgan Stanley to select and monitor your plan menu, saving you time and helping your participants achieve better retirement outcomes.



### Full-service plan experience

Enjoy a host of digital tools and automated features to make your job easier, while participants benefit from a wide range of educational materials and other support.



### Transparent pricing

Keep recordkeeping costs low over time for you and for participants with PlanPremier's fixed-dollar pricing model and Class R-6 shares.

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

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This content, developed by Capital Group, home of American Funds, should not be used as a primary basis for investment decisions and is not intended to serve as impartial investment or fiduciary advice.



## Rely on fiduciary support

With PlanPremier-Bundled and Morgan Stanley’s investment management services, your fund lineup is selected and monitored by Morgan Stanley. You spend less time handling investments, while participants benefit from investment oversight – helping them achieve better retirement outcomes.

Morgan Stanley handles key tasks including:



Selecting investments tailored to your plan using an established investment process



Regularly reviewing investment fees and expenses to ensure appropriateness



Ongoing monitoring of investments, with updates as needed



Providing the investment policy statement

## Choosing a target date series

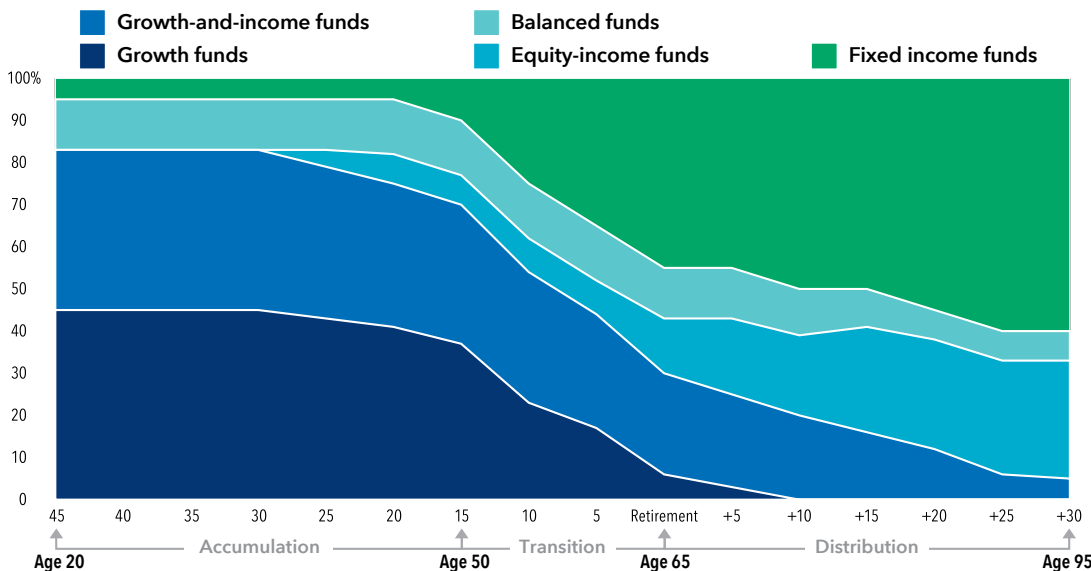
Your plan’s target date series can be critical to participants’ success. At the core of Morgan Stanley’s 3(38) menu is the American Funds Target Date Retirement Series®, designed to help your employees build and preserve wealth with a well-designed glide path that shifts to meet participants’ needs.

### Manage longevity risk

Capital Group’s target date approach gradually **shifts the types of equities** in the funds from growth-oriented equities to income-oriented equities.

### Mitigate market risk

**A growing emphasis on dividends** helps participants manage market risk while providing income to help cover the cost of living in retirement.



Target allocations as of December 31, 2023 and are subject to the Target Date Solutions Committee’s discretion. Over the course of the year the Series will be implementing changes such as increasing exposure to New World Fund, decreasing American Funds Global Balanced Fund and adding an allocation to American Funds Emerging Markets Bond Fund. For current allocations to the underlying funds, visit capitalgroup.com. New target allocations will be reached by December 31, 2024. The investment adviser anticipates assets will be invested within a range that deviates no more than 10% above or below the allocations shown in the prospectus. Underlying funds may be added or removed during the year.

# 90%

of plans used a target date fund as their plan’s qualified default investment alternative (QDIA)

Source: Callan Institute, 2024 Defined Contribution Trends Survey.

Although the target date portfolios are managed for investors on a projected retirement time frame, the allocation strategy does not guarantee that investors’ goals will be met. Investment professionals manage the portfolio, moving it from a more growth-oriented strategy to a more income-oriented focus as the target date gets closer. The target date is the year that corresponds roughly to the year in which an investor is assumed to retire and begin taking withdrawals.



## Plan experience

# Manage your plan efficiently with helpful online tools

PlanPremier's robust plan sponsor website makes it easy to effectively and efficiently manage your plan – and help monitor if your participants are on track.



Monitor the health of your plan with an interactive dashboard



Access customized plan review and cost reports



Submit contributions and send notices electronically



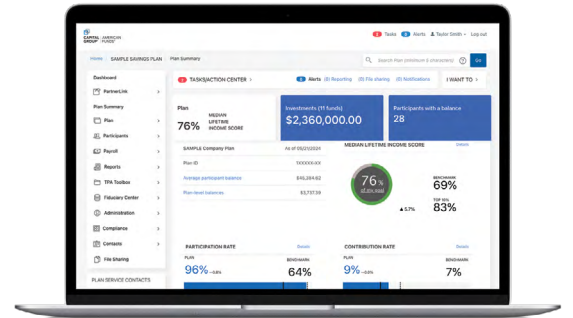
Facilitate participant distribution kits



Review and approve participant loans and distributions



Get notifications of important messages and tasks



Try the plan sponsor website at [americanfundsretirement.com/demoPP](http://americanfundsretirement.com/demoPP)

# Make plan administration simple

Capital Group has automated options for many key tasks, allowing you to spend more time on your business and less time on administration.

## Payroll integration

Our system connects with many payroll providers to simplify contributions and help protect sensitive payroll information.

## Employee tracking

We keep track of key details including participant eligibility, beneficiaries, deferrals and vesting.

## Notice delivery

We can generate and customize a range of notices for your plan – and deliver them by email for free.

## Small balance force-outs

Our automated mandatory distribution service handles the small balances former employees leave behind.



## Plan experience

# Enrollment is easy for your employees – and you

PlanPremier includes flexible online enrollment options and a customized educational website, making the enrollment process easy for plan sponsors and participants alike.



### Get employees started in four simple steps

1

Capital Group automatically tracks and notifies eligible employees for you.

2

Employees can visit a customized educational website with direct access to enrollment.

3

Enrollment is available online or on the mobile app.

4

A one-step, Quick enroll feature lets participants get started quickly online or on the app.

## Provide participants with powerful tools for saving

PlanPremier’s interactive participant resources – including Spanish-language versions of the website, mobile app, statements and other materials – help your employees think about their savings differently and effectively gauge their progress.



Enroll easily through website or mobile app



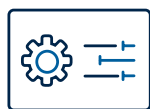
Review plan options on custom enrollment site



Access account on the go with mobile app



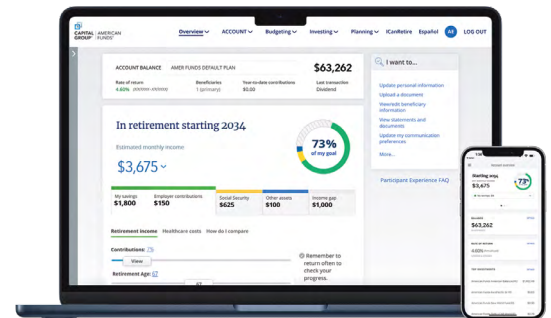
Manage contributions and investments



Track savings progress and projected income



Submit withdrawal requests electronically



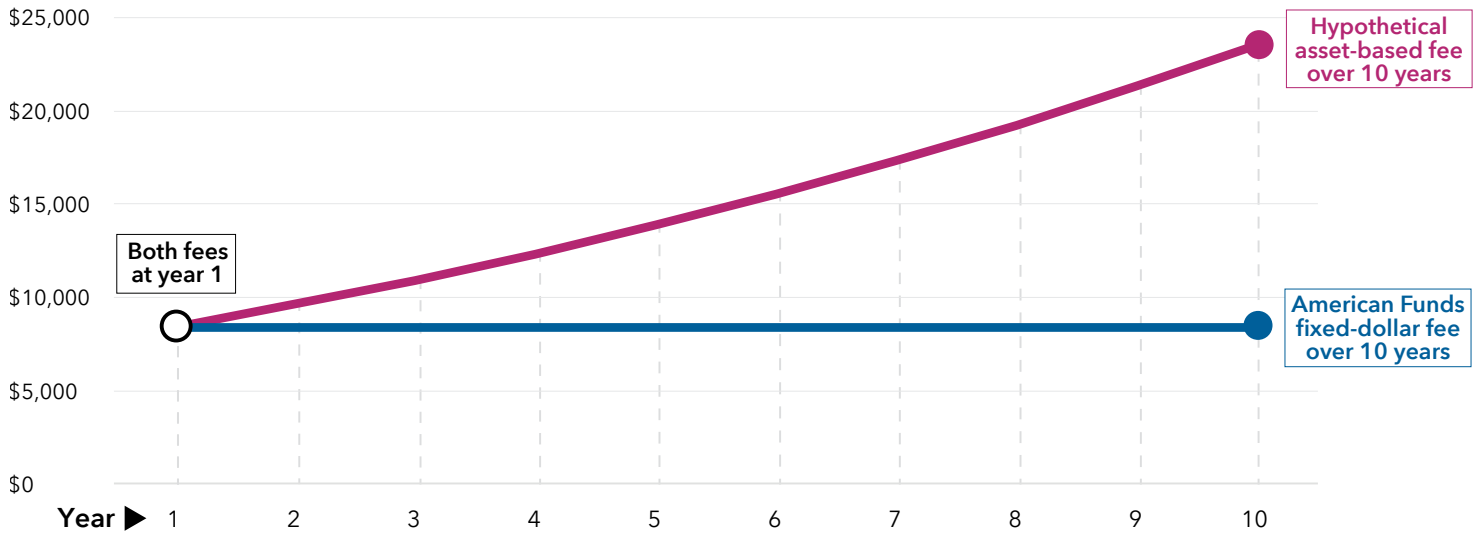
Plan participant website and mobile app



## Transparent pricing that offers better value over time

PlanPremier’s fixed-dollar approach to pricing is based on the number of plan participants, not plan assets – so recordkeeping costs don’t increase as plan assets grow. The goal is to provide better overall value.

### The advantage of fixed-dollar pricing



In this chart, the PlanPremier-Bundled recordkeeping fee is based on a plan with \$2.5 million in assets and 50 participants. The hypothetical asset-based fee starts at the same level as the PlanPremier-Bundled fee in the first year (\$8,400, or 0.34% of assets) and applies the same 0.34% rate to plan assets with plan contributions of \$150,000 and a growth rate of 8% added at the end of each year starting with year 2.

### PlanPremier-Bundled pricing

With PlanPremier, your recordkeeping fee is determined solely based on the number of participants with account balances in the plan – and includes the cost of administrative services from Capital Group. Actual fees paid by the plan depend on factors including applicable financial professional compensation, as well as optional features. A one-time plan document fee of \$750 for takeover plans and \$500 for start-up plans will apply.

### Recordkeeping fees

Participants with account balances	Base fee	+	Per participant
1 to 25	\$5,400	+	\$100
26 to 300	\$5,400	+	\$60
301 to 500	\$6,900	+	\$55
501 to 1,000	\$9,650	+	\$50
1,001 or more	\$11,650	+	\$48



## Next steps

Morgan Stanley

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## It's easy to get started

Action taken		Capital Group	Financial professional	Plan sponsor	Prior recordkeeper	
Days before target effective date	60	Next steps document received		•		
		Financial professional call	•	•	•	
		Welcome and plan document calls	•	•	•	
		Service termination letter*			•	•
	50	Plan design†	•		•	
		Plan setup	•			
	55-40	Participant education	•	•	•	
	40-30	Prior recordkeeper communications*	•			•
	30-0	Payroll setup call (blackout begins*)	•		•	•
	Days after	1-15	Final valuation (blackout ends*)	•	•	•
15-30		Transition conference call	•	•		

\* Does not apply to start-up plans.

† Does not apply if an individually designed document is used.

## Ready to begin?

Fill in the form below with the correct information below, then email this page to [AFNextSteps@capitalgroup.com](mailto:AFNextSteps@capitalgroup.com).

Plan name:

**PlanPremier-Bundled**

- Class R-6 shares
- Morgan Stanley 3(38) Core Market Program

Financial professional

Takeover plan      Start-up plan

Number of participants with account balances:

Plan assets:

Annual compensation paid to financial professional's firm:

basis points on eligible assets (recovered from participant accounts)

I understand that final fees will be determined from actual plan data (total number of participants with account balances and plan assets in the recordkeeping system).

Authorized plan sponsor representative name and title \_\_\_\_\_

Date \_\_\_\_\_ Signature \_\_\_\_\_

# About Morgan Stanley

Morgan Stanley provides workplace financial benefits designed to build financial confidence and foster loyalty – helping companies attract and retain talent. The program’s end-to-end solutions support your organization at any stage of growth through a powerful combination of modern technology, insightful guidance and dedicated service.

# About Capital Group

Capital Group is dedicated to optimizing the overall retirement plan experience for better participant long-term outcomes.

American Funds was the plan provider selected most often by retirement plan advisors as being reliable and offering best-in-class service & support, according to a Cogent survey.<sup>1</sup>

## By the numbers



**21,193**

401(k) plans<sup>2</sup>



**\$225.5B**

total 401(k) assets under management<sup>2</sup>



**16,000+**

financial professionals<sup>2</sup>



## Dedicated to investors

More than **2.6 million** plan participants count on us to pursue their retirement goals.<sup>3</sup>



## A trusted recordkeeper

Over **67,000** businesses and their employees rely on our retirement plan recordkeeping services.<sup>3</sup>



## A top asset manager

With nearly **\$2.5 trillion** assets under management, Capital Group is one of the world’s largest investment management organizations.<sup>3</sup>

## How can we help you?

We’re dedicated to helping you build the right retirement plan for your business so your employees can get closer to achieving their retirement goals. Contact us today for more information.

Visit [capitalgroup.com](http://capitalgroup.com) or call (800) 421-9900.

<sup>1</sup> Source: Escalent, Cogent Syndicated. Retirement Plan Advisor Trends™, October 2023. Methodology: 503 respondents participated in a web survey conducted September 8-14, 2023. The respondents consisted of financial advisors managing defined contribution plans. In Ownership of Core Brand Attributes – Tier 1, among established plan advisors, American Funds was selected most often in response to the question, “Which – if any – of these DC plan providers are described by this statement, ‘Is reliable?’” American Funds was also selected most often for “Best-in-class plan sponsor, plan advisor and participant support” (Tier 2). Capital Group has provided input on some questions to be included in Cogent surveys over time. Learn more at [escalent.co](http://escalent.co).

<sup>2</sup> Source: Morgan Stanley internal data as of December 31, 2022.

<sup>3</sup> As of 12/31/23. Participants in Capital Group 401(k), 403(b), SEP IRA and SIMPLE IRA plans. Number of businesses in proprietary recordkeeping solutions.

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

To learn more about the Morgan Stanley 3(38) Core Market Program, please see the applicable Morgan Stanley Smith Barney LLC ADV Part II Brochure for more information including a description of the fee schedule. It is available at <http://www.morganstanley.com/ADV> or from your Financial Advisor.

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Capital Client Group, Inc.

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