

Contributions from your employer are yours to keep

Employer contributions

Employers are required to make contributions for each year that the SIMPLE IRA plan is maintained. All employer contributions are immediately vested.

An employer is required to make *one* of the following two kinds of contributions¹:

- Dollar-for-dollar match, up to 3% of an employee's pay, for eligible employees who make contributions,²

or

- A 2% nonelective contribution of pay to all eligible employees, regardless of whether they contribute to the plan.

Ask your employer about your plan.

The benefits of your SIMPLE IRA

- **Convenience** – You contribute through automatic payroll deductions.
- **Tax savings** – You make contributions on a pretax basis, reducing your current taxable income.³
- **Tax-deferred growth potential** – You don't pay state and federal taxes on contributions and earnings until the money is taken out.

¹Employers may make additional nonelective contributions above the required matching or nonelective contributions to each employee not to exceed the lesser of 10% of compensation or \$5,000 in 2024. Employers with 26-100 employees may provide higher employer contributions of either a 4% match or 3% nonelective contribution.

²Matching contributions may be reduced to 1% for two of every five calendar years.

³Your plan may also allow for Roth contributions.



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Capital Group, home of American Funds, is a key provider for your retirement plan

- Since 1931, we have invested with a long-term focus and attention to risk.
- More than half of the nearly 67 million investor accounts are retirement accounts.*

For more information, visit us at capitalgroup.com/retire.

*As of December 31, 2023.

All hypothetical examples assume an 8% average annual return compounded monthly and a 4% annual withdrawal rate after the accumulation period. These are point-in-time views and as such do not take into account any growth or loss during retirement. Without investment growth/loss during retirement, a 4% annual withdrawal rate would deplete retirement savings in 25 years. Examples are for illustrative purposes only and do not reflect the results of any particular investment, which may differ, or taxes that may be owed on tax-deferred contributions, including a potential 10% penalty for withdrawals taken before age 59½, which is increased to 25% for withdrawals taken within two years of participating in the SIMPLE IRA. Regular investing does not ensure a profit or protect against loss in a declining market.

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SIMPLE IRA retirement plan

Take advantage of your employer's contributions



Let your employer boost your savings

A little extra can go a long way

Your employer gives you money just for contributing to your SIMPLE IRA retirement plan. With these extra contributions, your balance can grow faster, helping you move closer to your retirement goals.

Get rewarded for saving

Your SIMPLE IRA retirement plan may offer an incentive for your participation – an employer match. Your employer will add to what you contribute to bolster your savings.

If taking advantage of your employer's generosity sounds like a good way to help you save more for retirement, you're right. And all you have to do to receive the match is contribute to your plan.

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



Don't miss out

On an average salary,*
a 3% match
over 40 years could mean an **additional**
\$1,829/month
at retirement.

* Assumes a starting salary of \$50,000 and a 2% annual pay increase. Example is based on a common match formula: The employer matches dollar-for-dollar, up to 3% of pay. Refer to the back cover for important information regarding hypothetical examples.

Need more information about your plan's match?

Contact the plan's financial professional and ask your employer for your plan's summary plan description (SPD).

Look at the difference an employer match can make over time

Sam and Sandra work for the same company and earn the same salary. Their SIMPLE IRA retirement plan offers a dollar-for-dollar match, up to 3% of pay. Notice how Sandra's monthly retirement withdrawals would be twice Sam's, because she saved 3% to get the full match.



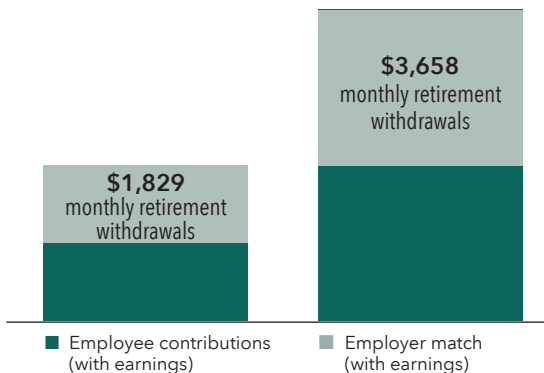
Sam receives a **partial match**.

He saves 1.5% and gets a 1.5% employer match.



Sandra receives the **maximum match**.

She saves 3% and gets a 3% employer match.



These examples assume a starting salary of \$50,000, a 2% annual pay increase and a 40-year accumulation period. Refer to the back cover for more hypothetical assumptions.