



## A high-quality, low-cost solution for smaller plans

**RecordkeeperDirect**, from Capital Group, home of American Funds, is designed to provide startups and smaller retirement plans the simplicity and value they're looking for with:

- Access to a full complement of more than 40 American Funds
- Digital tools and robust service to simplify plan responsibilities
- Straightforward, competitive pricing
- Flexibility to choose a trusted third-party administrator (TPA)

### Trust an industry leader



#### Dedicated to investors

More than **2.6 million** plan participants count on us to pursue their retirement goals.<sup>1</sup>



#### A trusted recordkeeper

Over **67,000** businesses and their employees rely on our retirement plan recordkeeping services.<sup>1</sup>



#### A top asset manager

With **\$2.5 trillion** assets under management, Capital Group is one of the world's largest investment management organizations.<sup>1</sup>

## Meet the retirement challenge with a trusted retirement plan provider.

American Funds was selected most often by established retirement plan advisors<sup>2</sup> for these attributes:

- Is **easy** to do business with
- Is a company I **trust**
- Is **reliable**
- **Best-in-class** plan sponsor and advisor service and support

<sup>1</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.

<sup>2</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, across the core brand attributes, American Funds was selected most often in response to the question, "Which – if any – of these DC plan providers are described by this statement 'Easy for advisors to do business with?' 'Is a company I trust?' 'Is reliable?' and 'Best-in-class plan sponsor and advisor service and support?'" Capital Group has provided input on some questions to be included in Cogent surveys over time. Learn more at [escalent.co](https://www.escalent.co).

# Investments

## To build a better 401(k), start with better investments

### Target date funds – a critical asset class in 401(k)s

More than nine in 10 retirement plans offer a target date fund as their default investment.<sup>3</sup> **The American Funds Target Date Retirement Series®** leverages a distinct approach designed to promote better retirement investment outcomes.



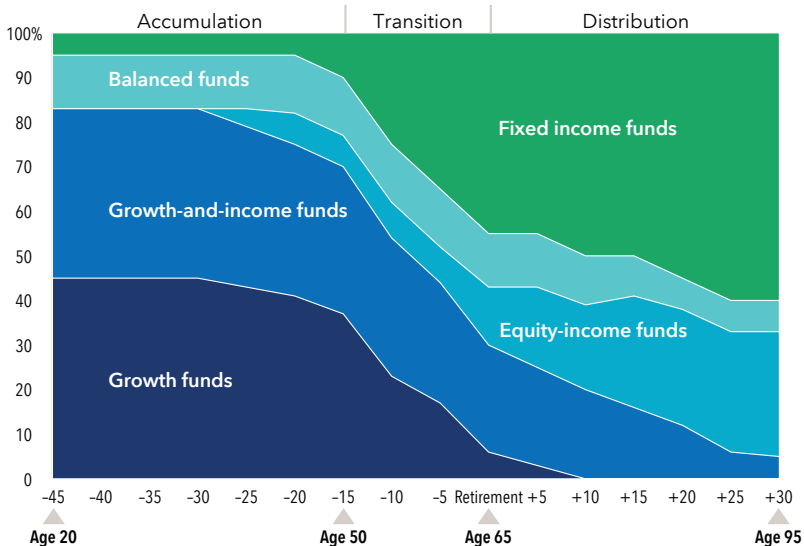
We were selected most often for best-in-class target date solutions by established defined contribution advisors.<sup>4</sup>

### A distinct glide path for better outcomes

Our target date series is designed to help participants build and preserve wealth by **adjusting its investment mix**. 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.

Although the target date portfolios are managed for investors on a projected retirement date time frame, the allocation strategy does not guarantee that investors' retirement goals will be met.

#### American Funds Target Date Retirement Series glide path



The target date is the year that roughly corresponds to the year in which an investor is assumed to retire and begin taking withdrawals.

Investment professionals continue to manage each portfolio for approximately 30 years after it reaches its target date.

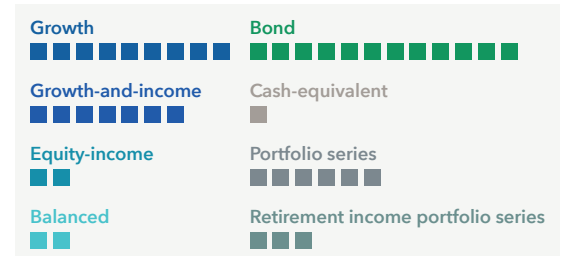
The target allocations shown are as of December 31, 2023, and are subject to the oversight committee's discretion. The investment adviser anticipates assets will be invested within a range that deviates no more than 10% above or below the allocations shown in the prospectus/characteristics statement. Underlying funds may be added or removed during the year. Visit [capitalgroup.com](http://capitalgroup.com) for current allocations.

### American Funds' superior outcomes

Participants who want to customize their portfolios have access to a wide range of American Funds across investment categories with superior outcomes.

American Funds equity-focused funds have beaten their Lipper peer indexes in 86% of 10-year periods.<sup>5</sup> Relative to their peers, our fixed income funds have helped investors achieve diversification through attention to correlation between bonds and equities.<sup>6</sup>

### Choose from more than 40 American Funds



<sup>3</sup>97% of plans used a target date fund as their qualified default investment alternative. Source: Callan Institute, 2023 Defined Contribution Trends Survey.

<sup>4</sup>Escalent, Cogent Syndicated Retirement Plan Advisor Trends, October 2023. 503 financial advisors managing defined contribution (DC) plans participated in a web survey conducted September 8-14, 2023. American Funds was selected most often by advisors (excluding registered investment advisors) in response to the question, "Which – if any – of these DC investment managers are best described by best-in-class target date solutions?" Capital Group has provided input on some of the questions to be included in Cogent surveys over time. Additionally, Capital Group made a subscription investment to Cogent Syndicated to access a detailed version of the Retirement Plan Advisor Trends report.

<sup>5</sup>Based on Class R-6 share results for rolling 10-year periods starting with the first 10-year period after each fund's inception through December 31, 2023. Periods covered are the shorter of the fund's lifetime or since the comparable Lipper index inception date (except Capital Income Builder and SMALLCAP World Fund, for which the Lipper Average was used). Expenses differ for each share class, so results will vary. Past results are not predictive of results in future periods.

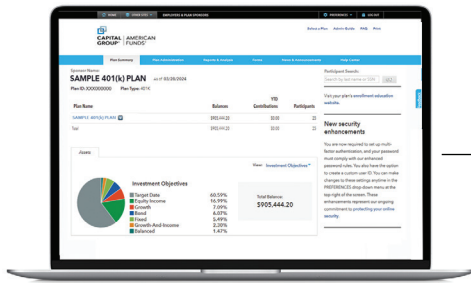
<sup>6</sup>Based on Class R-6 share results as of December 31, 2023. Nine of the 12 taxable fixed income American Funds that have been in existence for the three-year period showed a three-year correlation lower than their respective Morningstar peer group averages. S&P 500 Index was used as an equity market proxy. Correlation based on monthly total returns. Correlation is a statistical measure of how a security and an index move in relation to each other. A correlation ranges from -1 to 1. A positive correlation close to 1 implies that as one moved, either up or down, the other moved in "lockstep," in the same direction. A negative correlation close to -1 indicates the two have moved in the opposite direction.

# Recordkeeping

## Trust a proven leader

### Our plan sponsor experience simplifies day-to-day operations

A robust plan sponsor website and digital tools help plan sponsors streamline tasks and fulfill fiduciary duties so they can spend more time on their business. A knowledgeable in-house support team is also available to address and resolve issues quickly.



Plan sponsor website



Leverage auto enrollment and eligibility tracking services



Submit contributions electronically with payroll integration



Access custom plan fee disclosure document



Upload regulatory notices for distribution



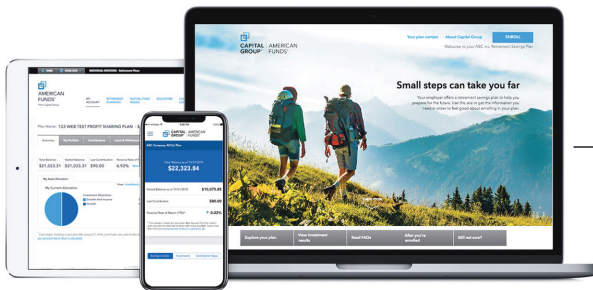
Access plan review and cost reports



Review and approve participant distributions

### Our plan participant experience promotes better outcomes

A customized participant website, with electronic statement delivery and account notifications, makes enrollment simple and helps employees control how they save for the future.



Plan participant website and mobile app



Enroll easily through website or mobile app



View plan options on custom enrollment site



Access account on the go with mobile app



Manage contributions and distributions



Use interactive tools and calculators on ICanRetire® site



Access customer service and materials in Spanish

# Recordkeeping

## A closer look at RecordkeeperDirect pricing

Our straightforward approach to pricing makes it easy for clients to understand the costs associated with their retirement plan and evaluate the program's overall value.

### Basic pricing

When choosing a share class, consider the level of recordkeeping fees, investment expenses and intermediary compensation that may be appropriate for the plan. Actual fees may depend on plan assets, participants and other factors, including optional features such as third-party fiduciary services.

#### Recordkeeping fee schedule

Recordkeeping fees based on plan assets* (not including payments from investment expenses)					
Share class	[Base fee (below) + \$20 per participant]				
	Up to \$250K	\$250K-\$500K	\$500K-\$1M	\$1M-\$2M	\$2M+
R-2	\$750	\$500			No charge
R-3	750		\$500		
R-4	1,000		750	\$500	
R-5E	750		500		
R-6			1,250		

\*In addition to the recordkeeping fees shown and depending on the share class selected, the recordkeeper receives subtransfer agency payments from the investment options held by the plan: 0.35% for R-2, 0.15% for R-3, 0.10% for R-4, 0.15% for R-5E and none for R-6. This amount includes any investment option payments to the TPA shown in the table to the right. There is a one-time annual RecordkeeperDirect plan installation fee of \$500 for startup plans; waived for R-2 only if plan assets reach \$100,000 or more as of the plan's first billing date.

#### At-a-glance pricing example for class R-3 shares (not including payments from investment expenses)

Plan assets	One-time installation fee <sup>†</sup>	Annual recordkeeping fees <sup>‡</sup>
Less than \$500,000		\$750 plan fee + \$20 per participant <sup>§</sup>
\$500,000 to \$999,999	\$500 for startup plans	\$500 plan fee + \$20 per participant <sup>§</sup>
\$1 million or more		No charge

#### Investment expenses

Share class	Average expense ratio <sup>¶</sup>	Compensation is included in the expense ratio		
		Financial professional compensation	TPA compensation Based on plan assets	
			Up to \$1M	\$1M+
R-2	1.44%	0.75%	0.12%	0.05%
R-3	0.99	0.50		0.05
R-4	0.69	0.25		0.02
R-5E	0.50	0.00		0.00
R-6	0.35	0.00		0.00

<sup>¶</sup>Average expense ratios shown are provided only as examples. The actual average expense ratio depends on the investments selected for the plan and participant allocations. Expense ratios reflect applicable fee waivers and expense reimbursements, without which expenses would be higher.

The average expense ratio shown for each RecordkeeperDirect share class is for all funded investments and is weighted, based on average daily net assets in the program as of 12/31/2023. Accordingly, more weight is given to funds with more assets. Actual expense ratios, as reported in each fund's prospectus available at the time of publication, range from 1.19% to 1.92% for R-2; 0.87% to 1.42% for R-3; 0.57% to 1.12% for R-4; 0.37% to 0.93% for R-5E; and 0.22% to 0.76% for R-6.

<sup>†</sup>Any applicable implementation fee will be billed on the first quarterly invoice.

<sup>‡</sup>In addition to the recordkeeping fees shown and depending on the share class selected, the recordkeeper receives subtransfer agency payments from the investment options held by the plan. The amount paid is equal to 0.15% of the plan's assets for Class R-3 shares. This amount includes any investment option payments to the TPA shown in the above right table.

<sup>§</sup>Based on the number of participants with an account balance following the plan's invoice quarter.

### How can we help you?

We're dedicated to helping you reach your full potential and win more retirement plan business. Visit [capitalgroup.com](https://capitalgroup.com) or call (800) 421-9900.

**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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On or around July 1, 2024, American Funds Distributors, Inc. will be renamed Capital Client Group, Inc.

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