Select the Right Retirement Plan Type and Provider With Confidence.

While including retirement plans in your practice may seem daunting at the outset, it doesn't have to be. In fact, selecting the right retirement plan type and provider for a company or validating that an existing plan has the right plan type and provider is easier than you might think.

Choosing the Right Plan Type

Fortunately, there’s an affordable plan type for businesses of every size, whether they have 300 or 10 employees or just one.

For larger businesses with more complex retirement plan needs, consider a plan such as a:

- 401(k)
- Money purchase
- Profit-sharing
- Cash balance

These plan types, which are noted for their additional flexibility and higher contribution limits, may be particularly attractive to business officers and other highly compensated employees. Many also offer safe harbor features, which can eliminate annual nondiscrimination testing.

Opportunities Are Everywhere

76% of small-business owners offer no 401(k) plan as a way to help themselves and their employees secure a better retirement.

– Sharebuilder401k.com, July 2013

37% of retirement plan sponsors surveyed put their plan out to bid every three to five years.

22% have never put their plans up for bid.

24% didn’t know how often they put their plan out for bid.

– Strategic Benefit Services’ Retirement Survey Report, 2014

GET STARTED

Visit the Forms & Literature area of americanfunds.com/advisor for:

- Comparing Retirement Plans and Small-Business Retirement Plan Options brochures to educate yourself about plan types
- Optimize a Plan for the Right Fit and How Does a TPA Add Value to Your Plan? single sheets to find ways to more easily meet sponsor and participant retirement plan needs

Visit americanfunds.com/advisor for:

- The Small-Business Plan Selector Tool to help determine which plan type might be a good option for a particular employer

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.
For smaller businesses plans, consider a low-cost plan type such as:

- Simplified Employee Pension (SEP) IRA
- Savings Incentive Match Plan for Employees (SIMPLE) IRA
- Payroll Deduction IRA

These simplified plan types, which can be very attractive to businesses with 100 or fewer employees, offer the benefits of a tax-advantaged retirement plan, but with easy setup and administration and reduced fiduciary responsibility ... at a relatively low cost.

While it’s true that some of these plans may require specialized knowledge, an experienced plan provider, a trusted financial professional and/or a third-party administrator can help you win and keep the retirement plans you serve.

Choosing the Right Provider: American Funds

Your practice couldn’t succeed without the strong client relationships you’ve worked so hard to develop. Relationships are no less important when it comes to plan providers.

With American Funds, you can compete with confidence by:

- Saving Your Clients Money: The American Funds fixed-dollar approach to plan pricing is designed to be low-cost and transparent and to provide better overall value.

- Building a Stronger Plan Menu: Investment returns are critical to any plan participant’s long-term success. With American Funds, you can start with a target date series voted best-in-class¹ and then build a diversified investment menu by choosing from among more than 1,000 funds from well-respected managers.²

Although target date funds are managed for investors on a projected retirement date time frame, the funds’ allocation strategy does not guarantee that investors’ retirement goals will be met. American Funds investment professionals manage each target date fund’s portfolio, moving it from a more growth-oriented strategy to a more income-oriented focus as the fund gets closer to its target date. The target date is the year in which an investor is assumed to retire and begin taking withdrawals. Investment professionals continue to manage each fund for 30 years after it reach its target date.

- Trusting a Proven Leader: The true test of any long-term retirement plan solution is the level of service and support the provider offers to you, as the plan advisor, your plan sponsor clients and their plan’s participants.

As a leader in the retirement plan industry, we know this business well and can show you how to pursue your share of the market’s potential.

To get started, call us at (800) 421-9900 or visit americanfunds.com/advisor.


² As of 12/31/16. Fund availability may vary by solution and share class.

WANT MORE?

Visit the Forms & Literature area of americanfunds.com/advisor for Compete With Confidence: Choose the Right Provider for Your Defined Contribution Plans brochure to learn more about the retirement plan solutions and services American Funds offers.