Grow your retirement plan practice and help more clients

CAPITAL GROUP® | AMERICAN FUNDS®

Can I compete with confidence in today’s market?

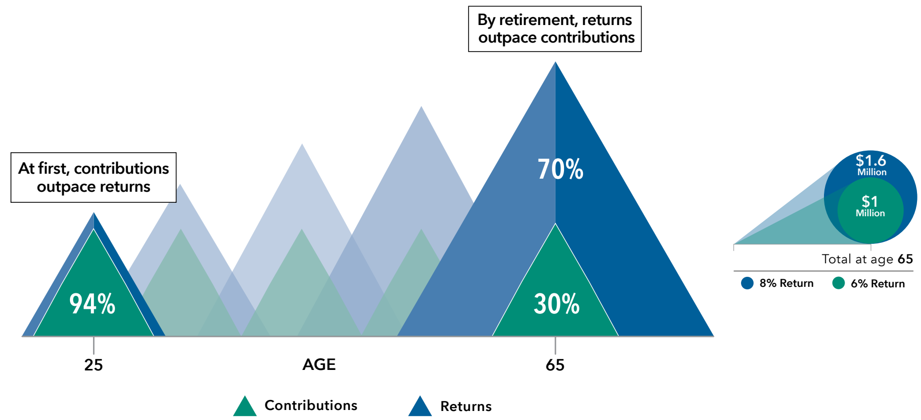
I can.

Investments

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

Returns matter

At retirement, **70%** or more of a participant's account value may come from returns – not contributions. That assumes earnings of 6% per year. With quality investments that could earn an even higher return, say 8% per year, as much as **81%** of a participant's account value might come from returns.



This hypothetical assumes you start investing 10% of your $40,000 income at age 25 and save over a 40-year period. And that you continue to contribute 10% each year throughout your career, as your salary increases 3% per year. The demographic assumptions, returns and ending balances are hypothetical and provided for illustrative purposes only, and are not intended to provide any assurance or promise of actual returns and outcomes. Returns will be affected by the management of the investments and any adjustments to the assumed contribution rates, salary or other participant demographic information. Actual results may be higher or lower than those shown. Past results are not predictive of results in future periods.

Build a plan menu that meets the needs of your clients

The American Funds family of mutual funds is available in all of our recordkeeping programs as well as those offered by other retirement plan providers. Our PlanPremier® program also includes access to investments from many respected investment managers, including those who are shown here.*

Capital Group | American Funds® · Fidelity Investments · PAX World Mutual Funds · BlackRock® · Franklin Templeton · PGIM Investments · Calvert Investments · Goldman Sachs Asset Management · PIMCO · Charles Schwab Investment Management† · Transamerica · Invesco · T. Rowe Price Invest with Confidence · Columbia Threadneedle Investments · John Hancock Investment Management · Vanguard® · J.P.Morgan Asset Management · Voya Investment Management · Dimensional · Eaton Vance Investment Managers · MFS® Investment Management · Western Asset

* Availability of fund families may depend on the plan's share class.

† Schwab Asset Management™ is the doing-business-as name for Charles Schwab Investment Management Inc. (CSIM).

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

Investments

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

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, April 2024.

We were selected most often for best-in-class target date solutions by defined contribution advisors.

Source: Escalent, Cogent Syndicated Retirement Plan Advisor Trends™, October 2024. Methodology: 411 financial advisors managing defined contribution (DC) plans participated in a web survey conducted September 9 to 17, 2024. For "Ownership" of Core Brand Attributes – Tier 3, among 216 advisors with at least $50 million in DC plan assets under management and 195 advisors with less than $50 million in DC plan assets under management, Capital Group/American Funds was selected most often in response to the question, "Which – if any – of these DC investment managers are described by this statement ... '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.

What makes the American Funds Target Date Retirement Series® **different**?

Our well-designed glide path is distinct in the way its investment mix shifts over time to meet participant needs and helps:

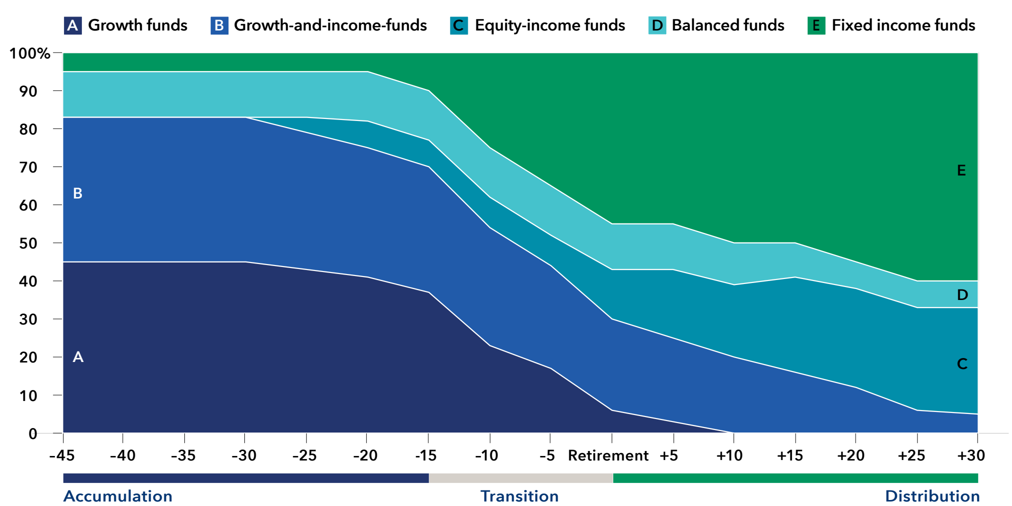
Manage longevity risk

Our 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.

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.



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. Underlying funds may be added or removed during the year. Visit capitalgroup.com for current allocations.

Recordkeeping

Consider us your **recordkeeper** of choice

Our family of retirement plan solutions is designed to serve the needs of a broad range of clients, offering the advantages of large-plan pricing to small- and mid-size employer-sponsored retirement plans.

← Lower cost, easier administration — More features and services →

← Plan size →

RecordkeeperDirect	PlanPremier
• **Low-cost design** with pricing flexibility across five available share class options	• **Fixed-dollar, transparent pricing** with an asset-based plan credit in six of seven available share class options
• **More than 40 American Funds,** including the American Funds Target Date Retirement Series	• **Investments from dozens of respected managers,** including the American Funds and the American Funds Target Date Retirement Series
• **Plan administration** from your choice of hundreds of third-party administrators (TPAs)	• **Plan administration from Capital Group** or your choice from hundreds of TPAs
• **Simple and personable service experience** designed for startups and smaller retirement plans	• **Access to robust recordkeeping features** commonly requested by larger plans, including automated notice creation/delivery and mandatory distribution services

> "[American Funds] offers outstanding plan administration and setup support and has business-building resources for their small business clients."
>
> – Chamber of Commerce, American Funds 401(k) Review – 2024.

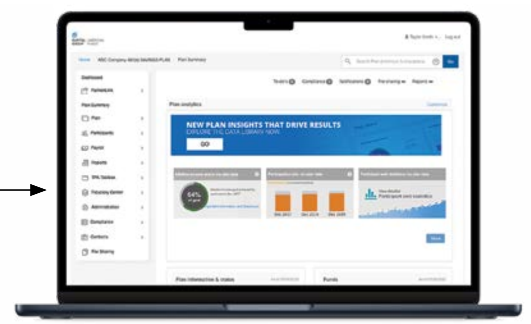
For help in determining which recordkeeping platform would best suit a specific client, call us at (800) 421-9900.

Recordkeeping

Our plan sponsor experience simplifies day-to-day operations

An easy-to-use plan sponsor website helps clients streamline and automate tasks* so they can spend more time on their business and less time on plan administration.

- Automatically track employee eligibility
- Instantly add/update participants
- Conduct paperless enrollment
- Submit contributions and send notices electronically
- Automatically generate key reports
- Review and approve participant loans and distributions
- Facilitate participant distribution kits
- Monitor plan effectiveness



Plan sponsor website

* Features will vary depending on the retirement plan solution selected.

Our plan participant experience promotes better outcomes

Automated options and a customized educational website help get employees enrolled quickly. Then, **ICanRetire®,** our high-impact participant engagement program, can help encourage employees to plan for the future and take action to pursue their goals.

- 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
- Use interactive tools and calculators with **ICanRetire**
- Submit withdrawal requests electronically

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.

To calculate the basic pricing:

1. First, choose a share class that matches the level of compensation you believe is necessary to meet the plan's service requirements.

		Compensation is included in the expense ratio		
			TPA compensation Based on plan assets	
Share class	**Average expense ratio**[1,2]	**Financial professional compensation**	**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	

[1] 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.

[2] The average gross expense ratio shown for each 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. Gross 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.

2. Then, determine annual recordkeeping fees based on share class and plan assets. Final fees may differ, subject to actual plan data and additional services desired by the plan, such as ancillary fiduciary services.

Recordkeeping fee schedule

(not including payments from investment expenses)

	Billable recordkeeping fees[3] Based on plan assets *[Base fee (below) + $20 per participant]*				
Share class	**Up to $250K**	**$250K–$500K**	**$500K–$1M**	**$1M–$2M**	**$2M+**
R-2	$750	$500	No billable fees		
R-3	750		$500		
R-4	1,000		750	$500	
R-5E	750		500		
R-6	1,250				

[3] 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 left. 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

(not including payments from investment expenses)

Share class R-3*		
Plan assets	**One-time installation fee**	**Annual recordkeeping fees†**
Less than $500,000		$750 plan fee + $20 per participant‡
$500,000 but less than $1 million	$500 for startup plans	$500 plan fee + $20 per participant‡
$1 million or more		No billable fees

*Any applicable implementation fee will be billed on the first quarterly invoice.

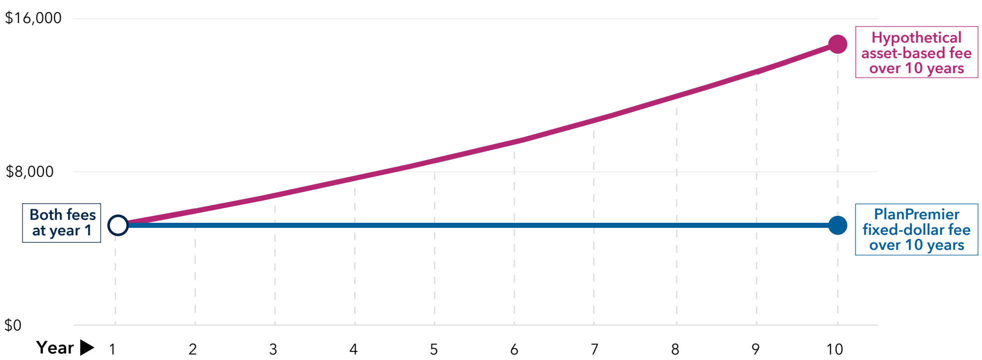
†In addition to the recordkeeping fees shown and depending on the share class selected, the recordkeeper receives subtransfer agency payments from the investment options held by the plan. The amount paid is equal to 0.15% of the plan's assets for Class R-3 shares. This amount includes any investment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

‡Based on the number of participants with an account balance following the plan's invoice quarter.

Recordkeeping

A closer look at **PlanPremier®** pricing

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



In this chart, the PlanPremier-TPA 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-TPA fee in the first year ($5,200, or 0.21% of assets) and applies the same 0.21% 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.

To calculate the basic pricing:

1 First, determine annual recordkeeping fees using the number of plan participants.

Recordkeeping fees					
	Base fee				
Participants with account balances	PlanPremier-TPA		PlanPremier-Bundled	+	Per participant
1-25	$2,200	or	$5,400	+	$100
26-300	2,200	or	5,400	+	60
301-500	3,700	or	6,900	+	55
501-1,000	6,200	or	9,650	+	50
1,001 or more	8,200	or	11,650	+	48

2 Then, choose a share class depending on (a) how the plan sponsor wishes to pay for recordkeeping fees (with or without expense ratio revenue generated by plan credits) and (b) what level of compensation is necessary to meet the plan's service requirements.

		Plan credit and compensation are included in the expense ratio			
		Approximate plan credit (varies by fund)			TPA compensation
Share class	Average expense ratio[1]	PlanPremier-TPA	PlanPremier-Bundled	Financial professional compensation	PlanPremier-TPA
R-2	1.45%	0.40%	0.45%	0.65%	0.05%
R-2E	1.16	0.25	0.30	0.50	0.05
R-3	1.02	0.25	0.30	0.35	0.05
R-4	0.71	0.05	0.10	0.25	0.05
R-5E	0.44	0.15	0.15	0.00	0.00
R-5	0.38	0.05	0.05	0.00	0.00
R-6	0.34	0.00	0.00	0.00	0.00

Example of plan credits offsetting expenses:

- PlanPremier-TPA solution, Class R-3 shares
- $2.5 million in plan assets
- 50 participants with account balances

Gross annual recordkeeping fees	−	Plan credit/ expense offset (annual credit rate times plan assets)	=	Net annual recordkeeping fees (credit)
$5,200		**$6,250**		**($1,050)**

[1] 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 gross expense ratio shown for each 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. Gross expense ratios, as reported in each fund's prospectus at the time of publication, range from 0.95% to 3.53% for R-2; 0.77% to 4.03% for R-2E; 0.77% to 4.03% for R-3; 0.34% to 4.00% for R-4; 0.02% to 2.91% for R-5E; 0.02% to 3.55% for R-5; 0.02% to 3.55% for R-6.

Compete with confidence

Make a difference in more lives

Since 1931, our distinctive way of managing money, an emphasis on research, a long-term view and recognition of the power of relationships has enabled financial professionals – like you – to help investors pursue their financial goals.

Dedicated to investors

More than **2.7 million** plan participants count on us to pursue their retirement goals.*

A trusted recordkeeper

Over **67,000** businesses and their employees rely on our retirement plan recordkeeping services.*

A top asset manager

With **$2.5 trillion** assets under management, we're one of the world's largest investment management organizations.*

* 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.

Trusted, reliable, easy to do business with and **best-in-class service**

We were selected most often by advisors with less than $50 million in defined contribution plan assets under management as:

- Is a company I **trust**
- Is **reliable**
- **Easy** for advisors to do business with
- **Best-in-class** advisor service and support

Source: Escalent, Cogent Syndicated Retirement Plan Advisor Trends, October 2024. Methodology: 411 financial advisors managing defined contribution (DC) plans participated in a web survey conducted September 9 to 17, 2024. For "Ownership" of Core Brand Attributes – Tier 1, among 195 advisors with less than $50 million in DC plan assets under management, Capital Group/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 a company I trust,' 'Is reliable,' 'Easy for advisors to do business with' and 'Best-in-class advisor service and support'?" 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.

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.

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.

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

Capital Client Group, Inc.

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