

American Funds Retirement Plan Proposal

A presentation tool for retirement plan advisers

As a retirement plan adviser, your toolkit for closing business has to be filled with items that are clear, comprehensive, flexible and portable. With this in mind, we've completely revamped the American Funds Retirement Plan Proposal (cover image below) to serve as a presentation tool that helps you:

- **communicate the value** that you and American Funds bring to the plan sponsor and the employees of the company to which you are presenting
- **highlight the benefits** of the retirement plan solution and share class selected
- **target the issues** in which the plan sponsor is most interested

The first thing you'll notice about the Proposal is that it's inviting and fresh, designed to appeal to the focus of your presentation: the plan sponsor. This presentation tool helps you explain how all of us — adviser, third-party administrator (if applicable) and American Funds — work in concert to:

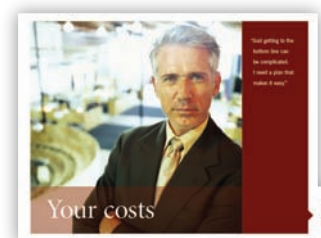
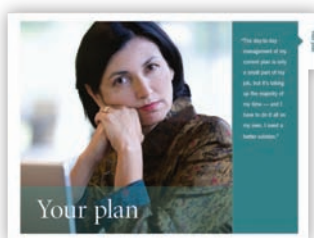
- make the plan sponsor's job easier
- provide high-quality investments and education for employees
- offer a retirement plan at a good value and reasonable cost



Focus on the client

We've divided the Proposal into four sections,* each of which addresses a potential area of interest for your plan sponsor clients (see reverse). The content and complementary design draw on input we've received from advisers in the field and extensive focus group research we've conducted with plan sponsors and advisers in the marketplace.

Using images that capture the emotion that a plan sponsor may experience when choosing a provider, each section tab conveys a common concern relevant to that particular part of the Proposal. On the reverse side of each tab, we highlight how the retirement plan solution you and the plan sponsor have chosen is designed to alleviate this point of pain. The pages that follow help you explain in detail the benefits of the program you're presenting — PlanPremier®, PlanPremier TPASM Recordkeeper Direct® or Recordkeeper Connect®.



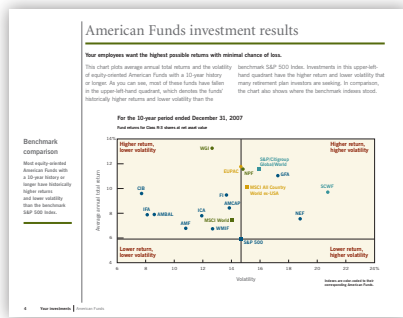
* The Proposal for Recordkeeper Connect contains two sections: one that focuses on your plan's investments followed by the Your Employees section, which discusses how to help employees reach their retirement goals.

Sections of the American Funds Retirement Plan Proposal

1. Your plan

This section contains information about the retirement plan solution you're presenting to this plan sponsor, including how the plan will be implemented, serviced and supported. It delineates who is responsible for managing compliance and fiduciary issues and addresses how each possible solution simplifies the plan sponsor's day-to-day management tasks.

2. Your investments



This section of the Proposal provides an in-depth review of the American Funds investment results, philosophy and process, along with a presentation of the investment options available in the particular

retirement plan solution you're presenting. The content in this section is dependent on the specified share class.

3. Your employees

This portion of the Proposal walks your prospect through the comprehensive education materials we offer to help employees understand the importance of plan participation and key investing principles. It's logically divided into three spreads covering the main stages in the participant lifecycle:

- Getting started
- Staying invested
- Leaving the plan



A range of materials is featured, with the full library of employee education for use during that stage displayed across the top of each

left-hand page for easy reference. This section is tailored to the retirement plan program selected.

Use of our website and materials is subject to approval by your home office.

For financial professionals only. Not for use with the public. Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so investors may lose money. Investors should carefully consider the objectives, risks, charges and expenses of the American Funds and, if applicable, any other investments in their plan. This and other important information is contained in the funds' prospectuses, which are available from their plan's financial professional and on the Web. It is important that investors read the prospectuses carefully before they invest.

4. Your costs

Keeping in mind that your prospect may be considering multiple plan providers, this section helps you explain the difference between value and cost. Depending on the retirement plan solution, it may also contain a checklist of items to consider when making this decision, an action plan for taking the next step, a fee quote and fee schedule, and a letter of commitment (if applicable).

Understanding value and costs

As a plan sponsor and fiduciary, it's your responsibility to choose a retirement plan that provides good value at an acceptable price. First, you should examine the features and benefits of the program you are assessing to ensure they are consistent with the objectives of your retirement plan. Next, you should compare costs. This task can be difficult because different providers have different pricing structures. To accurately compare plan costs, you first need to understand the types of expenses associated with retirement plans.

Generally speaking, there are two types of plan expenses. Although plan providers may categorize and report these fees in different ways, total plan cost is calculated as follows:

Total plan cost	=	Investment expenses	+	Plan administration expenses
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Investment expenses

- An expense on an expense plan and trustee.
- Fees paid to the fund's investment manager for managing the fund's investments.
- Distribution and other expenses (like the cost of your financial representative) that are a part of plan and services, such as the average annual expense ratio or ongoing expenses and ongoing expenses.

Plan administration expenses

- Other expenses beyond the actual investment fees, including record keeping, plan administration and record keeping services associated with the fund's operations.

Plan administration expenses

- Includes costs for most day-to-day plan activities, such as: recordkeeping and administrative services provided by your plan provider.
- Services that your plan participants generally won't see or know, but which may be noticeable fees.

Sample Proposal online

We believe you'll find the Proposal intuitive and easy to navigate. If you'd like to review a sample of the Proposal, visit americanfunds.com/adviser and type "proposal" in the search box. To order a Proposal online, visit americanfunds.com/adviser and type "order proposal" in the search box.

As always, we appreciate your continued support of the American Funds as we strive to provide you with materials and tools that will help you be more effective in your business.