

# Recordkeeper Direct®

## Program highlights

### How it works

American Funds Recordkeeper Direct is a retirement plan solution designed especially for small-business 401(k), profit-sharing and money purchase retirement plans. The program is available to:

- plans with existing assets — up to 400 participants
- start-up plans — up to 400 eligible employees

Through Recordkeeper Direct, plans receive recordkeeping services directly from American Funds. An authorized third-party administrator (TPA)\* selected by the employer provides administration and compliance services.

#### American Funds recordkeeping services include:

- daily pricing and exchanges
- up to 12 American Funds options
- contributions split by fund and money type
- monthly employer report package and quarterly participant statements
- toll-free voice response and Internet access for account inquiry and transaction processing
- loan processing
- plan sponsor website for online processing and access to plan information and reports
- Automated Clearing House (ACH) for transmittal of contributions (required for all Recordkeeper Direct plans)
- tracking of employee vesting
- distribution processing, including 1099-R reporting

#### An authorized TPA provides:

- plan document and plan design services
- compliance testing and related services
- Form 5500 preparation
- eligibility tracking
- reconciliation of participant account valuations at conversion
- participant distribution and withholding verification

#### The financial representative provides:

- assistance in selecting and monitoring plan investments
- employee education (American Funds provides a quarterly participant newsletter, an educational website with tools and calculators, tailored enrollment materials and enrollment videos.)

\*More than 1,000 TPAs are authorized to serve Recordkeeper Direct plans.

### Recordkeeping and trustee fees

Average participant balance†	Installation fee	Annual recordkeeping fees	
		per plan	per participant
<b>Class R-2</b>			
\$5,000 or less	\$500	\$500	N/A
\$5,001+	0	0	
<b>Class R-3</b>			
\$50,000 or less	\$750	\$750	N/A
\$50,001+	0	0	
<b>Class R-4</b>			
\$10,000 or less	\$1,000	\$1,500	+ \$15
\$10,001 – \$25,000	750	1,500	+ 5
\$25,001 – \$50,000	750	1,000	0
\$50,001+	0	0	0
<b>Class R-5</b>			
\$10,000 or less	\$1,000	\$1,500	+ \$20
\$10,001 – \$25,000	750	1,500	+ 10
\$25,001 – \$50,000	750	1,000	+ 5
\$50,001 – \$100,000	750	750	0
\$100,001+	0	0	0

- a loan initiation fee (\$85) and an annual loan maintenance fee (\$50) will apply to participants in all share classes
- plan trustee fees for services from Capital Bank and Trust (optional) will be \$750 annually for all share classes
- Class R-1 shares are not available in Recordkeeper Direct
- Class R-5 shares are available only to plans with assets of \$1 million or more
- TPAs charge and bill separately for their services

† Average participant account balance is the total plan assets divided by the total number of plan participants.

**This material does not constitute tax or legal advice. Consult with your tax or legal advisers regarding your specific situation.**

**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 any other investments in their plan. This and other important information is contained in the prospectuses, which are available from their plan's financial representative and on AmericanFundsRetirement.com. It is important that investors read the prospectuses carefully before they invest.**