

Workplace Retirement Plans

Find the Plan That Best Fits Your Business



Small business retirement plans are good for you, your employees and your business:

- Easy and automatic way to save
- Tax-deferred retirement savings
- Tax-deductible business expenses
- Helps your business stand out for attracting and retaining good employees

90%

Employees view their retirement savings plan at work as one of the **most important benefits** offered by their employer.

Source: 7th Annual Survey of Retirement Savers, American Century Investments, 2019.

A Retirement Plan for Your Business Makes Sense

As a small business owner, there's a lot on your plate. Considering a workplace retirement plan is one more thing to do. However, with benefits for you and any employees—and tax advantages for your business—it's worth the time to explore. Let us help.

Retirement plans specifically for small businesses

Just because your business is smaller, doesn't mean your needs are less important. Our commitment starts by helping with plan selection, and extends through helping choose retirement investments.

Flexible plans, easy management, investment choices, assistance along the way.

You can choose from a variety of plans that are suitable for your business size. With American Century Investments®, you also get:

- **Easy Plan Set Up** – Get help deciding on a plan and setting it up.
- **Investment Variety** – Choose from a broad range of professionally managed, no-load mutual funds.
- **Complimentary Guidance** – Access personal guidance to help build a retirement portfolio.
- **Less Time Commitment** – Spend less time on paperwork and more time running your business.

Get Started Today

Review the plan types on the following pages.
Call us at **800-345-3533** to discuss your needs.

Choosing the right retirement plan for your business is important, not just for you, but for your employees too. See which type of plan works best for your business.



John is a dentist with six employees.

"I want my employees to be able to save for their retirement and I like the idea of offering a company match. But, isn't that complicated? Seems like a lot to figure out with my busy schedule."



Mary just opened her own interior design business.

"Just starting out, I'm not completely sure how profitable I'll be from year to year. I need a plan that's flexible so I can contribute during the up years but not have to contribute when my business isn't as profitable."



Participants strongly value a retirement plan as part of their compensation and benefits.

Source: 7th Annual Survey of Plan Participants With Plan Sponsor Perspectives, 2019.

Solution

A SIMPLE IRA plan lets participants set aside a portion of their pay before income taxes are withheld, similar to a 401(k). Plus, it requires less paperwork. The plan offers a company match for employees.

Solution

An Individual 401(k) plan offers the flexibility to change the amount you contribute from year to year. These plans allow larger contribution limits compared to other plans. In addition, you may choose to make Roth contributions.

Solution

A profit sharing plan allows employers to vary their contributions to participants' accounts each year. In addition, vesting schedules give employees gradual ownership of their contributions based on years of service. With an American Century profit sharing plan, Steve's employees can choose from over 80 no-load mutual funds for their retirement accounts.



Steve runs a successful construction company, but profits can vary.

"In the construction field, you can have great years and some less than great. I need flexibility in how much to contribute to the plan each year. Also, employee turnover can be high so I'm looking for a way to reward my best long-term employees. Finally, I need a plan with enough investment options to meet the different needs of all of my 80 employees."

Solution

A SEP-IRA allows a self-employed or small business owner with employees the chance to save for retirement and get tax benefits. Contributions to a SEP-IRA are tax-deductible expenses for the business. In addition, contributions are flexible—you are not required to make them every year.



Maya is rocking it as a professional photographer.

"I'm sole proprietor and owner of my business, so I only need to worry about myself. I have some retirement money from my old corporate job, but am now looking for tax deductions for my business. Plus, it can't hurt to stock up more for my retirement, right?"

A Plan for Every Business

Investing in a workplace retirement plan puts you and your employees in control of how much money you'll have in retirement. Getting a solid start on saving may lead to a better chance of success for the future.

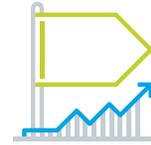
As you review plans for your business, consider:

Company Size – Are you self-employed or do you have a few or many employees? Even a self-employed business owner can make tax-deferred contributions to his or her own retirement plan.

Employer Contributions – Will you make company contributions or match employee contributions?

Salary Deferrals – Do you want contributions deducted from employees' salaries or do you only want employer contributions for your plan?

Features – Are you looking for minimal paperwork, or more flexible plan features that may require a bit more effort on your part?



Nearly all participants consider retirement an **important goal** with three-quarters calling it the **biggest goal**.

Source: 7th Annual Survey of Plan Participants With Plan Sponsor Perspectives, 2019..

Plan Features Overview

	SEP IRA	SIMPLE IRA	Profit Sharing	Traditional 401(k)	Individual 401(k)	Safe Harbor 401(k)
Company Size						
Self-Employed (no employees)	•	•	•	•	•	
< 100 Employees	•	•	•	•		•
> 100 Employees	•		•	•		•
Employer Contributions						
Discretionary (optional)	•		•	•	•	
Mandatory (required)		•				•
Salary Deferrals						
Not Allowed	•		•			
Allowed		•		•	•	•
Notable Feature						
Less Paperwork	•	•				
Flexible Plan Features			•	•	•	•

Compare Plan Details to Find a Good Fit for Your Business

	SEP IRA	SIMPLE IRA (Designated Financial Institution)	Profit Sharing Plan
Contribution Types and Limits^{1,7}	<ul style="list-style-type: none"> • Discretionary employer contributions • Up to 25% of compensation² or \$57,000, whichever is less for 2020 	<ul style="list-style-type: none"> • Employee salary deferrals up to \$13,500 (\$16,500 if age 50 or over) for 2020, or 100% of compensation if less • Dollar-for-dollar employer match up to 3% of compensation, or a non-elective contribution of 2% of compensation² 	<ul style="list-style-type: none"> • Discretionary employer contributions • Up to 25% of compensation² or \$57,000, whichever is less for 2020
Eligibility Requirements³ (plan may be less restrictive)	<ul style="list-style-type: none"> • Employment in one, two or three of the preceding five years • Employee age restriction may be up to age 21 	<ul style="list-style-type: none"> • Employees must have received up to \$5,000 in compensation in up to two preceding years and are expected to receive up to \$5,000 during the current year 	<ul style="list-style-type: none"> • One or two years of service for a set number of hours • Employee age restriction may be up to age 21
Plan Establishment/Contribution Deadline	<ul style="list-style-type: none"> • Establishment of and contributions to the plan may be made until the employer's tax-filing deadline⁴ 	<ul style="list-style-type: none"> • Plan must be established by October 1 of the tax year the plan is to be effective • Employer contributions may be made until employer's tax-filing deadline⁴ • Employee salary deferrals must be deposited promptly⁵ 	<ul style="list-style-type: none"> • Plan may be established and contributions can be made until the employer's tax filing deadline⁴
Required Annual Paperwork⁹	<ul style="list-style-type: none"> • No annual paperwork 	<ul style="list-style-type: none"> • Model Notification to Eligible Employees • Summary Description 	<ul style="list-style-type: none"> • IRS Form 5500 • IRS Form 1099-R
Vesting Schedule	<ul style="list-style-type: none"> • Participants are 100% vested at all times 	<ul style="list-style-type: none"> • Participants are 100% vested at all times 	<ul style="list-style-type: none"> • Employer may select up to a three-year cliff or a six-year graded vesting schedule • 100% immediate vesting is required if the employer selects two years of service for eligibility
Participant Fees	<ul style="list-style-type: none"> • Annual custodial fee waived if investments total \$10,000 or more; \$15 annual per fund if less than \$10,000 	<ul style="list-style-type: none"> • Annual custodial fee waived if investments total \$10,000 or more; \$15 annual per fund if less than \$10,000 	<ul style="list-style-type: none"> • \$25 annual service fee deducted from each participant's account

Traditional 401(k)	Individual 401(k) Plan	Safe Harbor 401(k) Plan
<ul style="list-style-type: none"> • Pretax and Roth employee elective salary deferrals up to \$19,500 (\$26,000 if age 50 and over) for 2020 • Discretionary profit sharing and/or matching employer contributions up to 25% of compensation² • The total of salary deferral, discretionary and matching contributions cannot exceed the lesser of \$57,000 or 100% of compensation for 2020 	<ul style="list-style-type: none"> • Pretax and Roth employee elective salary deferrals up to \$19,500 (\$26,000 if age 50 and over) for 2020 • Discretionary profit sharing contributions up to 25% of compensation² • The total of salary deferral and discretionary contributions cannot exceed the lesser of \$57,000 or 100% of compensation for 2020 	<ul style="list-style-type: none"> • Pretax and Roth employee elective salary deferrals up to \$19,500 (\$26,000 if age 50 and over) for 2020 • Discretionary profit sharing and/or safe harbor employer contributions up to 25% of compensation² • Dollar-for-dollar employer match up to 3% of compensation plus \$0.50 for each dollar above 3% and up to 5%, an enhanced matching formula, or at least 3% non-elective contribution to all eligible employees • The total of salary deferral, discretionary and matching contributions cannot exceed the lesser of \$57,000 or 100% of compensation for 2020
<ul style="list-style-type: none"> • One year of service for a set number of hours • Employee age restriction may be up to age 21 	<ul style="list-style-type: none"> • Not applicable 	<ul style="list-style-type: none"> • One year of service for a set number of hours • Employee age restriction may be up to age 21
<ul style="list-style-type: none"> • Plan may be established up to the employer's tax filing deadline⁴ • Salary deferrals cannot begin until the plan is established. • Salary deferrals must be deposited promptly⁶ • Discretionary and matching employer contributions may be made until the employer's tax-filing deadline⁴ 	<ul style="list-style-type: none"> • Plan may be established up to the employer's tax filing deadline⁴ • Salary deferrals cannot begin until the plan is established • Salary deferrals must be deposited promptly⁶ • Discretionary and matching employer contributions may be made until the employer's tax-filing deadline⁴ 	<ul style="list-style-type: none"> • Plan must be effective at least three months during the first plan year • Employee salary deferrals must be deposited promptly⁶ • Discretionary and safe harbor employer contributions may be made until the employer's tax-filing deadline⁴
<ul style="list-style-type: none"> • IRS Form 5500 • IRS Form 1099-R 	<ul style="list-style-type: none"> • IRS Form 5500⁸ • IRS Form 1099-R 	<ul style="list-style-type: none"> • IRS Form 5500 • IRS Form 1099-R • 401(k) Safe Harbor Plan Notice to Employees
<ul style="list-style-type: none"> • Employers may select up to a three-year cliff or a six-year graded vesting schedule on discretionary and matching employer contributions 	<ul style="list-style-type: none"> • Not applicable 	<ul style="list-style-type: none"> • 100% vesting required on safe harbor contributions and salary deferrals • Employers may select up to a three-year cliff or a six-year graded vesting schedule on discretionary contributions
<ul style="list-style-type: none"> • \$25 annual service fee deducted from each participant's account 	<ul style="list-style-type: none"> • \$25 annual service fee deducted from each participant's account 	<ul style="list-style-type: none"> • \$25 annual service fee deducted from each participant's account

¹ Contribution limits for 2020 are effective January 1, 2020. ² Contributions may be based only on the first \$285,000 of compensation for 2020. ³ Service and age requirements may be less restrictive at employer's discretion. ⁴ Tax-filing deadline plus any extensions. ⁵ Employee salary deferrals must be deposited as soon as administratively feasible and no later than 30 days following the month in which the deferrals were made. ⁶ Employee salary deferrals must be deposited as soon as administratively feasible and no later than 15 days following the month in which the deferrals were made. ⁷ If you are self-employed and do not report your compensation on IRS Form W-2, then your compensation is your earned income. Check with your tax advisor for information about how to determine your maximum contribution based on your earned income. ⁸ IRS Form 5500 is generally not required for single-participant plans with \$250,000 or less in assets. ⁹ Additional forms and notices may be required based on optional plan features.

Choosing a Retirement Plan for Your Business is a Smart Move



Choosing a Target-Date Investment

Start by using your birthday, however there are other factors to consider, such as how you feel about risk and the asset mix.

But How do You Know Which Investments are Right for You?

If you're like many investors, a big concern is whether you'll have enough money in retirement. Our One Choice® Target Date Portfolios were created to help reduce the chance that retirees' money will run short. They also offer an alternative to creating a portfolio on your own.

One Choice Target Date Portfolios are:

- A one-investment approach for retirement saving
- Named by the approximate year you want to begin using the money
- Professionally managed by experts
- Automatically adjusted to become more conservative as the target date approaches
- Designed to balance uncertain markets against the risk of running out of money

Which Target Date Portfolio?

Find the range for your birth year to see which portfolio may be right for you. You can also see how much stocks, bonds and cash investments will be in the portfolio.

Select the Portfolio That's Right for You

Birth Year		% Stocks	% Bonds	% Cash Alternatives
1993 or later	One Choice® 2060 Portfolio	85.00	15.00	0.00
1988 - 1992	One Choice® 2055 Portfolio	83.00	17.00	0.00
1983 - 1987	One Choice® 2050 Portfolio	80.50	19.50	0.00
1978 - 1982	One Choice® 2045 Portfolio	75.00	23.00	2.00
1973 - 1977	One Choice® 2040 Portfolio	68.75	26.75	4.50
1968 - 1972	One Choice® 2035 Portfolio	62.50	32.50	5.00
1963 - 1967	One Choice® 2030 Portfolio	56.25	38.75	5.00
1958 - 1962	One Choice® 2025 Portfolio	51.00	42.00	7.00
1955 - 1957	One Choice® 2020 Portfolio	46.00	44.50	9.50
Before 1954	One Choice® In Retirement Portfolio	45.00	45.00	10.00

One Choice® In Retirement Portfolio is available for investors born before 1954, planning to retire within the next few years or for investors preferring a more conservative investment mix than what One Choice® 2020 Portfolio offers.

When Risk is Important to You

An alternative to choosing a portfolio by year, is to choose one based on your comfort level with risk. The One Choice® Target Risk Portfolios range from very conservative to very aggressive. Each risk designation is intended to reflect the portfolio's relative price volatility compared to the other risk portfolios.

	Neutral Mix		
	% Stocks	% Bonds	% Cash Alternatives
One Choice Portfolios®: Very Conservative	25.00	69.00	6.00
One Choice Portfolios®: Conservative	45.00	49.00	6.00
One Choice Portfolios®: Moderate	64.00	32.00	4.00
One Choice Portfolios®: Aggressive	79.00	20.00	1.00
One Choice Portfolios®: Very Aggressive	100.00	—	—

Each One Choice Portfolio is a fund of funds, and its performance and risk characteristics are dependent on the underlying funds. The portfolios are overseen by veteran investment professionals who have managed asset allocation funds since 1988. The managers also benefit from our firm's track record that spans 60 years.

American Century One Choice Portfolios



A Broad Mix of Investments



Professionally Managed



Built to Balance Risk & Return



What's Best for Me?

Our online Investment Planner tool can help you determine your risk tolerance and an investing profile for your goal.

Look for Investment Planner under Tools and Calculators on americancentury.com/participantresources.

Personal Service for You

Helping you, and any employees, have the best chance for a successful retirement is our goal. As investors ourselves, we understand that it's not just about money—it's about hopes for the future. Employers and employees can take advantage of our guidance services and convenient account management tools, all at no additional cost.

Make better decisions with more knowledge

As your partners, we'll help get employees on board. We offer retirement calculators, enrollment videos and webinars to help participants develop their plans. Call to discuss how we can assist, or visit americancentury.com/workplace and click on Plan Participants to review our educational tools.

Manage the plan easier

Managing your retirement plan is easier than ever when you use our secure online employer website. Access your plan anytime to view plan assets and make contributions online.

Lighten your load with additional 401(k) and profit sharing services

Make your job easier by letting us help you meet the additional requirements that come with qualified retirement plans, such as withholding taxes and IRS reporting. We can also help with certain Department of Labor requirements. Call to discuss Distribution Services and Participant Disclosure Services.

Get personalized portfolio consultations

The best way to face retirement is with a plan. We offer portfolio consultations to help you manage your retirement money while making contributions and when it's time for withdrawals. Planning also includes helping you find retirement investments that fit your comfort level with risk.

Access accounts 24/7

Participants can access account information anytime from any device. We'll send a statement every quarter so you'll always stay connected to your investments. You can also receive statements electronically, by signing up for our eCommunication service.



Have
Questions?

Call a Business Retirement
Specialist today at
800-345-3533

Or visit us online at
americancentury.com/smallbiz

Managing Money, Making An Impact

American Century Investments® is a leading asset manager focused on delivering investment results and building long-term client relationships while supporting research that can improve human health and save lives. It's how we and our clients together **Prosper With Purpose**®.

Every day people are increasingly focused on investing to make the world a better place for themselves, their families, their organizations and the world at large. It is possible to live a more meaningful and impactful life and give back something that's more valuable than money.

When you invest with us, you can also invest in the future of others and have the potential to impact the lives of millions. That's possible because of the distinct relationship with the Stowers Institute for Medical Research, which owns more than 40% of American Century. Our dividend payments provide ongoing financial support for the Institute's work of uncovering the causes, treatments and prevention of life-threatening diseases, like cancer.

Together we can become a powerful force for good.



Get Started Today



Call a Business Retirement Specialist today at 800-345-3533

Or visit us online at [americancentury.com/smallbiz](https://www.americancentury.com/smallbiz)



Staying focused on doing the right thing for you is part of what makes our story unique. Find out how we've been helping clients since 1958.

You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. The fund's prospectus or summary prospectus, which can be obtained by visiting americancentury.com, contains this and other information about the fund, and should be read carefully before investing.

Diversification cannot assure a profit or protect against a loss in a down market. Mutual fund investing involves market risk.

Investment return and principal value of security investments will fluctuate. The value at the time of redemption may be more or less than the original cost. Past performance is no guarantee of future results.

A One Choice® Target Date Portfolio's target date is the approximate year when investors plan to retire or start withdrawing their money. The principal value of the investment is not guaranteed at any time, including at the target date.

Each target-date One Choice® Target Date Portfolio seeks the highest total return consistent with American Century's proprietary asset mix. Over time, the asset mix and weightings are adjusted to be more conservative. In general, as the target year approaches, the portfolio's allocation becomes more conservative by decreasing the allocation to stocks and increasing the allocation to bonds and money market instruments.

This information is for educational purposes only and is not intended as a personalized recommendation or fiduciary advice. There are different options available for your retirement plan investments. You should consider all options before making a decision. Our representatives can help you evaluate all of your distribution options.

