

THE EASY WAY TO SAVE FOR YOUR RETIREMENT

If you want to live comfortably during your retirement, you really can't afford to wait to begin saving for that goal. And now that your employer is offering the Savings Incentive Match Plan for Employees (SIMPLE) with valuable tax and retirement savings benefits, it's never been easier to put away money for your future.

The importance of saving for retirement

If you're like most Americans, you probably feel that it's difficult enough to pay the bills and set aside a little extra money for a vacation. No doubt you've thought about saving for retirement — some day, but not now. But it's important to start saving for retirement today because, unlike many Americans a generation ago, you may need more money than ever before.

And you could need more savings. Today, Americans are living longer than ever before. Living longer means more years in retirement. It also means you will need to save more now so that you don't outlive your savings during retirement.

Get ahead by investing early

Consider that you may be retired for 20 to 25 years. You'll realize that you need to accumulate a significant amount of money for a comfortable retirement.

Visit [Fidelity.com/retirement-tools](https://www.fidelity.com/retirement-tools) for help with retirement planning.

A successful retirement doesn't just happen. Learn more about building a successful retirement, saving for retirement, and setting your retirement goals. Fidelity's online tools can help you answer questions like:

- When can I retire?
- What if I delayed a year?
- What's a good investment strategy to help make my savings grow?

THE SIMPLE IRA PLAN AND ITS BENEFITS

What is the SIMPLE IRA Plan?

The SIMPLE IRA Plan is an individual retirement account (IRA) plan specifically designed for the employees of smaller companies. With the SIMPLE IRA Plan, you can:

- Contribute up to 100% of your compensation, up to the limit discussed to the right, per year through automatic salary deferrals each pay period to your SIMPLE IRA.
- Receive employer contributions.
- Reduce your current federal income tax bill through pretax contributions.
- Accumulate tax-deferred earnings until you withdraw your money.
- Access your money in the event of an emergency.¹
- Become immediately vested in contributions as soon as you—and your employer—make them, meaning that you own the contributions as soon as they are made on your behalf.
- Invest the contributions in a variety of ways within your account.

The truth is, you're in charge of your future. And the SIMPLE IRA Plan helps make it easier to save for retirement.

Salary reduction contribution limits

The limit on elective deferrals for SIMPLE IRA Plans is \$13,500 for 2020 and \$13,500 for 2021.

Catch-up contributions

Additionally, participants who are age 50 and older by the end of the tax year may be able to make annual catch-up contributions over and above the elective deferral limit in the following amounts.

For taxable years beginning in	Annual catch-up amount
2020	\$3,000
2021	\$3,000

What are the benefits of the SIMPLE IRA Plan?

It's easy. You may find it hard to discipline yourself to save regularly. The SIMPLE IRA Plan makes it easy because saving for retirement through the plan is automatic. You decide how much you want to defer, and the money is automatically deducted from your paycheck and invested directly into your SIMPLE IRA by your employer.

¹ Distributions prior to age 59½ and within two years of your first participation in a SIMPLE IRA Plan through your employer may be subject to a 25% early withdrawal penalty. Distributions after the two-year period and before age 59½ may be subject to a 10% early withdrawal penalty.

THE SIMPLE IRA PLAN AND ITS BENEFITS (CONTINUED)

It's affordable. You don't have to contribute a lot of money up front to help build a significant retirement nest egg over time. That's because the money invested in your SIMPLE IRA compounds tax deferred. Instead of paying taxes each year on any investment earnings, 100% of your earnings are reinvested in your SIMPLE IRA. As your tax-deferred investment earnings potentially accumulate, every dollar can generate additional earnings that continue to multiply over time. You won't be taxed on any earnings until you begin to withdraw your money in retirement — when you could be in a lower tax bracket.

Your employer will help. Your employer will help you save for retirement by making contributions to your SIMPLE IRA. The added dollars may certainly give a boost to your retirement savings.

You may reduce your current income taxes. When you save for retirement through your SIMPLE IRA, the money you contribute to the plan is deducted from your salary before federal income taxes are determined. As you can see from the table below,

those deductions can help reduce your current taxable income, essentially letting you take some of the money that would have gone to pay taxes and instead investing it for retirement. Contributing to your SIMPLE IRA can actually leave you with more take-home pay than if you had invested the same amount in a taxable savings account.

You may receive a tax credit. A special nonrefundable tax credit is available to individuals who make contributions to SIMPLE IRAs. The credit applies to the first \$2,000 you contribute. There are certain eligibility requirements¹ that must be met.

Credit rates are calculated as a percentage of the contribution amount and are based on Adjusted Gross Income (AGI) levels as outlined below.

Tax Year	Individual AGI Cutoff	Joint AGI Cutoff
2020	\$32,500	\$65,000
2021	\$33,000	\$66,000

Save on current income taxes with a SIMPLE IRA	
Saving on your own	
If you made	\$40,000
and paid federal income taxes of 25% ²	– \$10,000
and then saved \$200/month	– \$2,400
you would take home	\$27,600
Saving through a SIMPLE IRA	
If you made	\$40,000
and put \$200/month into your SIMPLE IRA	– \$2,400
your taxable income would be	\$37,600
your 25% in federal income taxes would be	– \$9,400
and you would take home	\$28,200
Increase in annual take-home pay by contributing to your SIMPLE IRA	\$600

This hypothetical example is for illustrative purposes only, and does not reflect the effect of FICA, FUTA, RRTA, state, or local taxes on SIMPLE IRA salary deferrals. Taxes will be due at the tax rates in effect at the time you withdraw from your SIMPLE IRA.

¹ Eligible taxpayers are individuals 18 years of age or older (full-time students and dependents excluded).

² Tax rates are subject to change.

THE FIDELITY SIMPLE IRA ADVANTAGE

By choosing the Fidelity SIMPLE IRA Plan, your employer joins thousands of companies across the country that have chosen Fidelity as their retirement plan provider. Here's how the Fidelity SIMPLE IRA Plan can help you reach your retirement goals. You will have access to:

A broad array of investment options

■ **More than 175 Fidelity mutual funds appropriate for retirement investing.** Take advantage of Fidelity's money management expertise by choosing to invest in Fidelity mutual funds—including growth, growth and income, bond, index, and international funds.

To obtain information on some of our solid-performing funds, visit [Fidelity.com](https://www.fidelity.com) and click the *News & Research* tab at the top of the page, then select *Mutual Funds*.

■ **Funds from other well-known fund companies through Fidelity FundsNetwork.[®]** With FundsNetwork, you have access to more than 10,000 mutual funds from hundreds of companies, including many available with no transaction fees.¹

■ Individual securities.

- Individual stocks and corporate bonds
- Government bonds and U.S. Treasuries
- CDs

Online resources

Fidelity also makes it more convenient for individuals to manage their retirement assets with robust online tools and resources:

■ **Online trading.** Place your buy/sell orders for stocks, bonds, mutual funds, and options online at [Fidelity.com](https://www.fidelity.com).

Find comprehensive tools at [Fidelity.com/retirement-tools](https://www.fidelity.com/retirement-tools). Plan with our tools to help you determine how much money you may need for retirement, if you are saving enough now, and how long your savings might last. You can also create an investment strategy to help meet your retirement needs. Fidelity suggests periodically revisiting your plan and using our tools to help make sure you are still on track to meet your goals.

***IMPORTANT:** The projections or other information generated by the tools regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Results may vary with each use and over time.*

Knowledgeable retirement representatives

At Fidelity, you can reach dedicated retirement representatives ready to answer questions about your Fidelity SIMPLE IRA Plan by calling **1-800-544-5373**.

Significant cost savings

The Fidelity SIMPLE IRA Plan offers you significant cost savings including:

- No minimum investment requirement on Fidelity mutual funds²
- \$0 commissions for online stocks, ETFs, and options

¹ Other fees and expenses applicable to continued investment are described in the fund's current prospectus.

² All Fidelity funds that previously required investment minimums of \$10k or less, and stock and bond index fund classes that previously had minimums of \$100 million or less, now have zero minimums.

BUILDING YOUR RETIREMENT INVESTMENT STRATEGY

In this section, we'll help you build your retirement investment strategy by showing you key factors to consider, and explaining the general asset classes.

The most important thing to remember when building your retirement investment strategy is that it must fit your individual situation.

Key factors to consider

- 1 Time Horizon.** How long will it be until you need your money? Generally speaking, the longer your time horizon, the greater risk you can afford to take with your investments.
- 2 Risk Tolerance.** For some people, the risk that their investments may go up and down in value is unsettling. However, if you understand that volatility is one characteristic of investments with higher long-term growth potential, you may be more comfortable with the risk.
- 3 Current Financial Situation.** What are your current financial resources and income needs? You should consider the stability of your earnings, your debt level, the prospects for your future earnings, and other investment resources.

Asset Classes

As you build your retirement strategy, it is important to diversify your money in investments among different asset classes (stocks, bonds, cash). Each asset class plays a role in your investment mix because different asset classes tend to perform differently at various times. Therefore, diversifying or allocating your assets among them can help cushion the potential impact of poor performance in any one asset class.

The following are descriptions of the different asset classes:

Stocks: The stock asset class seeks to provide growth. Stocks have historically provided higher returns; however, they are more volatile in nature than the other asset classes like bonds and cash. If you have a long-term time horizon, this asset class can offer the potential growth of your assets over time.

Bonds: The bond asset class can provide a steady stream of income over a set period of time. There is a range of risk and return between lower-risk bonds and those that are more risky. Bonds issued by the U.S. government pay a relatively low rate of interest but have the lowest possible default risk. Corporate bonds typically pay a higher interest rate than Treasuries of similar maturity, but within corporate bonds, yields can vary depending on the creditworthiness of the bond issuer.

Short-term: The short-term asset class generally maintains stability and offers lower returns than other asset classes.

The pattern of risk and returns from bonds and short-term asset classes is very different from stocks—adding all three asset classes to a portfolio can help diversify and may potentially mitigate some of the overall volatility of your assets.

Your retirement goal along with time horizon, risk tolerance, and financial situation, are key factors in deciding the appropriate asset class mix most suitable for you.

What are Mutual Funds?

Mutual funds take the money you invest and pool it with the money of many other investors. Each fund is managed by a fund manager who makes decisions on how to invest the money based on the investment objective and strategy of the fund.

HOW THE FIDELITY SIMPLE IRA PLAN WORKS

Your Contributions

You can defer up to 100% of your compensation, up to a maximum annual contribution limit, to your SIMPLE IRA. You simply specify a percentage of your compensation or a specific dollar amount to be contributed to the plan, and your employer will deduct the amount from your pay before federal income taxes are withheld and send it to Fidelity.

If you want to change the amount of your contribution, or stop contributing, contact your employer. Your employer can provide you with more information on how often you can change your contribution percentage and how to stop contributing.

Contributions are first invested in your core position. The money is then used to purchase investments in your SIMPLE IRA according to your investment instructions. You will receive a written confirmation from Fidelity when your contributions are used to purchase investments other than your core position.

If you want to change your investment selections, visit our Web site at **Fidelity.com**, or call a Fidelity retirement representative at **1-800-544-5373**, to process your new instructions over the phone.

What will Fidelity send me?

You'll receive regular account statements showing your contributions, your employer's contributions, and all account activity.

When can I access my money?

The SIMPLE IRA Plan was designed to be a long-term retirement savings vehicle. In order to keep your retirement plan money working, the IRS has imposed the following early withdrawal penalties:

- If you are under age 59½ and you withdraw money within the first two years of participating in a SIMPLE IRA Plan, your withdrawal generally will be subject to a 25% early withdrawal penalty.
- If you are under age 59½ and you withdraw money after the first two years, your withdrawal generally will be subject to a 10% penalty.

However, these early withdrawal penalties may be waived if the distribution is made due to death, disability, qualified expenses such as a first-time home purchase (lifetime limit up to \$10,000), qualified higher education expenses, and certain major medical expenses in excess of 7.5% of Adjusted Gross Income (AGI).¹ Keep in mind, though, that any withdrawals from a SIMPLE IRA may still be subject to regular income tax. You may want to consult your tax adviser before taking any distribution.

When you think about all the advantages of investing for retirement through the Fidelity SIMPLE IRA Plan, we think you'll agree that it's one of the smartest decisions you can make for your financial future.

¹ Other qualified expenses include health insurance premiums by certain unemployed individuals, substantially equal periodic payments, or an account of an IRS levy.

\$0.00 commission applies to online U.S. equity trades, exchange-traded funds (ETFs), and options (+ \$0.65 per contract fee) in a Fidelity retail account only for Fidelity Brokerage Services LLC retail clients. Sell orders are subject to an activity assessment fee (from \$0.01 to \$0.03 per \$1,000 of principal). There is an Options Regulatory Fee (from \$0.03 to \$0.05 per contract), which applies to both option buy and sell transactions. The fee is subject to change. Other exclusions and conditions may apply. See [Fidelity.com/commissions](https://www.fidelity.com/commissions) for details. Employee equity compensation transactions and accounts managed by advisors or intermediaries through Fidelity Clearing & Custody Solutions® are subject to different commission schedules.

Options trading entails significant risk and is not appropriate for all investors. Certain complex options strategies carry additional risk. Before trading options, contact Fidelity Investments by calling 800-544-5115 to receive a copy of *Characteristics and Risks of Standardized Options*. Supporting documentation for any claims, if applicable, will be furnished upon request.

Fidelity does not provide legal or tax advice. The information herein is general in nature and should not be considered legal or tax advice. Consult an attorney or tax professional regarding your specific situation.

Keep in mind that investing involves risk. The value of your investment will fluctuate over time and you may gain or lose money.

Before investing in any mutual fund or exchange-traded fund, you should consider its investment objectives, risks, charges, and expenses. Contact Fidelity for a prospectus, an offering circular, or, if available, a summary prospectus containing this information. Read it carefully.

IT'S EASY TO START YOUR SIMPLE IRA PLAN

Now that you understand the benefits of saving for retirement through the Fidelity SIMPLE IRA Plan, here are the next steps you'll need to get started.

1. Decide how much you will contribute.

Choose a percentage of your compensation or a specific dollar amount. You can elect to defer as much as 100% of your compensation, up to the limits listed below.

<i>Tax Year</i>	<i>Annual Deferral</i>	<i>Catch-up</i>
2020	\$13,500	\$3,000
2021	\$13,500	\$3,000

2. Select your investments.

Choose the investments that match your investment time horizon, your risk tolerance, and your current financial situation.

3. Complete and sign the enclosed Fidelity SIMPLE IRA Application and the Salary Reduction Form. **Return all forms to your employer.**

4. Consolidate your SIMPLE IRA assets at Fidelity.

For your convenience, we've enclosed a Transfer of Assets Form.

Get Started Today.

If you have any questions about your Fidelity SIMPLE IRA Plan or about investing for retirement, please visit our Retirement Resource Center at **Fidelity.com**, or call a Fidelity retirement representative at **1-800-544-5373**.