

Lord Abbett Simple IRA Plan



A Savings Incentive Match Plan for Employees (SIMPLE) plan is a low-cost retirement plan designed for small- business owners with 100 or fewer employees. Under a SIMPLE IRA plan, employees may choose to make pretax salary-reduction contributions, and the employer makes annual matching or nonelective contributions.*

POTENTIAL ADVANTAGES OF A LORD ABBETT SIMPLE IRA:

Tax deduction: Employer contributions are federally tax deductible.

Tax-advantaged contributions: Owners and employees may contribute up to \$14,000 in 2022 through pretax contributions, plus an additional catch-up contribution of \$3,000 for individuals age 50 or older.

No government testing or filings: A SIMPLE IRA plan is not subject to nondiscrimination or top-heavy testing that applies to 401(k) plans, nor is the plan required to file Form 5500.

HOW DO YOU ESTABLISH A LORD ABBETT SIMPLE-IRA?

Establishing a Lord Abbett SIMPLE IRA is easy: simply follow the steps in our SIMPLE IRA Plan Sponsor Guide available at lordabbett.com or call our IRA specialists at 888-522-2388.

WHAT TYPE OF BUSINESS WOULD BENEFIT?

- Has 100 or fewer employees
- Does not sponsor a retirement plan
- Looking to attract and retain employees by offering a substantial retirement benefit
- Wants a low-cost plan with minimal administrative requirements
- Has a 401(k), but is not passing nondiscrimination testing

WHY A LORD ABBETT SIMPLE IRA?

EASY ON YOUR WALLET



- No annual custodial fees[†]
- No account setup charges
- No charges for paper statements
- Free overnight shipping

FAST ACCOUNT SETUP



- User-friendly electronic applications
- Online enrollment

SIMPLE INVESTMENT SELECTION



- 30+ equity, fixed-income, and multi-asset capabilities
- Single-fund allocation strategies
- Plan-level breakpoints

OUTSTANDING CLIENT SERVICE



- Our IRA specialists guide plan sponsors through the setup process

* A SIMPLE IRA nonelective contribution is an employer contribution to all eligible employees equal to 2% of pay upon the first \$305,000 of earnings whether or not the employee makes any payroll investments.

[†] Lord Abbett will waive (or otherwise pay) the yearly \$10.00 custodial fee that would be charged each year on an ongoing basis to every new IRA account and therefore will not assess a custodial account fee in 2022 or any year afterward. Additionally, the Federal Express (FedEx) charges are currently absorbed by the broker/dealer to submit paperwork to DST to open a Lord Abbett IRA account. Fund-level fees and expenses are still applicable. Please see a fund's current prospectus.

SIMPLE IRA PLAN

HOW MUCH CAN YOU CONTRIBUTE?

SIMPLE IRA PLAN: HYPOTHETICAL EXAMPLE	ANNUAL WAGE	CONTRIBUTION TO SIMPLE IRA ¹	FULLY VESTED 3% MATCH
Owner	\$60,000	\$14,000	\$1,800
Owner's Spouse	\$15,000	\$14,000	\$450
Employee 1	\$25,000	\$750	\$750 ²
Employee 2	\$25,000	\$750	\$750 ²
Employee 3	\$25,000	\$750	\$750 ²
Total Eligible Payroll	\$150,000		
Total Contribution by Owner			\$32,500 ³
Total Dollars to Owners			\$30,250
Total Dollars to Employees			\$2,250
Total Percentage to Owners ⁴			93% ⁴

¹ Both owner and spouse are able to defer \$14,000 in 2022 into a SIMPLE IRA. The owner and spouse will receive an additional match of 3% of compensation if they each defer at least 3% of their wages into the SIMPLE IRA. The match and deferral bring their contributions to \$30,250. If any participant is age 50 or older, an additional \$3,000 may be contributed through a catch-up contribution. This illustration does not include any catch-up contributions.

² Employees will receive a 3% matching contribution from the owner if they each defer at least 3% of their wages into the SIMPLE IRA. In this illustration, the matching contribution totals \$2,250.

³ Total employer allocation includes owner's deferral but excludes employees' deferrals.

⁴ If everyone participated, the owner would receive approximately 93% of the owner's contribution deposited into the plan.



LORD ABBETT®

Securing a sustainable future for our clients, our people, and our world.

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FOR MORE INFORMATION:

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NOT FDIC INSURED—NO BANK GUARANTEE—MAY LOSE VALUE

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