AMERICAN FUNDS®
From Capital Group

Retirement Plan
Enrollment Book

Prepare for the Retirement You Desire

When planning for retirement, start by asking yourself what you'll be doing in 10, 20 or 30 years. Will you:

- Have the freedom to follow your dreams?
- Live on a budget and pursue your interests?
- Continue to work because you choose to or have to?

Regardless of what you choose to do, your retirement plan can help you get closer to achieving those goals.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

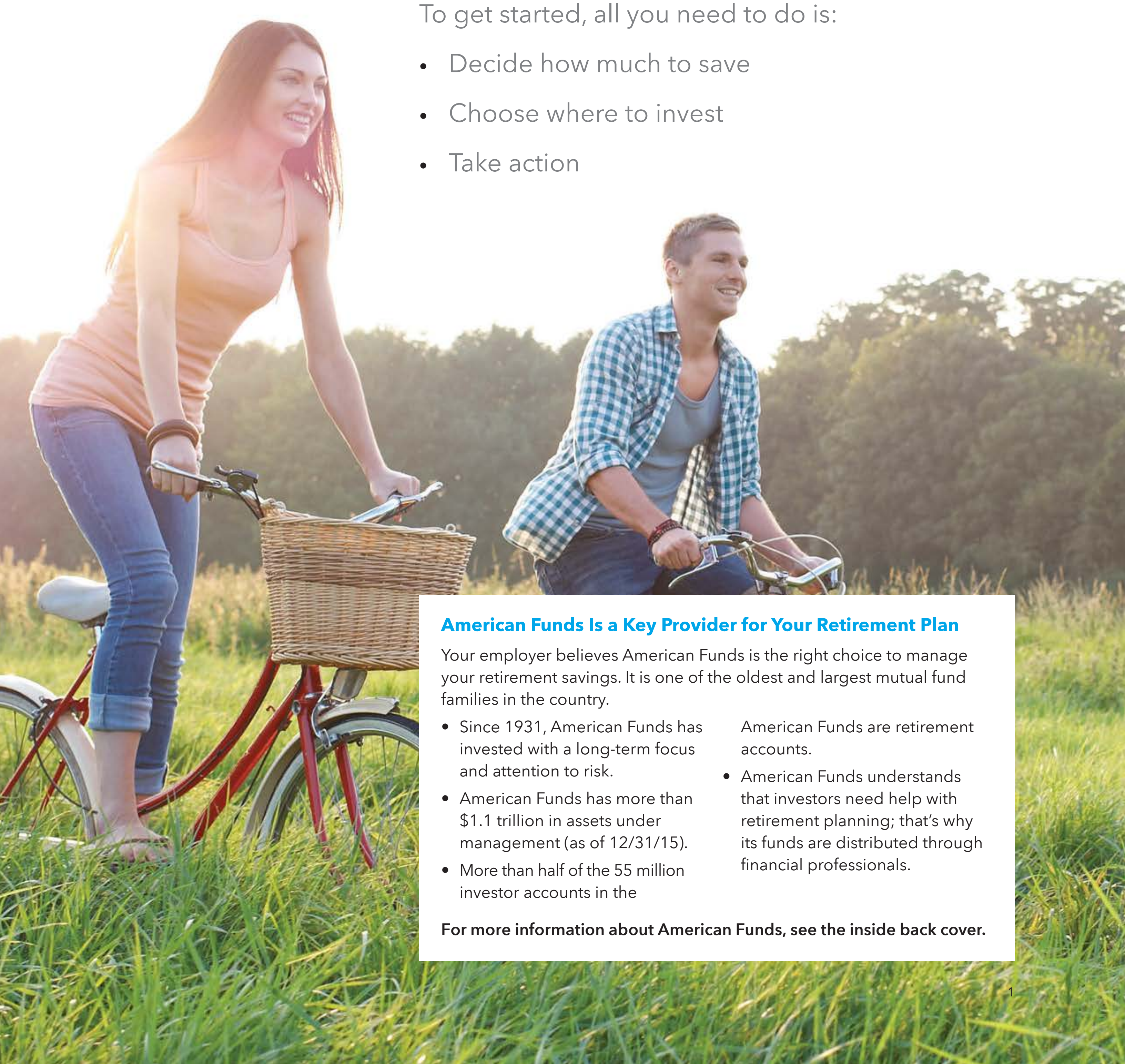
Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and summary prospectuses, which can be obtained from a financial professional and should be read carefully before investing.

Your Retirement Plan Makes It Simple

Your employer's retirement plan makes it easy to save for the future. It is designed to help you get closer to wherever you want to be in retirement.

To get started, all you need to do is:

- Decide how much to save
- Choose where to invest
- Take action



American Funds Is a Key Provider for Your Retirement Plan

Your employer believes American Funds is the right choice to manage your retirement savings. It is one of the oldest and largest mutual fund families in the country.

- Since 1931, American Funds has invested with a long-term focus and attention to risk.
- American Funds has more than $1.1 trillion in assets under management (as of 12/31/15).
- More than half of the 55 million investor accounts in the American Funds are retirement accounts.
- American Funds understands that investors need help with retirement planning; that's why its funds are distributed through financial professionals.

For more information about American Funds, see the inside back cover.

Take Advantage of Your Plan's Benefits

Your retirement plan is one of the most important benefits your employer offers you. Discover the potential advantages of contributing to your plan:

Convenience

Simply decide how much you'd like to contribute and the money is automatically taken out of your paycheck – before you have a chance to spend it. For example, the $1.50 you might pay for a cup of coffee every day could add up to more than $65,000 over 30 years if you save in the plan.*

* Assuming the $1.50 a day earned an 8% annual return for 30 years.

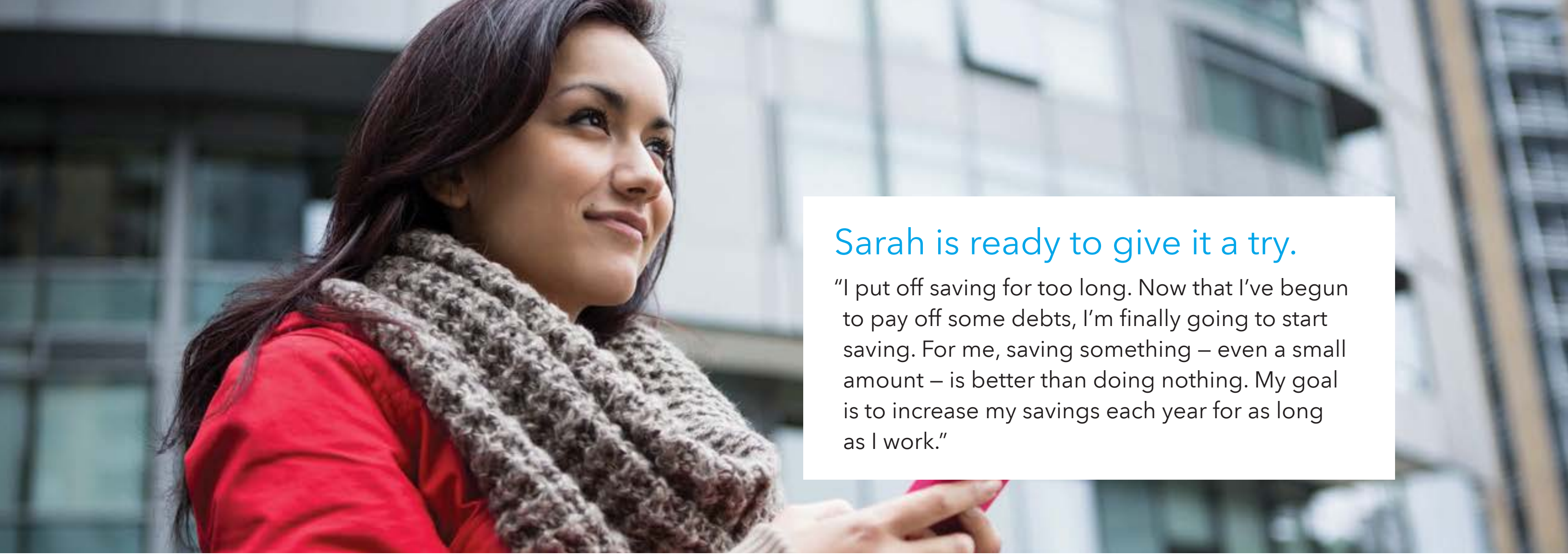
Growth Potential Over the Long Term

The longer you stay invested in the plan, the greater likelihood you'll have of reaching your retirement goals. That's because you have the potential to make money on what you've invested and on any account earnings.

Pretax Contributions

If you contribute $100 from every paycheck, it may cost you only $75 in actual take-home pay because the money is deducted directly from your paycheck before you pay any taxes.†

† Assuming that you pay 25% in taxes.



Sarah is ready to give it a try.

"I put off saving for too long. Now that I've begun to pay off some debts, I'm finally going to start saving. For me, saving something – even a small amount – is better than doing nothing. My goal is to increase my savings each year for as long as I work."

A Little Can Go a Long Way

Start saving what you can today and commit to increasing your savings in the future. This chart shows how various contribution levels can result in larger withdrawals during retirement.

		Percentage of Salary		
If You Contribute		**15%**	**10%**	**6%**
Contributions Every Two Weeks		$ 260	$ 173	$ 104
Contribution Amount At Year-End		6,750	4,500	2,700
Monthly Retirement Withdrawals	in 10 Years	345	230	138
	in 20 Years	1,112	741	445
	in 30 Years	2,816	1,878	1,127

The example above assumes an annual salary of $45,000. Values are for illustrative purposes only and do not reflect the results of any particular investment, which will fluctuate with market conditions, or taxes that may be owed on tax-deferred contributions, including the 10% penalty for withdrawals taken before age 59½. An 8% average annual return rate, compounded every two weeks, is assumed. Monthly retirement withdrawal reflects an annual withdrawal rate of 4% of the account balance divided by 12. The estimate does not take into account certain factors, including changes to the employee contributions, required minimum distributions and post-retirement taxes. These are point-in-time views and as such do not take into account any growth or loss during retirement. Without investment growth/loss during retirement, a 4% annual withdrawal rate would deplete retirement savings in 25 years. Estimated withdrawal calculations are not intended to reflect actual results; your results may vary. Regular investing does not ensure a profit or protect against loss in a declining market. Please consult your financial professional for any questions you may have about your situation.

Check Out Your Plan's Website

There's a wealth of information on the Web that can help you make all kinds of investment decisions – both in the plan and outside the plan. For a closer look, visit **americanfundsretirement.com**.

On your plan's website you'll also find:

- Account access
- Easy-to-use tools and calculators
- Articles on key investing topics

Your Plan's Financial Professional Can Help

This individual can answer questions about investing and help you plan for your financial future. Ask your employer for your plan's financial professional's contact information.

Decide How Much to Save

Experts say you'll need to save 10% to 15% of your salary each year to have enough to live on in retirement. If you can't afford that much, contribute what you can today and increase your contribution every year.

American Funds Retirement Roadmap®

Use the Retirement Roadmap on **americanfundsretirement.com** to create more personalized estimates of what you may need in retirement.

The more money you've accumulated, the better prepared you'll be to:

Fight Inflation

$8.03

The projected cost of a gallon of milk in 30 years. Although the average cost today is $3.31, this example shows how your savings may buy less in the future.

Source: Bureau of Labor Statistics.
Assuming a 3% inflation rate for 30 years.

Supplement Social Security

40%

Social Security replaces about 40% of an average worker's income in retirement. Providing the rest is up to you.

Source: Social Security Administration.

Help Pay for Health Care

$259,000

It's estimated that a 65-year-old couple, both with median prescription drug expenses, would need $259,000 in savings to have a 90% chance of having enough money for health care expenses in retirement.

Source: Employee Benefit Research Institute (EBRI).

Save the Amount That Makes the Most Sense for You

You don't have to take an all-or-nothing approach when it comes to saving. These three scenarios may give you an idea of how to get started.

I contribute the maximum to the plan.

"I feel lucky to be able to set aside a lot of money for retirement. In fact, I'm 'maxing out.' And because I'm over 50, I get to contribute additional money."

I started small and increased my savings each year.

"At first I couldn't afford to contribute much as I had a number of priorities. Putting away something was better than not saving at all. Since then, I've gradually increased my contributions. When I've gotten a raise, I've added some of it to my contributions. And, over time, it's made a difference in my account value."

I now save 8% of my pay.

"While contributing the maximum isn't an option now, I'm contributing 8% of my pay because that fits my budget. I started with 5%. I'm slowly working my way to 10% a year. I've been able to increase the amount I contribute to the plan by 1% of my pay. I barely notice the dent in my paycheck."

Choose Your Investments

Deciding where to invest your money is one of the biggest challenges you'll face as an investor. This information will help you get started.

Option A: Choose a Target Date Fund

A good choice if you:

- Prefer a simplified approach to investing.
- Want to invest in a portfolio that's specifically designed with your retirement date in mind.
- Don't want to make decisions on how different investments work together.

How to Choose Your Investments

There are generally two ways to build your portfolio: by selecting a target date fund (if your plan offers them) or by choosing your own mix of investments (you can use the sample asset allocation models in this brochure as a guide). Visit **americanfundsretirement.com** to find out more about your investment options. (Please note that once enrolled in the plan you may have access to a different website.) From the website you can access key data and investment results that can help you make informed decisions about the American Funds that may be in your plan.

What Is a Target Date Fund?

It's a group of mutual funds combined into one fund that serves as a single diversified retirement investment. Because each fund in the American Funds Target Date Retirement Series® is designed as a complete portfolio, you only need to choose *one* based on when you expect to retire.

What You Should Know About the Target Date Series

- The series offers a number of target date fund portfolios in five-year increments for retirement dates through 2060.
- Each fund is composed of a diverse mix of the American Funds and is subject to their risks and returns.
- American Funds investment professionals manage each target date fund portfolio, moving it from a more growth-oriented focus to a more income-oriented focus as the target date approaches.
- Investment professionals continue to manage each fund for 30 years after its target date is reached.
- The target date is the year in which an investor is assumed to retire and begin taking withdrawals.
- Although the target date funds are managed for investors on a projected retirement date time frame, the funds' allocation approach does not guarantee that investors' retirement goals will be met. In addition, contributions to the fund may not be adequate to reach your retirement goals.

John is all set with a ready-made portfolio.

"A target date fund is a great option for me. I don't feel qualified to build my own portfolio using different funds. I like the idea that investment professionals are managing the fund based on a retirement date. That gives me time to focus on other things."

Choose the Target Date Fund That's Right for You

Find the year that you were born and the year that you expect to retire and may begin taking withdrawals and match them with one of the American Funds target date retirement funds below. Of course, you should consider your risk tolerance as well as any assets and investments outside your plan as you make your investment decision.

If You Were Born in	And You Plan to Retire (or have retired) in	Then Consider This Target Date Fund
1993 and later	2058 and later	**2060**
1988 to 1992	2053–2057	**2055**
1983 to 1987	2048–2052	**2050**
1978 to 1982	2043–2047	**2045**
1973 to 1977	2038–2042	**2040**
1968 to 1972	2033–2037	**2035**
1963 to 1967	2028–2032	**2030**
1958 to 1962	2023–2027	**2025**
1953 to 1957	2018–2022	**2020**
1948 to 1952	2013–2017	**2015**
1947 and earlier	2012 and earlier	**2010**

Each target date fund is designed to act as a single diversified retirement portfolio, so you only need to select one.

Don't Leave Your Selection to Chance

Check in with your plan's financial professional to see if a target date fund might work for you.

If you're already investing or within 10 years of retiring, this may be the right time to review your overall approach to see if it still makes sense. Give your financial professional a call. You can also visit **americanfundsretirement.com** for more information. Type "LifeStages" in the search box.

Choose Your Investments

Option B: Build Your Own Portfolio

A good choice if you:

- Want to choose your own investments.
- Prefer to use a sample model as a guide for selecting your funds.
- Want to tailor an investment portfolio with your specific financial goals in mind.

Select the Right Combination of Investments

The investments you choose will depend on a number of factors, including when you expect to withdraw the money, your risk tolerance, and your financial goals and circumstances. The key lies in creating a portfolio with a mix of investments that have diverse objectives you can stick with through all kinds of market conditions.

What You Should Know About the Investments

Investments have different objectives with varying degrees of risk-and-return potential. For example, growth investments have the highest long-term return potential but also have the highest risk. The cash equivalents aim to preserve what you've saved but may not provide the growth needed to meet your retirement goals. Other types, such as bonds, fall in between and have varying degrees of risk and return. For example, the value of bond investments may fall as interest rates rise.

You can use the American Funds sample models in this brochure as a guide when choosing your investments. These portfolios were designed for investors based on their retirement time frames. The fund types shown in the models – growth, growth-and-income, equity-income/balanced and bond – are commonly found in retirement plans. Visit your plan's website to see the list of funds in these categories. Your company's plan may not offer funds in every investment category.

Familiarize Yourself With Your Options

After you review the sample models on the next page, you'll need to learn more about the investments in your plan. Check out investment results and investment details on your plan's website. Look at each investment's:

- objective
- past results over various periods
- fees and expenses
- alignment with your overall goals

In addition, it's always good to know what your comfort level is with the risk-and-return characteristics of your plan's investments. How comfortable are you with swings in results? This is an important consideration when deciding on a long-term strategy.

If you want to learn more about selecting an investment mix, visit

americanfundsretirement.com
Type **Develop an investment strategy** in the search box

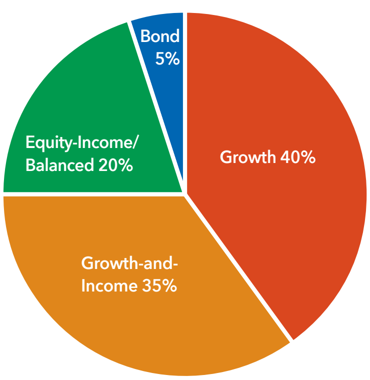
Get Started With Sample Models

Many people who build their own portfolios use models as a starting point. Whether you use one of the sample models below or create your own, you'll need to choose specific investments. When selecting your investments, you should also take into account your risk tolerance as well as your other assets and any investments outside your plan, such as your home equity, IRAs and savings accounts.

Jeff: Model A

20 years or more until retirement

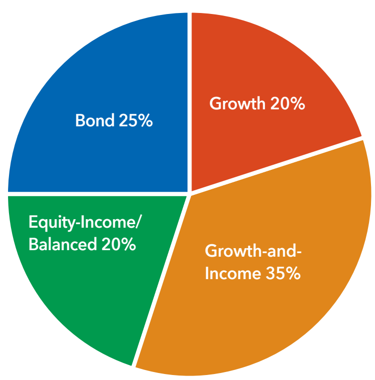
"With more than 30 years to retirement, I chose investments that have the potential for higher returns. I know I may suffer short-term drops in my account, but that's okay. Time is on my side, and I'm sticking to my goals."



Julianna: Model B

5 to 20 years until retirement

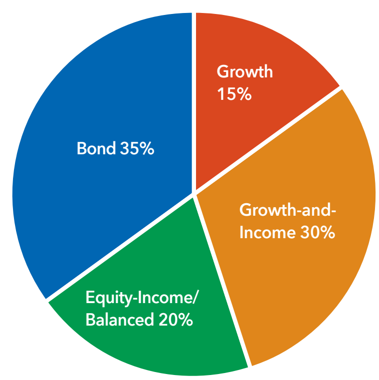
"I'm about 10 years from retirement. I realize I need to have a balance between growth investments and those that seek income. Getting the right combination is important."



Fred: Model C

5 years or less until retirement

"I'm retiring in two years. I've seen it all in the years I've been investing – good results and bad. I can't afford dramatic swings in my account, so now my portfolio is more income-oriented."



◀ higher volatility
higher returns

lower volatility ▶
lower returns

If the sample model for your time horizon doesn't align with your goals, consider adjusting the percentages. You can also create your own mix with the help of your plan's financial professional.

These models, developed by investment professionals at American Funds, emphasize an investor's time horizon and take into account the historic returns of the different types of investments (growth, growth-and-income, equity-income/balanced and bond). Specifically, the models seek to balance total return and stability over time.

The Power of Regular Investing

Making ongoing contributions to your plan allows you to take advantage of changing market conditions.

Smoothing Out the Ups and Downs

As a retirement plan participant contributing a fixed amount of money each pay period, you're using an approach known as "dollar cost averaging." This strategy allows you to buy more shares of an investment when its price is falling and fewer shares of it when its price is rising. Over time, this approach can help you gradually accumulate shares with a lower average price per share.

Dollar Cost Averaging in Action

The table below illustrates how dollar cost averaging works. In this example, a plan participant made regular contributions of $50 every paycheck, buying shares of an investment at varying prices. When the share price dipped, the participant was able to buy more shares. The end result: The average price paid per share ($16.67) is lower than the average share price ($18.75).

Date of Investment	Amount Invested	Share Price	Number of Shares Purchased
January 15	$ 50.00	$ 25.00	2.0
January 31	50.00	20.00	2.5
February 15	50.00	10.00	5.0
February 28	50.00	20.00	2.5
Totals	**$ 200.00**	**$ 75.00**	**12.0 shares**

Average share price	**$18.75** ($75.00 ÷ 4 investments)
Average price paid per share	**$16.67** ($200.00 ÷ 12.0 shares)

This example is hypothetical and does not reflect the share price of any particular investment. Regular investing does not ensure a profit or protect against loss, and you should consider your willingness to keep investing when share prices are declining.

Of course, to reap the benefits of regular investing, you must be willing to stick to your strategy during bad markets as well as good ones.

Take Action

In steps 1 and 2, write down what you plan to do, and then use the same information to make your selections in step 3.

STEP 1: Decide How Much to Save

Review pages 4 and 5 to get an idea of how much you may need to save per month:

$ _______ or __________%

STEP 2: Choose Where to Invest

List your investment selections on the right

You can select a target date fund (if your plan offers them), or you can build your own portfolio using different investments. For a full list of investments, check with your employer or your plan's financial professional.

STEP 3: Make Your Selections

Follow the instructions from your employer or your plan's financial professional on how to enroll or make changes to your account.

Help Is Only a Call or Click Away.

If you're not sure what to do next or need help in getting started, contact your plan's financial professional.

List your investment selections:

Investment Name	Percentage
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
______________________________	__________%
	TOTAL 100%

Notes

The American Funds Advantage℠

Since 1931, American Funds, part of Capital Group, has helped investors pursue long-term investment success. Our consistent approach — in combination with The Capital System℠ — has resulted in a superior long-term track record.

Aligned With Investor Success

We base our decisions on a long-term perspective, which we believe aligns our goals with the interests of our clients. Our portfolio managers average 27 years of investment experience, including 22 years at our company, reflecting a career commitment to our long-term approach.[1]

The Capital System℠

The Capital System combines individual accountability with teamwork. Funds using The Capital System are divided into portions that are managed independently by investment professionals with diverse backgrounds, ages and investment approaches. An extensive global research effort is the backbone of our system.

Superior Long-Term Track Record

Our equity funds have beaten their Lipper peer indexes in 91% of 10-year periods and 95% of 20-year periods. Our fixed-income funds have beaten their Lipper indexes in 58% of 10-year periods and 58% of 20-year periods.[2] Our fund management fees have been among the lowest in the industry.[3]

1 Portfolio manager experience as of December 31, 2015.

2 Based on Class A share results for rolling periods through December 31, 2015. Periods covered are the shorter of the fund's lifetime or since the comparable Lipper index inception date (except Capital Income Builder and SMALLCAP World Fund, for which the Lipper average was used). Although Class A shares are available for purchase by retirement plans only in limited instances, their results reflect the investment management experience of the American Funds without retirement plan recordkeeping expenses. American Funds offers plan sponsors flexibility in how they pay for plan operating expenses (such as recordkeeping fees) through distinct retirement plan classes. Expenses differ for each class, so results will vary. For current information and month-end results for Class A shares and for all share/unit classes, visit **americanfundsretirement.com**.

3 On average, our management fees were in the lowest quintile 68% of the time, based on the 20-year period ended December 31, 2015, versus comparable Lipper categories, excluding funds of funds.

Past results are not predictive of results in future periods.

Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and summary prospectuses, which can be obtained from a financial professional and should be read carefully before investing.

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