



LORD ABBETT SEP-IRA

A Simplified Employee Pension (SEP) plan offers sole proprietors and small-business owners an attractive and affordable way to maximize their retirement savings.

ADVANTAGES OF A LORD ABBETT SEP-IRA:

- No custodial account fees
- Low cost and easy to maintain
- Attractive investment options
- Employer contributions are tax-deductible
- High contribution level (\$61,000 in 2022)
- Funding flexibility—contributions are discretionary
- No government filings
- Retroactive establishment and funding—plan can be established as late as the business's tax-filing deadline plus extension

HOW DO YOU SET UP A LORD ABBETT SEP-IRA?

Establishing a Lord Abbett SEP IRA is easy. Simply complete IRS Form 5305-SEP and a SEP IRA application. Forms are located at lordabbett.com or contact our IRA specialists at 888-522-2333.

ELIGIBILITY

SEP IRAs must include any employee who satisfies the following criteria:

- Age 21 and older
- Employed by the employer in at least three of the last five years
- Annual earnings of at least \$650 in 2022

Employers are permitted to choose less restrictive eligibility requirements.

CONTRIBUTIONS

Employer: A discretionary contribution equal to the lesser of 25% of compensation or \$61,000 in 2022

Employee: Not permitted

DISTRIBUTIONS

As an IRA, a SEP follows the same distribution rules that apply to a traditional 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
- Same day setup using Automated Clearinghouse (ACH) Funding

SIMPLE INVESTMENT SELECTION



- More than 30 equity, fixed-income, and asset-allocation capabilities to help address a range of investment goals
- Single-fund allocation strategies
- Plan-level breakpoints

OUTSTANDING CLIENT SERVICE



- Our IRA specialists guide plan sponsors through the setup process
- Award-winning service team[†]

* 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.

[†] In 2014, Lord Abbett was recognized as a leader in customer service by Dalbar.

HOW MUCH CAN YOU CONTRIBUTE?

EXAMPLE 1: SOLE PROPRIETOR

| | | | |
|---------------------------|----------|-----------|-----------|
| Owner's Salary | \$50,000 | \$100,000 | \$250,000 |
| Maximum SEP Contribution* | \$9,294 | \$18,587 | \$47,683 |
| Taxable Income | \$40,706 | \$81,413 | \$202,317 |
| Marginal Tax Bracket | 22% | 24% | 35% |
| Tax Savings | \$2,045 | \$4,461 | \$16,689 |

*You may make an annual contribution of up to 25% of the employee's compensation or \$61,000, whichever is less. Individuals with self-employed income must base their contributions on "earned income." For self-employed individuals, earned income refers to net business profits derived from the business, reduced by a deduction of one-half of your self-employment tax, less your SEP IRA contribution. Compensation, for this purpose, does not include employer contributions to the SEP or the employee's compensation in excess of \$305,000. Refer to IRS Form 5305-SEP for details. For assistance in calculating your SEP contribution, visit lordabbett.com.

EXAMPLE 2: SMALL BUSINESS WITH EMPLOYEES

| | SALARY | CONTRIBUTION (10% OF INCOME) |
|--------------------------------|----------|------------------------------|
| Employer | \$95,000 | \$9,500 |
| Employee 1 | \$50,000 | \$5,000 |
| Employee 2 | \$45,000 | \$4,500 |
| Employee 3 | \$35,000 | \$3,500 |
| Total Contributed | | \$22,500 |
| Less Tax Savings (24% bracket) | | \$5,400 |
| Net Cost | | \$17,100 |
| Less Employer's Contribution | | \$9,500 |
| Annual Net Contribution | | \$7,600 |



LORD ABBETT®

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

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A Simplified Employee Pension plan (SEP-IRA) is a retirement plan specifically designed for the self-employed and small-business owners. When establishing a SEP IRA plan for your business, you and any eligible employees establish your own separate SEP IRAs; employer contributions are then made into each eligible employee's SEP IRA.

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FOR MORE INFORMATION:

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NOT FDIC INSURED—NO BANK GUARANTEE—MAY LOSE VALUE

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