

# The SIMPLE IRA Employer Guide

A Retirement Plan Solution for Small Businesses

- SIMPLE IRA Overview
- Forms to Establish Your SIMPLE IRA

#### Investment Products Offered

- Are Not FDIC Insured
- May Lose Value
- Are Not Bank Guaranteed



# Do Retirement Plans Have to Be Complicated?

When you're busy running a business, setting up a retirement plan may seem like one more big and expensive task. A SIMPLE IRA can help.

## Keep It Simple with an AllianceBernstein SIMPLE IRA Plan

A SIMPLE IRA plan is an easy, affordable retirement plan that was created to meet the needs of small business owners—busy professionals who typically don't have a lot of time to administer a retirement plan.

Like the popular 401(k) plan, the Savings Incentive Match Plan for Employees (SIMPLE) is funded primarily by employee contributions and is supplemented by employer contributions. Employees contribute on a pretax basis, through a convenient payroll deduction program. Employers can choose from various contribution options and make contributions regularly along with employee payroll deductions or once annually after year-end.

All contributions are deposited into individual employee SIMPLE IRA accounts where employees choose their own investments from among a predetermined list of options.

The SIMPLE IRA plan is an easy-to-administer retirement plan that helps you provide an important benefit to your employees: both you and your employees can have access to the advantages of pretax savings and tax deferral.

## Which Employers Can Establish a SIMPLE IRA Plan?

A SIMPLE IRA plan can be established if your company:

- Had 100 or fewer employees in the prior calendar year—any employee earning at least \$5,000 counts toward this limit, regardless of years of service.<sup>1</sup>
- Does not currently have another employer-sponsored retirement plan, such as a SEP IRA, Keogh or 401(k).

If your company already has another type of retirement plan, you can keep assets in that plan. But for any year you want to maintain a SIMPLE IRA plan, you cannot make any contributions to (or accrue benefits from) any other employer-sponsored retirement plan.



<sup>1</sup> If you have maintained a SIMPLE IRA plan in the past and your company surpasses the 100 employee limit, there is a special transitional rule. Review the General Instructions for IRS Form 5304-SIMPLE, available from the IRS at <http://www.irs.gov/pub/irs-pdf/f5304sim.pdf>

# SIMPLE IRA: Easy to Set Up...

1. Complete the enclosed SIMPLE IRA Employer Profile and the AllianceBernstein SIMPLE IRA Online Payroll Processing Authorization Form. Be sure to include a completed IRS Form 5304-SIMPLE (available from the IRS at <http://www.irs.gov/pub/irs-pdf/f5304sim.pdf>) and the SIMPLE IRA Employee Participation Notice. Photocopy all materials for your records and future use.
2. Contact your financial advisor or AllianceBernstein to obtain SIMPLE IRA Employee Kits for enrollment. Work with your financial advisor to determine the best enrollment process for your employees.
3. Distribute completed copies of your Employee Participation Notice and Form 5304-SIMPLE, along with a SIMPLE IRA Employee Kit, to each eligible employee.  
  
The SIMPLE IRA Employee Kit includes a SIMPLE IRA Employee Application and a Salary Reduction Agreement Form that employees must complete and sign to begin contributing to the plan. You must provide this material prior to your 60-day enrollment period. See page 3 for IRS details about the 60-day enrollment period. Instruct employees to complete and return their SIMPLE IRA Applications and Salary Reduction Agreements to you.
4. Adjust your payroll records to accommodate each participating employee's payroll deduction contribution.<sup>2</sup>
5. Send the following items to AllianceBernstein to establish your SIMPLE IRA plan:
  - Completed and signed Employee SIMPLE IRA Applications (an application must be on file with AllianceBernstein for any employee making contributions);
  - Completed and signed SIMPLE IRA Employer Profile; and
  - Completed and signed AllianceBernstein SIMPLE IRA Online Payroll Processing Authorization Form.

Once we receive your AllianceBernstein SIMPLE IRA Online Payroll Processing Authorization Form, we'll establish your account and send you a confirmation letter that will include complete instructions for initializing your User Identification Number (UIN).<sup>\*</sup> After you have initialized your UIN, you may begin remitting SIMPLE IRA contributions online.

<sup>\*</sup>Please note: SIMPLE IRA contributions can be submitted online or with a SIMPLE IRA Contribution Schedule form.

## Send all correspondence to:

AllianceBernstein  
PO Box 219275  
Kansas City, MO 64121-9275

## For overnight delivery:

AllianceBernstein  
430 W 7th St, Suite 219275  
Kansas City, MO 64105-1407

<sup>2</sup> Note that participant contributions are not subject to federal income tax withholding, but are subject to Social Security, Medicare and federal unemployment tax withholding. If you have questions, consult your tax advisor.

# ...Easy to Manage

## For Your Plan's First Year

1. Select a plan effective date. For your plan's first year, this date must fall between January 1 and October 1.
2. You must designate a 60-day employee enrollment period that begins no earlier than 60 days before the plan's effective date and ends no later than 60 days after the plan's effective date.
3. Follow the instructions on page 2 for timing and distribution of notices to employees.
4. If you select "Full Eligibility" as a plan feature on IRS Form 5304-SIMPLE, there are special timing requirements for providing information to new employees. Please refer to the General Instructions section of IRS Form 5304-SIMPLE for more information.

## For Subsequent Years

1. After your plan's first year, the 60-day enrollment period always begins on November 2 and ends on December 31.
2. Be sure that your company is still eligible to offer a SIMPLE IRA plan based on IRS parameters. See page 1 for more information.
3. Allow eligible employees to elect to participate in the plan—or change an existing election—during the annual 60-day enrollment period from November 2 to December 31.
4. Prior to November 2, provide a completed copy of your new Employee Participation Notice and completed pages 1 and 2 of Form 5304-SIMPLE to your employees.



## Make It Happen Today!

If you have any questions about establishing your SIMPLE IRA plan, call our Small Business Services group at (800) 326 5089.

# The AllianceBernstein SIMPLE IRA Advantage

## Benefits of an AllianceBernstein SIMPLE IRA

An AllianceBernstein SIMPLE IRA gives you and your employees:

- Flexibility in investment choices from a wide array of AllianceBernstein mutual funds. These funds cover the spectrum of asset classes, from conservative fixed income through aggressive equity, including our Retirement Strategies target date funds and Wealth Strategies asset-allocation funds.
- Account and fund information access via the Internet and telephone.
- Customer service representatives available Monday through Friday from 8:30 a.m. to 6:00 p.m. ET.

For more information on the AllianceBernstein SIMPLE IRA, please visit us at [www.alliancebernstein.com](http://www.alliancebernstein.com) or call (800) 326 5089.

## Participant Fee Schedule

The following fees, based on individual participant account balances, are effective for the AllianceBernstein SIMPLE IRA. One fourth of the annual fee will be deducted out of the participant's account on a quarterly basis.

Participant Account Balance	Annual Participant Fee
\$0–\$5,000	\$60
\$5,001–\$10,000	\$50
\$10,001–\$15,000	\$30
\$15,001 or more	\$0

When applying a particular asset allocation model for retirement investing, your participants should consider their other assets, income, and investments (e.g., equity in home, IRA investments, savings accounts, and interests in other qualified and non-qualified plans) in addition to any investment in your firm's retirement plan.

Investors should consider the investment objectives, risks, charges and expenses of the Fund/Portfolio carefully before investing. For copies of our prospectus or summary prospectus, which contain this and other information, visit us online at [www.alliancebernstein.com](http://www.alliancebernstein.com) or contact your AllianceBernstein Investments representative. Please read the prospectus and/or summary prospectus carefully before investing.

# The AllianceBernstein SIMPLE IRA Employer Profile

- Please print clearly using blue or black ink. If any portion of this form is not completely filled in, processing delays could result.
- IRS Form 5304-SIMPLE, available from the IRS at <http://www.irs.gov/pub/irs-pdf/f5304sim.pdf>, must be completed and submitted with this form.
- Send your completed and signed Employer Profile, the completed IRS Form 5304-SIMPLE, your employees' individual applications, and your SIMPLE IRA Online Payroll Processing Authorization Form to **AllianceBernstein, PO Box 219275, Kansas City, MO 64121-9275**; for overnight delivery, send to **AllianceBernstein, 430 W 7th St, Suite 219275, Kansas City, MO 64105-1407**.
- For help filling out this application, please call Customer Service at (800) 326 5089, 8:30 a.m.–6:00 p.m. (ET), Monday–Friday.

## 1. Employer Information

Employer Name			
Contact Person	Daytime Phone Number	Company Fax Number	
Mailing Address			
City	State	ZIP Code	
Physical Address/Principal Place of Business (must provide if mailing address is a Post Office Box)			
City	State	ZIP Code	
Effective Date of Plan	Taxpayer Identification Number (used for tax reporting)		
Type of Entity:	<input type="checkbox"/> Corporation	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership
	<input type="checkbox"/> S-Corporation	<input type="checkbox"/> Nonprofit	<input type="checkbox"/> LLC
	<input type="checkbox"/> Other		

## 2. Financial Advisor Information

Please ask your Financial Advisor for this information.

Name of Firm	Name of Financial Advisor	
Branch Office Address	Authorized Signature	
Telephone Number	Branch Office Code	Financial Advisor Number

### 3. Signature

*I am an authorized representative of the employer named above and I certify that the employer is eligible to establish this SIMPLE IRA plan. In addition, I certify that for the year this SIMPLE IRA plan is established and each year thereafter, the employer will furnish to employees a completed copy of the most recent version of IRS Form 5304-SIMPLE and the Employee Participation Notice on a timely basis.*

AllianceBernstein is required by law to obtain, verify and record certain personal information from you or persons on your behalf in order to establish the account. Required information includes name, date of birth, permanent residential address and Social Security number or Taxpayer Identification Number. We may also ask to see other identifying documents. If you do not provide the information, AllianceBernstein may not be able to open your account. By signing the application, you agree to provide this information and confirm that this information is true and correct. If we are unable to verify your identity, or that of another person(s) authorized to act on your behalf, or if we believe we have identified potentially criminal activity, we reserve the right to take action as we deem appropriate, which may include closing your account.

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Employer Signature

Date

# The AllianceBernstein SIMPLE IRA Online Payroll Processing Authorization Form

AllianceBernstein's Group Retirement Plan Access Center will provide you with 24-hour-a-day, seven-day-a-week access to online payroll processing for your AllianceBernstein SIMPLE IRA plan. Online Payroll Processing provides you with many capabilities:

- View a Roster: View a list of all payrolls currently in a confirmed, held, pending or work-in-progress (draft) status
- Search for a Roster: Narrow your payroll list to search for a particular payroll roster
- Edit Roster: Change contribution amounts for any contribution type or add participants and/or contribution types to the payroll
- Model Roster: Create a new payroll by replicating a previous payroll. This feature allows you to add/remove participants from the roster and update the dollar amounts within each money type. You will find this function most useful for participants whose contribution amounts remain unchanged.
- Delete Roster: Permanently delete a specific roster
- New Roster: Establish new roster criteria

Please complete the information requested on this form and mail it back to: **AllianceBernstein, PO Box 219275, Kansas City, MO 64121-9275**; for overnight delivery, send to **AllianceBernstein, 430 W 7th St, Suite 219275, Kansas City, MO 64105-1407**. Once the completed form is received and processed, a confirmation letter will be mailed to you with your User Identification Number (UIN) and password for gaining access to your SIMPLE IRA plan.

Please note: SIMPLE IRA contributions can be submitted online or with a SIMPLE IRA Contribution Schedule form.

## 1. AllianceBernstein's Group Retirement Plan Access Center

Please complete the following:

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Plan Name

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Employer

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Employer's Address

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City

State

ZIP Code

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Telephone Number

Fax Number

Email Address

*While the AllianceBernstein Online Group Retirement Plan Access Center is designed to be as secure as possible, the Internet can be an unpredictable environment. I understand that by using this system, I am assuming all risks of this system. I also agree that I am responsible for verifying any instructions that I provide and for ensuring the confidentiality of my UIN. I will contact AllianceBernstein immediately if I become aware of any discrepancies in the transactions I request or any unauthorized use of this system relating to my SIMPLE IRA plan.*

*I have read the above terms and conditions on the AllianceBernstein Simple IRA Online Payroll Processing Authorization Form carefully and understand the possible risks involved. By signing below, I certify that I am an authorized signer and am qualified to make this authorization on behalf of the Plan indicated on this form.*

## Employer Signature

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Signature

Date

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Please Print Name

## 2. Authorized Agreement for Automatic Payments—ACH Debits (Optional Service)

Note: Your financial institution must be a US bank.

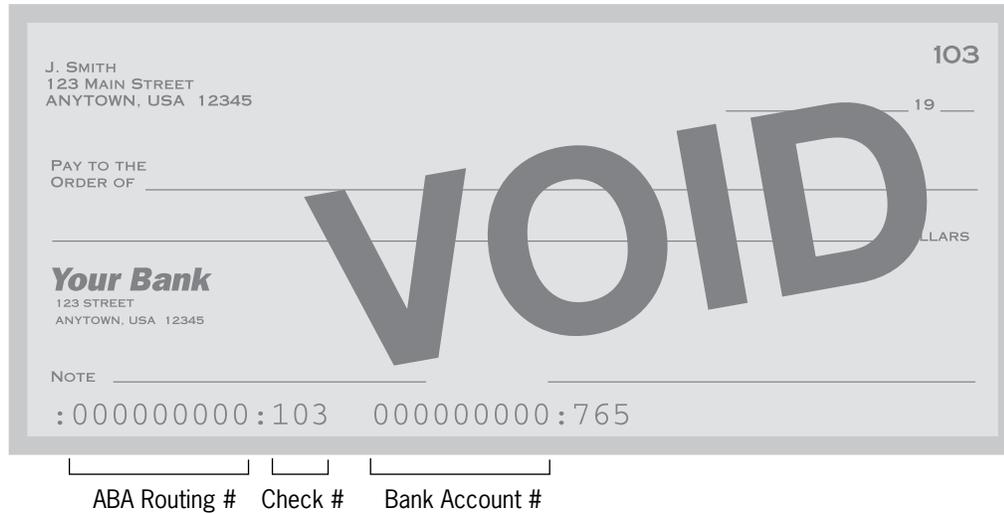
Financial Institution Name (bank)

Bank Account Number

Bank ABA Routing Number

Please Tape a Preprinted, Voided Check Here\*

Please note that verifying a company's checking information takes approximately 14 days; therefore, payroll contributions sent to us during this time period must be funded by check or wire.



The undersigned hereby authorizes AllianceBernstein Investor Services, Inc. to initiate debit entries from the Company checking account at the financial institution named above in amounts to match individual contribution schedules, with respect to the Plan named above, as well as any applicable fees incurred due to insufficient funds at the depository. The undersigned has the authority to make this agreement. The undersigned is an authorized signer for the account named above. If more than one person is required to sign with respect to the account, all such persons have signed below. The undersigned, as an authorized plan sponsor, also expressly acknowledges responsibility for payments regardless of whether there are sufficient funds on deposit in such account. It is agreed that AllianceBernstein Investor Services, Inc.'s liability under this authorization agreement shall be limited exclusively to amounts that are negligently or intentionally debited by AllianceBernstein Investor Services, Inc. The undersigned acknowledges that if an ACH is rejected due to insufficient funds two (2) times, the third rejection will nullify this agreement for automatic payments (ACH debit agreement), and all future funding of payroll or other contributions from that point forward must be in check or wire format.

### Authorized Bank Account Signer

Signature

Date

Please Print Name

This authority is to remain in effect until AllianceBernstein Investor Services has received written notification from the employer of its termination in such time and manner as to afford AllianceBernstein Investor Services and depository a reasonable opportunity to act on the instruction.

\*Services cannot be established without a preprinted voided check. For ACH transactions, the fund requires signatures of bank account owners exactly as they appear on bank records. The registration at the bank must match that on the AllianceBernstein mutual fund accounts.



When applying a particular asset allocation model for retirement investing, your participants should consider their other assets, income, and investments (e.g., equity in home, IRA investments, savings accounts, and interests in other qualified and non-qualified plans) in addition to any investment in your firm's retirement plan.

**Investors should consider the investment objectives, risks, charges and expenses of the Fund/Portfolio carefully before investing. For copies of our prospectus, or summary prospectus, which contains this and other information, visit us online at [www.AllianceBernstein.com](http://www.AllianceBernstein.com) or contact your AllianceBernstein Investments representative. Please read the prospectus and/or summary prospectus carefully before investing.**

AllianceBernstein Investments, Inc. (ABI) is the distributor of the AllianceBernstein family of mutual funds. ABI is a member of FINRA and is an affiliate of AllianceBernstein L.P., the manager of the funds.

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