



SEP-IRA SIMPLE-IRA



Simplified Employee Pension Plan
Savings Incentive Match Plan for Employees of Small Employers

Employee Individual Retirement Accounts

Open your SEP-IRA or SIMPLE-IRA with Saturna and take advantage of the following:

A wide range of investment choices

We offer a selection of Saturna no-load mutual funds with a variety of investment objectives. By investing in more than one fund, you can tailor your retirement account to reflect your own risk and return objectives.

IRAs with Saturna's No-Load Mutual Funds

If you invest in any of Saturna's affiliated no-load mutual funds, we will not charge you any account opening, maintenance, or custodial fees on your IRA account (mutual fund expenses do apply).

Investments in mutual funds are subject to ongoing expenses that shareowners pay indirectly. Please consult a fund's prospectus or summary prospectus for more details.

Self-Directed Brokerage Option

If you wish to purchase non-Saturna mutual funds, stocks, bonds, limited partnerships, or write covered call options on stocks you own as part of your retirement investments, we offer Self-Directed brokerage accounts. Self-Directed brokerage accounts are special Saturna Brokerage Services accounts enabling you to purchase and sell a variety of securities for your retirement plan. A regular brokerage statement is provided showing each security in your account and its current value. Self-Directed brokerage accounts are subject to normal brokerage commissions and other possible charges (see the commission schedule for details).

Comparing Your Choices:

Small business owners have a number of retirement plan options to choose from. At Saturna, we believe the SEP-IRA and SIMPLE-IRA plans offer employers great "Value for Your Money" because of their low cost and



easy operation.

The two plans have a few major distinctions:

The **SEP-IRA** is funded by employer contributions only, and is the simplest plan to implement. The business contributes the same percentage of compensation for all eligible employees.

The **SIMPLE-IRA** is funded by employee elective deferrals and optional employer contributions. Employees have an opportunity to defer part of their salary to fund their retirement plans on a tax-advantaged basis.

In determining which of these retirement plans is most appropriate for your business, you'll want to consider a few key questions, including:

1. How much, if any, responsibility do you want the business to have for contributing to employee retirement plans?
2. What percentage of compensation do you want employees to be able to contribute each year?
3. Do you want to require the business to contribute to the plan on behalf of employees?

To help you compare the answers to these questions for all your plan options, we have developed the chart on the following page. Review it to see which plan combines the features that may be most appropriate for your business.

Comparing Plans

Choosing Between a SEP-IRA and a SIMPLE-IRA		
	SEP-IRA	SIMPLE-IRA
Eligibility	Any self-employed individual, business owner, or individual who earns a minimum of \$750 of self-employed income for 2024 and 2025	Businesses with 100 or fewer eligible employees and who do not currently maintain any other retirement plan
Key Advantages	Easy to set up and maintain, flexible annual funding requirements	Salary deferral plan with less administration
Funding Responsibility	Employer contributions only (optional)	Funded by employee salary reduction contributions and employer contributions (required) Each employee owns all of the assets in his or her SIMPLE-IRA immediately and can take these assets with them if leaving the company
Access to Assets	Withdrawals at any time Withdrawals are subject to current federal income taxes and a possible 10% penalty if the participant is under age 59½	Withdrawals at any time, but may be subject to a 25% penalty if taken within the first two years of beginning participation and a possible 10% penalty if taken after that time period if under 59½
Other Plans	Employees can contribute to Traditional or Roth IRAs	Must be employer's only retirement plan Employees can also contribute to another Traditional or Roth IRA
Administrative Responsibilities	No employer tax filings Employee notification of employer's contribution, if made	No employer tax filings Certain annual employee notifications

SEP-IRA

Simplified Employee Pension Plan

A Simplified Employee Pension Plan, commonly known as a SEP-IRA, is a retirement plan specifically designed for self-employed people and small business owners. Its key features are highlighted below. When establishing a SEP-IRA plan for your business, you and any eligible employees establish your own separate SEP-IRA; employer contributions are then made into each eligible employee's SEP-IRA.

Plan Eligibility

You can establish a SEP-IRA if you:

- Are a sole proprietor, in a partnership, or a business owner (of either an unincorporated or incorporated business, including Subchapter S corporations);
- Earn a minimum of \$750 of self-employed income in 2024 and 2025 by providing a service, either full-time or part-time, even if you are already covered by a retirement plan at your full-time job.

Tax Advantages

Tax-deductible contributions: Up to 25% of compensation, as much as \$69,000 for 2024 and \$70,000 for 2025.

Tax-deferred growth potential: Any investment earnings grow tax-deferred until withdrawn.

SEP-IRA Deadline

The deadline to open and contribute to a SEP-IRA is your tax filing deadline (including any extensions). For most self-employed individuals and small business owners, that deadline is usually April 15.

Contribution Flexibility

No annual contribution required:

- Contribution percentage can vary each year, from 0% - 25% of compensation, up to \$69,000 per participant for the 2024 plan year and \$70,000 for the 2025 plan year.

- All SEP-IRA contributions must be made by the employer, and the same percentage of compensation must be contributed for each eligible employee (based on W-2 wages) including the employer.

Setting up a SEP-IRA

Employer - The following steps need to be completed:

1. Fill out and sign IRS Form 5305-SEP. This is the fundamental form as it certifies and records your decisions in the formation of your SEP plan. Give each eligible employee a copy of your completed Form 5305-SEP, and the other information listed in the form's instructions. This form does not need to be filed with the IRS, only kept for your, and Saturna's, records.
2. Have each employee in the plan fill out and sign a Saturna SEP-IRA Application. This document establishes the IRA with Saturna that is contributed to by both the employer and the employee. It allows for the employee to choose how they would like their IRA to be invested, and to indicate beneficiaries. The employee should retain the Saturna IRA Brochure, as it includes valuable information regarding our plans. This application needs to be signed and returned to Saturna Capital.
3. Have each employee in the plan fill out and sign an IRS Form 5305. This document establishes the employee's IRA with the IRS. This document needs to be signed and returned to Saturna Capital.
4. Fill out the Saturna SEP Contribution Allocation Form. This form designates the amount of your contribution and the percentage (or amount) for your participating employees.

Employee - The following steps need to be completed:

1. Fill out and sign the SEP-IRA Application.
2. Fill out and sign IRS Form 5305.
3. Return all documents to your company's administrator.

SIMPLE-IRA

Savings Incentive Match Plan for Employees of Small Employers

Designed to make it easier for small businesses to offer a tax-advantaged, company-sponsored retirement plan, the SIMPLE-IRA Plan is a flexible, easy to administer retirement plan for businesses with 100 or fewer eligible employees. SIMPLE-IRA plans are funded by employer contributions and can be funded by elective employee salary deferrals.

Plan Eligibility

Generally, any small business that employs 100 or fewer employees who earned at least \$5,000 in the preceding year can establish a SIMPLE-IRA plan, provided the employer does not concurrently maintain any other employer-sponsored retirement plan. Once you know that your company can establish a SIMPLE-IRA plan, you need to determine employee eligibility.

Eligible employees include those who have earned at least \$5,000 in compensation from the employer in any two preceding years (whether or not consecutive), and are reasonably expected to earn \$5,000 during the current year.

While employers cannot make these eligibility requirements more restrictive, they can generally liberalize them to include more employees.

Tax Advantages

As an employer, you may be able to deduct contributions you make on behalf of your plan participants from your business expenses.

As a participant, you and any eligible employees can elect to defer part of your salary and direct that money into an individual SIMPLE-IRA. Because these contributions are deferred before certain taxes are withheld, they actually reduce contributing participants' taxable income.

Any earnings within a SIMPLE-IRA enjoy tax-deferred growth until withdrawn.

Establishment deadlines

Employers who want to establish a SIMPLE-IRA plan for the current tax year must set up the plan and notify employees by October 1 of the current tax year. (An exception applies for businesses which are established after October 1).

Contribution Flexibility

Employee contributions – Eligible employees can elect to contribute up to 100% of compensation up to a maximum of \$16,000 for 2024, and \$16,500 for the 2025 plan year, through salary reduction. (The amount elected by the employee may be expressed as a percentage of compensation or as a specific dollar amount.) Employees age 50 and over can make additional catch-up contributions up to \$3,500 in 2024 and 2025. For employees aged 60 to 63 only, limits are raised to \$5,250 in 2025.

Employer contributions – Employers can choose from two different contribution methods – and can even switch between these options each year, provided certain notification requirements are met.

Matching option – This requires employer to match each participant's contributions dollar-for-dollar – up to 3% of compensation but no more than \$16,000 for 2024, and \$16,500 for the 2024 plan year. It also allows the employer to reduce the employer's match to as little as 1% of each participant's compensation for any two years in a five-year period.

Non-elective contribution option – This requires employer to contribute 2% of each eligible employee's compensation each year regardless of whether the participant contributes or not (the maximum annual compensation on which contributions can be based is \$345,000 for 2024 and \$350,000 for 2025).

SIMPLE IRA & Contribution Limits

Setting up a SIMPLE-IRA

Employer - The following steps need to be completed:

1. Fill out and sign IRS Form 5305-SIMPLE. This fundamental form for the SIMPLE plan certifies and records your decisions in the formation of your SIMPLE plan. This form does not need to be filed with the IRS, only kept for your, and Saturna's, records.
2. Complete the Notice to Eligible Employees and have employees complete the Salary Reduction Agreement. These documents allow employees to indicate how much of their salary they will contribute to their IRA for the course of the year. It also acts as your proof from the employee that he/she wishes to have part of their salary directed to an IRA. This form should be kept for your records.
3. Have each employee in the plan fill out and sign a Saturna SIMPLE-IRA Application. This document establishes the IRA with Saturna that is contributed to by both the employer and the employee. It allows for the employee to choose how they would like their IRA to be invested, and to indicate beneficiaries. The employee should retain the Saturna IRA Brochure, as it includes valuable information regarding our plans. This application needs to be signed and returned to Saturna Capital.
4. Have each employee in the plan fill out and sign an IRS Form 5305-SA. This document establishes the employee's IRA with the IRS. This document needs to be signed and returned to Saturna Capital.



Employee - The following steps need to be completed:

1. Fill out and sign the Salary Reduction Agreement.
2. Fill out and sign the SIMPLE-IRA Application
3. Fill out and sign the IRS Form 5305-SA.
4. Return all documents to your company's administrator.

Fees

IRA Fees		
The following fees apply to Traditional, Roth, and Rollover IRAs:	Saturna's affiliated mutual funds only	Self-Directed Saturna Brokerage ESA ¹
Account Fees		
Account Opening	None	None
Account Maintenance	None	Potential inactive account fee ²
Statement Fee	None	None
Low Balance Fee	None	None
Account Closing	None	None
Transaction Fees		
Contributions	None	Subject to Commission Schedule
Distributions/Withdrawals ^{3,4}	None	Subject to Commission Schedule
Trades / Exchanges	None	Subject to Commission Schedule
Account Transfers	None	In: None ⁵ Out: \$75

Investments in mutual funds are subject to ongoing expenses that shareowners pay indirectly. Please consult a fund's prospectus or summary prospectus.

All mutual funds have investment and operational expenses, including regular reports to fund investors.

¹Self-Directed Brokerage ESAs may be subject to fees for services not listed in this chart. Please refer to the Saturna Brokerage Services Commission Schedule (available in the Saturna Brokerage Services Brochure and online at www.saturna.com/sbs) for more details.

²Inactive accounts have effected no trades from January 1 through December 31 and have had one or more security positions for the entire year, not including sweep account money market funds. Please see the Saturna Brokerage Services Commission Schedule for more details.

³Withdrawals may be subject to income taxes, and if taken before age 59½, may be subject to tax penalties.

⁴Outgoing wire transfers and overnight delivery of proceeds from sales are subject to prevailing rates.

⁵While Saturna does not have a specific charge for inbound transfers, the previous custodian may charge for the outbound transfer.

Contributions & Limits

Contributions & Limits			
	Income Limit	Contribution Limit	Catch-up Limit
SEP-IRA			
2024	\$345,000	25% of annual compensation or net earnings from self-employed income up to a maximum of \$69,000	n/a
2025	\$350,000	25% of annual compensation or net earnings from self-employed income up to a maximum of \$70,000	n/a
SIMPLE-IRA			
2024	\$345,000	Employee: up to 100% of compensation, up to a maximum of \$16,000 Employer: Either dollar-for-dollar matching contributions up to 3% of employee's compensation, or fixed nonelective contributions 2% of compensation	\$3,500 (50 and up)
2025	\$350,000	Employee: up to 100% of compensation, up to a maximum of \$16,500 Employer: Either dollar-for-dollar matching contributions up to 3% of employee's compensation, or fixed nonelective contributions 2% of compensation	\$3,500 (50 and up) or \$5,250 (ages 60 to 63 only)

Per IRS instructions, Saturna Trust Company is required to report all SEP-IRA contributions according to the calendar year in which they are received. However, you can still claim the contribution for the prior year. For example, if you make a 2024 contribution to your SEP-IRA on March 1, 2025, Saturna Trust Company is required to report the contribution to the IRS for 2024; however, you can still claim the contribution on your 2024 tax return, assuming all other requirements are met.

Please consider an investment's objectives, risks, expenses, and charges carefully before investing. To obtain a prospectus or summary prospectus that contains this and other important information about these mutual funds, please call 1-800-728-8762 or visit www.saturna.com. Please read the prospectus or summary prospectus carefully before investing.

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