



Qualified Accounts

Tools for Investing and Potential Tax Benefits



Amana Mutual Funds Trust

www.amanafunds.com

1-800-728-8762



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IMPORTANT DISCLOSURES

Performance data quoted herein represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be significantly higher or lower than data quoted herein. Performance current to the most recent month-end can be obtained by visiting www.amanafunds.com or by calling toll-free 1-800-728-8762.

Please consider an investment's objectives, risks, charges and expenses carefully before investing. To obtain this and other important information, which you should carefully consider before investing, about the Amana Funds in a free prospectus or summary prospectus, please visit www.amanafunds.com or call 1-800-728-8762.

The Amana Funds are distributed by Saturna Brokerage Services, member FINRA/SIPC and a wholly-owned subsidiary of Saturna Capital, investment adviser to the Amana Funds.



INDEX DEFINITIONS

The S&P 500 is an index comprised of 500 widely held common stocks considered to be representative of the US stock market in general. The MSCI Emerging Markets Index, produced by Morgan Stanley Capital International, measures equity market performance in over 20 emerging market countries. The FTSE Sukuk Index measures the performance of global Islamic fixed income securities, also known as sukuk.



WHAT WE WILL DISCUSS

- Investing According to Islamic Principles (Sharia)
- Investing for College
- Investing for Retirement
- Amana Mutual Funds



Monem Salam MBA

Executive Vice President, Saturna Capital
Portfolio Manager, Amana Income &
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Owaiz Dadabhoy MBA

Director of Islamic Investing
Saturna Capital

WHY SAVE AND INVEST?

Buying a home

Hajj

Children's education

Retirement

Health savings



HEALTH SAVINGS ACCOUNTS

- 2020 Contribution Limits:
 - Individual: \$3,550
 - Family: \$7,000
 - Catch-up: \$1,000
- Requires health care coverage through a qualified high-deductible health plan (QHDHP)
- Triple Tax Advantaged
 - Tax-deductible contributions
 - Tax-free growth
 - Tax-free withdrawals for qualified medical expenses

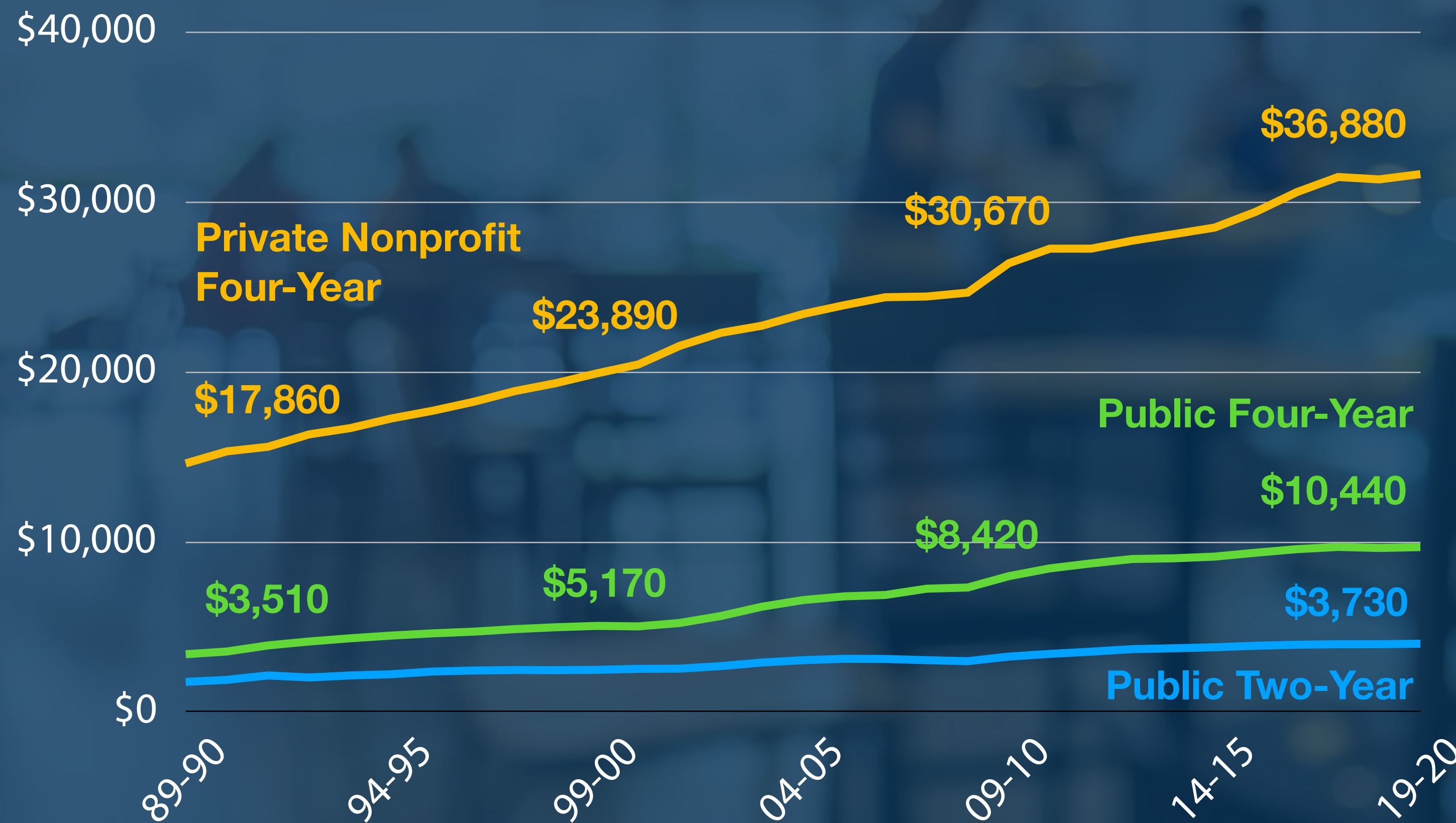


INVESTING FOR COLLEGE

Tuition, Account Types, and more . . .

COLLEGE PLANNING: COSTS

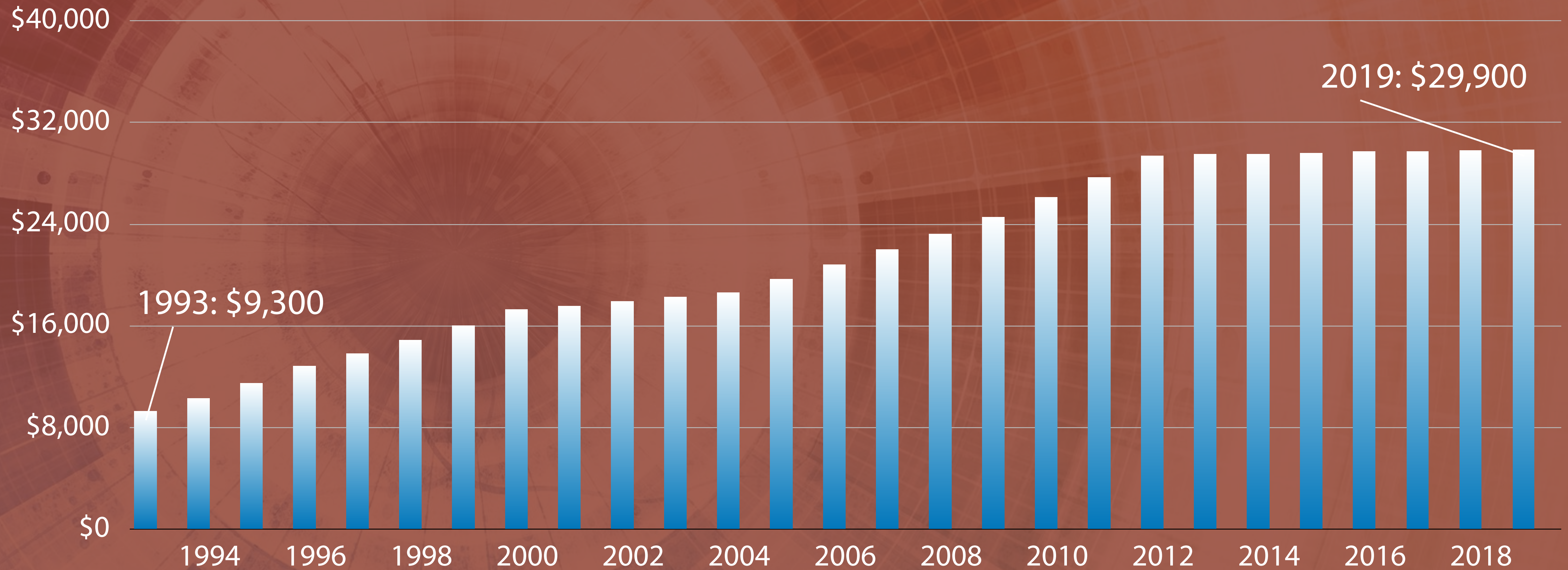
Average Published Tuition and Fees in 2019 Dollars by Sector, 1989-90 to 2019-20



Since 1989, the average private school tuition has more than double and the average public school tuition has nearly tripled.

SOURCE: The College Board, Trends in College Pricing 2019

COLLEGE PLANNING: DEBT



SOURCE: Mark Kantrowitz, a nationally-recognized author and expert on financial aid.

COLLEGE PLANNING: VARIOUS ALTERNATIVES

State Sponsored 529 Plans

- Contribution limits vary, and are generally higher than ESAs, but gift taxes may apply on amounts above the gift tax exclusion (\$15,000 for 2020)
- Grows without annual taxes
- Distributions tax free (if used for higher education)
- Less favored after 2003 tax cuts
- Few have *halal* choices

COLLEGE PLANNING: VARIOUS ALTERNATIVES

Education Savings Accounts (ESA)

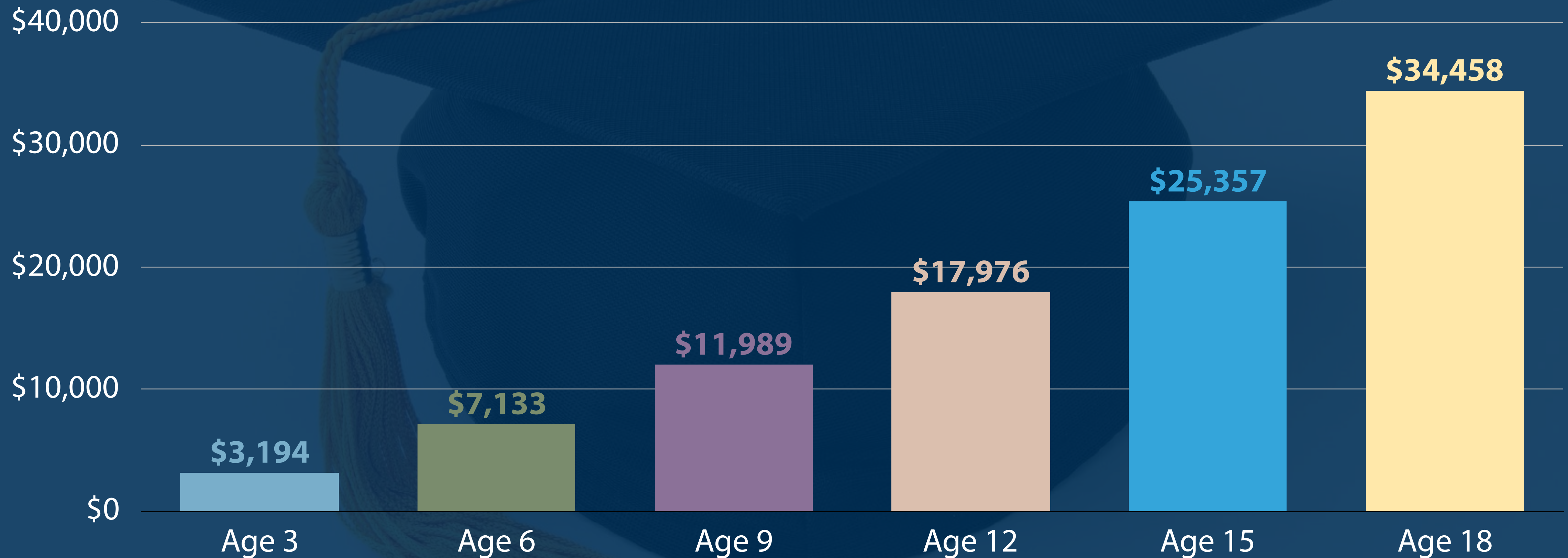
- Can be used for higher and primary education
- Contribution limit: \$2,000 per year per child
- Must distribute by age 30
- Contribution deductibility phases out beginning \$190,000 through \$220,000 for joint filers in 2020

COLLEGE PLANNING: VARIOUS ALTERNATIVES

Uniform Gift to Minors (UGMA)

- \$15,000 per year per child
- \$30,000 per year (couple)
- Contributions become property of child
- UGMA have flexibility and can be used for other purposes

COLLEGE PLANNING: GET STARTED EARLY



For about the cost of a fancy coffee per day, you could build a significant amount for your child's education.

COLLEGE PLANNING: USEFUL RESOURCES

- www.isna.net
- www.islamic scholarshipfund.org
- www.finaid.org
- www.fastweb.com
- www.collegeboard.org
- www.fafsa.ed.gov
- www.acceducate.org
- www.acontinuouscharity.org



Community Based

No Sales Charges

Many Account Types

IRA (Roth and Traditional)

401(k) and other employer plans

Health Savings Accounts

Education Savings Accounts

UGMA

Brokerage

Trusts

A vibrant, sunlit forest scene with tall trees and a dense green undergrowth. Sunlight rays are visible filtering through the canopy, creating a warm and peaceful atmosphere. The text is overlaid on a semi-transparent white band across the middle of the image.

RETIREMENT JOURNEY

To and Through

PENSION PLANS

- Monthly income stream
- Lump sum distribution
- Retirees need to create their own retirement income

The background of the slide is a close-up, slightly blurred image of the American flag, showing the stars and stripes in a diagonal pattern. The colors are muted, with a dark blue field for the stars and red and white stripes.

SOCIAL SECURITY

\$1,514

Average check in 2020

Source: SSA.gov, Monthly Statistical Snapshot, June 2020

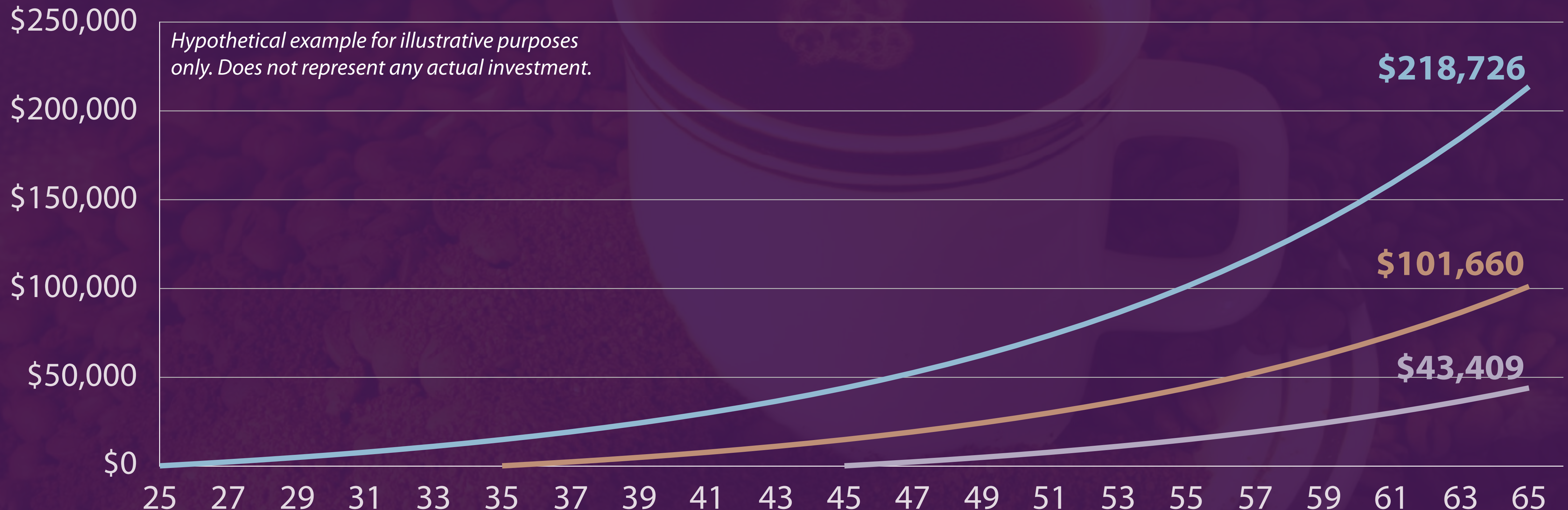
SOCIAL SECURITY

- Check your benefits at [SSA.gov](https://www.ssa.gov)
- Personal Earnings and Benefit Statement
- Benefits taken before “full retirement age” may be greatly reduced

PERSONAL SAVINGS AND INVESTMENTS

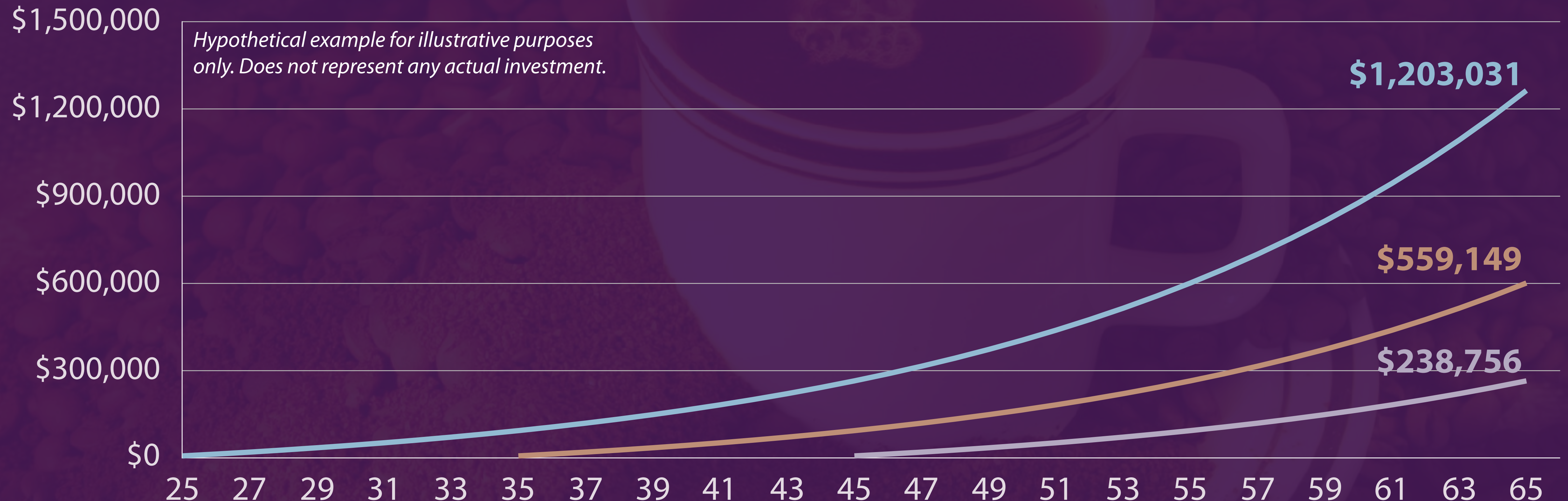
- 401(k) Plans
- IRAs and HSAs
- Annuities
- Stocks
- Bonds
- Mutual Funds
- Certificates of Deposit (CDs)
- Real Estate
- Life insurance cash values

SAVING FOR THE LONG TERM



The power of compounding: if you started investing \$1,000 a year, assuming 7% return, you would end up with the amounts above.

SAVING FOR THE LONG TERM



The power of compounding: if you started investing \$5,500 a year, assuming 7% return, you would end up with the amounts above.

TRADITIONAL IRA

- **Tax-deductible** contribution limits:
 - \$6,000
 - \$1,000 catch-up
- Tax-free growth; **pay income tax** on distributions;
10% penalty before age 59½
- Simple administration; generally few expenses
- Self-directed: you choose investments – *halal*

ROTH IRA

- **Non-deductible** contribution limits:
 - \$6,000
 - \$1,000 catch-up
- Tax-free growth; **pay no income tax** on distributions; 10% penalty before age 59½
- Simple administration; generally few expenses
- Self-directed: *halal*

EMPLOYER PLANS

401(k) & 403(b) Plans

- Established by employer
- Employer sets some limits
- May make matching contributions
- Generally pays plan expenses
- Plan sponsor sets investment choices:
few halal options
- Tax-deductible contribution limits:
 - \$19,500 for 2020
- Tax-free growth; pay income tax on withdrawals
- May have a Roth option

SEP IRA

- Generally set-up by Small Business Owners
- **Employer Contributions:**
 - Up to 25% of the participant's compensation or \$57,000 in 2020, whichever is less. Deductible is a business expense and not required every year.
- Eligibility: >age 21, earn at least \$600 annually and have worked for the same employer in at least three of the past five years.

AMANA MUTUAL FUNDS TRUST

Oldest and largest operating *sharia* compliant mutual funds in the US

Long-term capital growth	Est.	2007	Amana Developing World
Capital appreciation	Est.	1994	Amana Growth
Equity income	Est.	1986	Amana Income
Capital preservation and income	Est.	2015	Amana Participation

While diversification does not guarantee against a loss in a declining market, it can help minimize the risk of the decline of a single asset class.

A FEW WORDS ABOUT RISK

Income, Growth, Developing World, and Participation Funds:

The value of the shares of each of the Funds rises and falls as the value of the securities in which the Funds invest go up and down.

The Amana Mutual Funds limit the securities they purchase to those consistent with Islamic principles. This limits opportunities and may affect performance. Each of the Funds may invest in securities that are not traded in the United States. Investments in the securities of foreign issuers may involve risks in addition to those normally associated with investments in the securities of US issuers. These risks include currency and market fluctuations, and political or social instability. The risks of foreign investing are generally magnified in the smaller and more volatile securities markets of the developing world.

Growth Fund: The smaller and less seasoned companies that may be in the Growth Fund have a greater risk of price volatility.

Participation Fund: While the Participation Fund does not invest in conventional bonds, risks similar to those of conventional nondiversified fixed-income funds apply. These include: diversification and concentration risk, liquidity risk, interest rate risk, credit risk, and high-yield risk. The Participation Fund also includes risks specific to investments in Islamic fixed-income instruments. The structural complexity of *sukuk*, along with the weak infrastructure of the *sukuk* market, increases risk. Compared to rights of conventional bondholders, holders of *sukuk* may have limited ability to pursue legal recourse to enforce the terms of the *sukuk* or to restructure the *sukuk* in order to seek recovery of principal. *Sukuk* are also subject to the risk that some Islamic scholars may deem certain *sukuk* as not meeting Islamic investment principles subsequent to the *sukuk* being issued.

INVEST WITH CAUTION

- Obtain and read the Funds' prospectus and other information carefully
- All mutual funds have operating expenses
 - “No-load” funds may pay distribution expenses (“12b-1 fees”) such as the Amana Funds Investor shares
 - “Load” funds charge sales fees that may take a chunk of your investment
- Examine a fund's objectives, risks, expenses, performance, portfolio, advisers, and services
- Seek advice: professional advisors, successful investors

AVERAGE ANNUAL TOTAL RETURNS

As of June 30, 2020

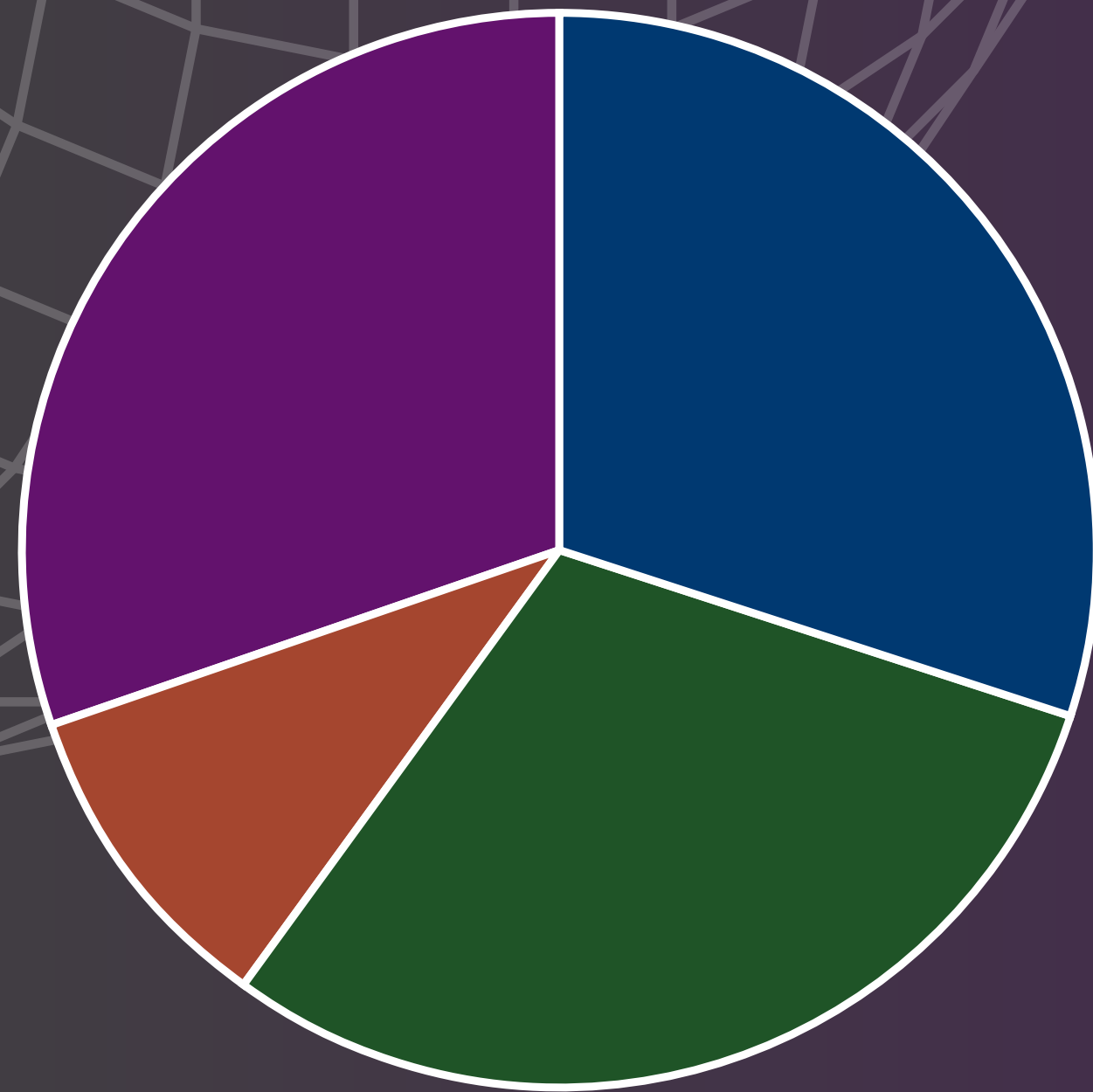
	1 Year	3 Year	5 Year	10 Year	Expense Ratio*
Amana Income Investor Shares (AMANX)	7.78%	8.68%	8.48%	11.09%	1.06%
Amana Income Institutional Shares (AMINX)	7.95%	8.91%	8.73%	n/a	0.82%
S&P 500 TR	7.51%	10.72%	10.72%	13.98%	n/a
Amana Growth Investor Shares (AMAGX)	15.98%	17.70%	14.87%	14.12%	1.03%
Amana Growth Institutional Shares (AMIGX)	16.24%	17.97%	15.15%	n/a	0.79%
S&P 500 TR	7.51%	10.72%	10.72%	13.98%	n/a

** Expense Ratios are as stated in the Funds' most recent prospectus dated 09/27/2019*

Amana Funds Institutional shares began operations September 25, 2013.

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AMANA FUND SELECTOR



Not sure which Amana Funds to pick? Or maybe you want to rebalance your current allocation?

The Amana Fund Selector can help!

Visit **www.amanafunds.com** today!

Using the Amana Fund Selector is free and does not require making any investment.

Note: The Amana Fund Selector is educational in nature and is not intended to be financial advice. To implement any allocation returned by the Selector, contact a Saturna representative.



Tune in to our podcast:
Halal Money Matters

Join our hosts, Monem Salam and Christopher Patton, plus an assortment of special guests as they discuss *Halal* investing, retirement, financial planning, and much, much more.



Available now on Apple Podcasts
and Google Play.



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FOLLOWING PRINCIPLES OF ISLAMIC FINANCE

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