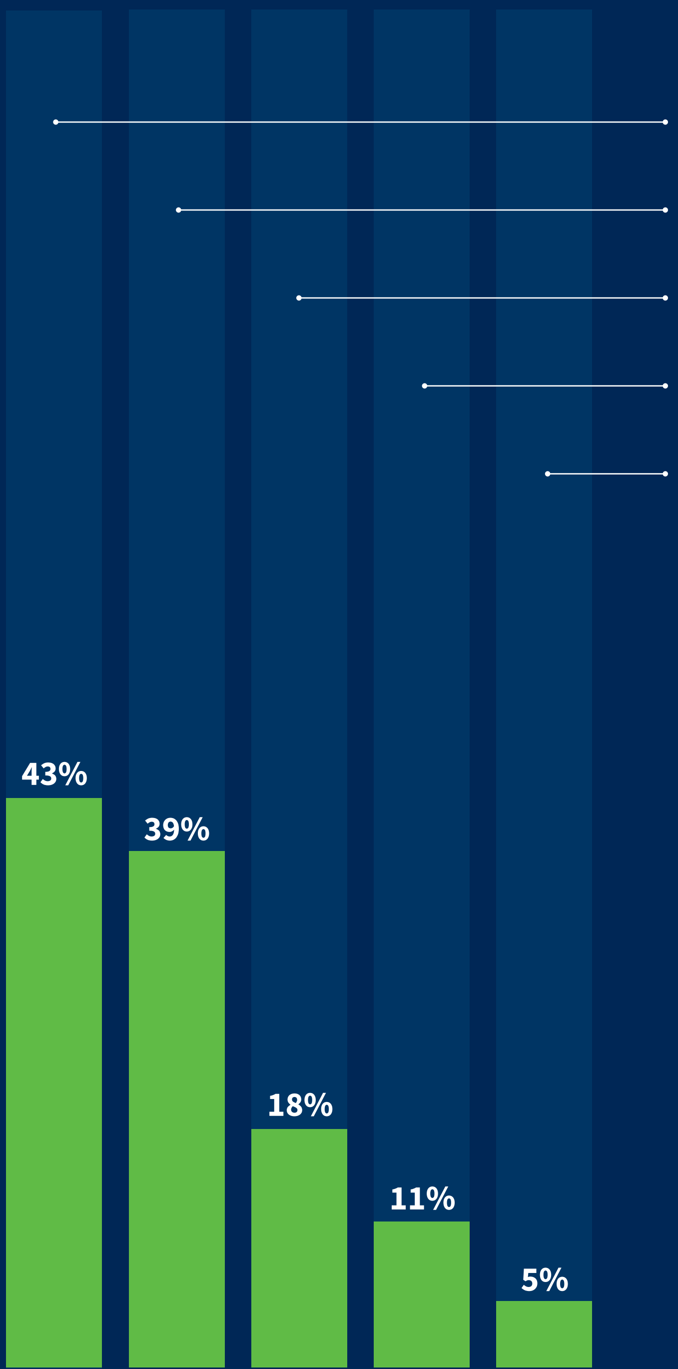
Learn how a Putnam IRA can help you save for retirement

Traditional and Roth

Not FDIC insured | May lose value | No bank guarantee

How will you use your IRA savings?

A recent study surveyed Traditional IRA owners about how they have used withdrawals.



Investment Company Institute, *The Role of IRAs in U.S. Households' Saving for Retirement*, December 2017.

The one account every retirement saver should consider

You know how important it is to save for retirement. Fortunately, there's an account that makes it easier. Whether you're just beginning your career or winding it down, an Individual Retirement Account (IRA) can help you create a more comfortable retirement. Talk to your financial advisor to learn more about the benefits of a Putnam IRA.

A simple way to save

It's easy to set up and contribute to an IRA. You can start a Putnam IRA with as little as $25 a month, and it can be linked to your checking account so you can make contributions automatically.

Powerful tax advantages

Depending on what type of IRA you decide to open, you'll save on taxes either on the money you contribute or on the money you withdraw during retirement. Either way, your contributions will have the potential for tax-advantaged growth — a benefit you won't find in most other types of savings accounts.*

A range of investment options

IRAs often offer more investment options than the typical employer-sponsored retirement plan. With a Putnam IRA, you'll have access to a wide range of funds, including Putnam RetirementReady® Funds — broadly diversified portfolios that adjust automatically as you get closer to retirement.

Your IRA can move with you

No matter where your career takes you, your IRA will follow. It's the one lifetime retirement savings account every investor should consider.

"I'm counting on my IRA to help provide my income in retirement."

Millions of Americans are, and with good reason: IRAs are an effective way to build your nest egg. The median wealth of households with IRAs was seven times greater than households that did not own IRAs.

Investment Company Institute, *The Role of IRAs in U.S. Households' Saving for Retirement*, December 2017.

* Taxes may be due upon withdrawal, and withdrawals before age 59½ may be subject to an additional 10% penalty.

Choose the IRA that's right for you: Traditional or Roth

Your IRA should fit your life. For some, that may mean a tax-deferred Traditional IRA. For others, a tax-free Roth IRA may make more sense. The big difference between the two account types is when your investments are taxed: With Traditional IRAs, you pay taxes when money is withdrawn; contributions to Roth IRAs are made with money that has already been taxed.

Traditional IRA

Do you anticipate being in a lower income tax bracket in retirement?
If so, a Traditional IRA may be for you. The money you contribute now is tax deductible, while withdrawals in retirement are taxed as income.

Are you looking to reduce your taxable income?
If reducing your taxable income would put you in a lower income tax bracket, the tax-deductible contributions you make to a Traditional IRA can help you reduce your tax liability.

Roth IRA

Would you benefit from tax-free income in retirement?
If you already have money invested in a tax-deferred account — such as a 401(k) — and a taxable account — such as a money market fund at your local bank — a Roth IRA could be a good fit for you. Investing in a Roth IRA can provide you with a source of tax-free income in retirement.

Is retirement still a way off for you?
If you have many years left until retirement, a Roth IRA may be worth considering. The longer your account has the potential to grow, the more you could stand to save on taxes when it comes time to make withdrawals in retirement.

"It's reassuring to know that no matter where my career takes me, there's an IRA that fits my goals."

IRAs are an increasingly popular way to save. In mid-2017, 43.9 million, or 35% of, U.S. households reported they owned IRAs.

Investment Company Institute, *The Role of IRAs in U.S. Households' Saving for Retirement,* December 2017.

Make sure you fully understand the differences between a Traditional and a Roth IRA before you invest.

DIFFERENCES	Traditional IRA	Roth IRA
No income limits on contributions*	✓	—
Tax-deductible contributions	✓	—
Tax-deferred growth of earnings	✓	✓
Tax-free growth of earnings	—	✓
Tax-free withdrawals†	—	✓
No restrictions due to employer-sponsored retirement plan eligibility	—	✓
Contributions permitted after age 70½	—	✓
Minimum withdrawals required by age 70½	✓	—
Contributions may be withdrawn at any time tax free	—	✓

SIMILARITIES

The two account types have a number of similarities, including the ability to make catch-up contributions if you're over age 50 and the flexibility to take penalty-free withdrawals in certain situations.

Maximum contribution	$5,500 if under age 50, $6,500 if age 50 or older	$5,500 if under age 50, $6,500 if age 50 or older
Age for earliest penalty-free withdrawal	59½	59½ ‡
Allows penalty-free withdrawals in certain situations (first-time home purchase, certain medical expenses, etc.)	✓	✓
Can accept direct rollovers from workplace retirement plans	✓	✓

* If you are over age 70½ or have $0 in earned income, you cannot contribute to a Traditional IRA. Ability to deduct contributions may be limited by income and other factors.

† Certain conditions must be met to qualify for tax-free withdrawals of earnings.

‡ Contributions to a Roth IRA can be withdrawn at any time.

Consider the tax benefits of converting to a Roth IRA

Since Roth IRAs were first introduced, tax filers earning more than $100,000* have been ineligible to convert existing accounts. But thanks to changes in the tax law, if you have money in a tax-deferred retirement account, you now have the option to convert it to a Roth IRA regardless of your income.

Does a Roth conversion make sense for you?

Will your tax rate be higher in retirement?
If you're worried about facing higher tax rates in retirement, a Roth conversion may be the solution. All withdrawals made after age 59½ are free from federal income taxes, as long as the account has been open for at least five years.

Do you already own taxable and tax-deferred savings accounts?
Many financial experts agree that diversifying the tax treatment of your savings accounts is a prudent move that can help you prepare for unforeseen changes in tax rates down the road. That means owning a mix of taxable, tax-deferred, and tax-free accounts, such as a Roth IRA.

Do you want to leave a financial legacy to your children or grandchildren?
Neither you nor your spousal beneficiary are required to make withdrawals.[†] And your children or grandchildren who inherit the IRA can take the minimum required distributions based on their life expectancies, extending the tax-free growth for years.[‡]

Do you have the funds to pay taxes on a conversion?
Before you decide to convert to a Roth IRA, consider whether you have the funds outside of existing retirement accounts to pay the income taxes due. Tapping into your nest egg to pay your tax bill is usually counterproductive.

Keep in mind, if you find your tax bill is too high or if your account posts a significant decline, you can always undo, or "recharacterize," all or a portion of your Roth IRA conversion without penalty, as long as you do so before the tax-filing deadline, plus extensions.

* Income limits are based on modified adjusted gross income (MAGI).
† The spousal beneficiary is not required to make withdrawals if he or she takes the inherited account as his or her own.
‡ Account must have been established for at least five years prior to inheritance.

What are the next steps for converting to a Roth IRA?

1

Discuss your specific situation with your tax professional or financial advisor.
Converting an account has significant tax implications now and in retirement. Make sure you understand how converting fits into your long-term investment goals.

2

Decide how much of your savings you want to convert.
You can elect to convert only a portion of your traditional retirement account.

3

Decide how you'll pay taxes due on the conversion.
You'll pay income taxes on the value of the account (including both pretax contributions and earnings). It is recommended that you have assets outside of your retirement accounts to pay the taxes due on a Roth conversion.

4

Fill out an account application and choose your investments.
Your financial advisor can walk you through the application process and will send the completed forms to Putnam.

Use our online Roth IRA conversion calculator to put your unique retirement savings situation in perspective.

putnam.com/individual/retirement

Invest in one easy step with Putnam RetirementReady Funds

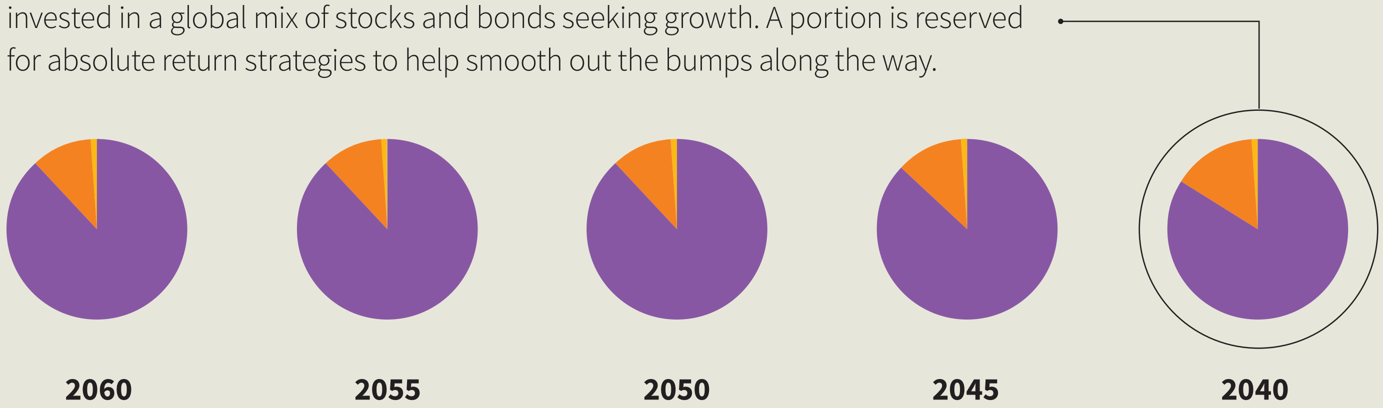
Putnam RetirementReady Funds take the guesswork out of investing your IRA assets by combining Putnam's asset allocation strategies for growth with our absolute return strategies for lower volatility, in one innovative package.

Built with retirement in mind

With Putnam RetirementReady Funds, each portfolio has allocations geared for the time horizon from now until you retire, and the allocations automatically become more conservative over time to reduce risk. Just pick the portfolio that most closely matches the year in which you plan to start withdrawing money, and you're done.

The first suite of lifecycle funds to integrate absolute return strategies

For people more than 20 years from retirement, the RetirementReady 2040 Fund is invested in a global mix of stocks and bonds seeking growth. A portion is reserved for absolute return strategies to help smooth out the bumps along the way.



The values of money market investments usually rise and fall in response to changes in interest rates. Interest-rate risk is generally lowest for investments with short maturities (a significant part of the fund's investments). Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of issuer, and changes in general economic or political conditions can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's credit quality or value.

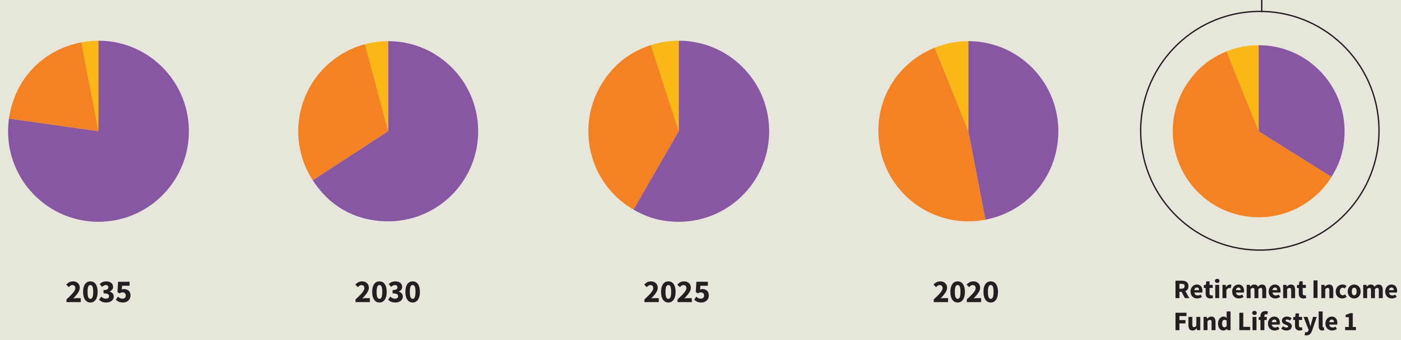
Experienced managers
With experience managing multi-asset-class portfolios since 1994, Putnam's RetirementReady fund managers are some of the longest-tenured in the industry.

A range of investment opportunities
The funds provide exposure to traditional investments such as stocks and bonds, as well as to alternative asset classes that seek to reduce risk.

Thoughtful risk management
The fund managers adjust the allocations on an automatic schedule over time to pursue performance and reduce risk as retirement nears.

"I want a portfolio built for flexibility, so I can take advantage of changing investment opportunities in the markets."

For people in retirement, this fund is invested primarily in strategies designed to minimize volatility while preserving enough of the growth strategies to stay ahead of inflation.



Or create a portfolio custom built for your goals

Putnam offers a wide array of funds across different asset classes so you can build a portfolio from the ground up, designed with your specific investment goals in mind.

Absolute return funds

are designed for a wide range of investors and pursue positive returns with less volatility over time than more traditional funds.

Asset allocation funds

invest in a mix of many different types of investments to help weather changing market environments.

Income funds

invest in bonds and other securities with the goal of providing a steady stream of income over time.

Value funds

seek to invest in stocks that may be selling for less than their true worth.

Growth funds

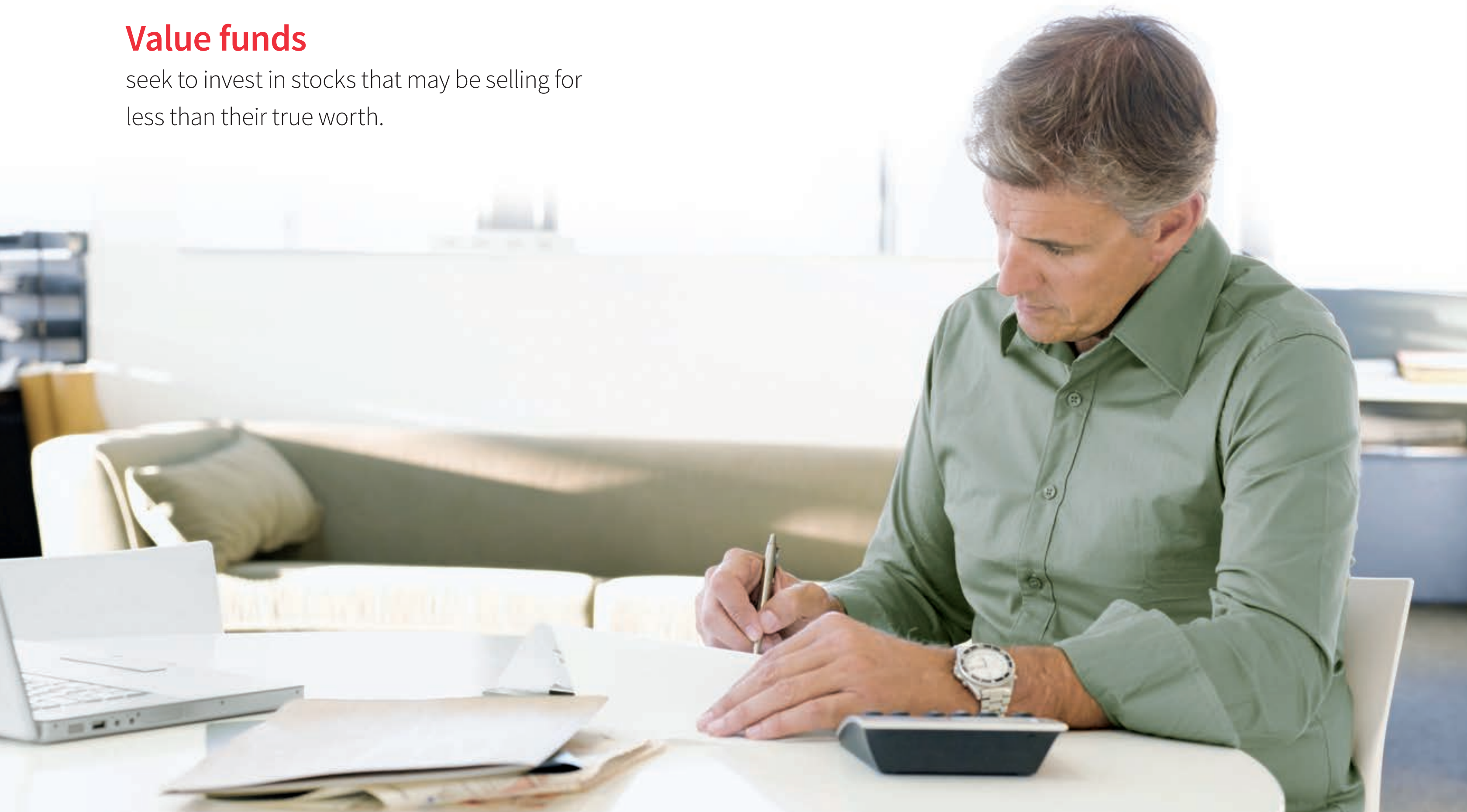
invest in stocks of companies believed to have above-average growth potential.

Blend funds

can invest in both growth and value stocks, seeking companies believed to be worth more than their current stock prices indicate.

Global sector funds

invest worldwide in stocks of companies from a single economic sector.



There's no substitute for time: The sooner you start saving, the more likely you'll be to reach your financial goals.

Start today.

LEARN MORE

Visit putnam.com for more information.

CONTACT YOUR FINANCIAL OR TAX ADVISOR

Get help deciding which strategy makes the most sense for your specific goals.

CALL US

Call a Putnam Retirement Consultant at 1-800-662-0019. Our representatives can help you get started with opening an account right over the phone.

Consider these risks before investing: Our allocation of assets among permitted asset categories may hurt performance. The prices of stocks and bonds in the fund's portfolio may fall or fail to rise over extended periods of time for a variety of reasons, including both general financial market conditions and factors related to a specific issuer or industry. Our active trading strategy may lose money or not earn a return sufficient to cover associated trading and other costs. Our use of leverage obtained through derivatives increases these risks by increasing investment exposure. Bond investments are subject to interest-rate risk, which means the prices of the funds' bond investments are likely to fall if interest rates rise. Bond investments also are subject to credit risk, which is the risk that the issuer of the bond may default on payment of interest or principal. Interest-rate risk is generally greater for longer-term bonds, and credit risk is generally greater for below-investment-grade bonds, which may be considered speculative. Unlike bonds, funds that invest in bonds have ongoing fees and expenses. Lower-rated bonds may offer higher yields in return for more risk. Funds that invest in government securities are not guaranteed. Mortgage-backed securities are subject to prepayment risk. International investing involves certain risks, such as currency fluctuations, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility. The use of derivatives involves additional risks, such as the potential inability to terminate or sell derivatives positions and the potential failure of the other party to the instrument to meet its obligations. The funds may not achieve their goal, and they are not intended to be a complete investment program. The funds' effort to produce lower- volatility returns may not be successful and may make it more difficult at times for the funds to achieve their targeted return. In addition, under certain market conditions, the funds may accept greater volatility than would typically be the case in order to seek their targeted return. Investments in small and/or midsize companies increase the risk of greater price fluctuations. Growth stocks may be more susceptible to earnings disappointments, and value stocks may fail to rebound. Additional risks are listed in the funds' prospectus.

For the portion invested in Putnam Government Money Market Fund, these risks also apply: *You can lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.*

Certain securities in which the fund may invest, including securities issued by certain U.S. government agencies and U.S. government-sponsored enterprises, are not guaranteed by the U.S. government or supported by the full faith and credit of the United States. Mortgage-backed securities are subject to prepayment risk and the risk that they may increase in value less when interest rates decline and decline in value more when interest rates rise.

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A world of investing.®

Putnam INVESTMENTS

Investors should carefully consider the investment objectives, risks, charges, and expenses of a fund before investing. For a prospectus, or a summary prospectus if available, containing this and other information for any Putnam fund or product, call your financial advisor or contact Putnam at 1-800-225-1581. Please read the prospectus carefully before investing.

Putnam Retail Management

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