Putnam SIMPLE IRA

The SIMPLE IRA is designed for employers that have 100 or fewer employees and are seeking an affordable and flexible retirement plan option. The plan offers a mix of both employee and employer contributions.

Tax benefits and easy administration

- Putnam's SIMPLE IRA is easy to set up and easy to use, and offers a number of important tax benefits:
- Company contributions are federal income tax deductible, and certain companies may qualify for a $500 start-up cost tax credit for new plans
- SIMPLE IRAs accept pretax salary deferral contributions
- SIMPLE IRAs provide tax-deferred compounding on account balances
- There are no discrimination tests, and the entire plan — from contribution processing and plan management to participant transactions — is accessible online at putnam.com
- All plan administration costs are covered by a low annual fee of $25 per employee*

A choice of contribution programs

Any eligible employee of a company that offers a Putnam SIMPLE IRA may contribute up to $12,500 in 2017 ($15,500 for employees age 50 and over; limits in subsequent years will be indexed for inflation). Companies that offer a Putnam SIMPLE IRA have two options for making the required employer contribution:

- **An incentive program:** This program encourages employees to save for retirement by offering dollar-for-dollar matching contributions to participating employees. The employer contribution is up to 3% of employees' salaries.
- **A reward program:** In this program, a contribution is made on behalf of each eligible employee, whether or not the employee makes a salary deferral. Contributions are 2% of employees' salaries, with a limit of $5,400 for 2017.

A competitive advantage

A Putnam SIMPLE IRA is a flexible, convenient, and affordable way for small businesses to offer a tax-advantaged retirement plan to their employees.

Employees can:

- Choose from a broad range of Putnam fund options in a wide array of investment styles
- Receive award-winning support from a team of dedicated Putnam representatives
- Take advantage of easy-to-use account management and retirement planning tools at putnam.com

Award-winning service and support

You'll receive top-quality service and support from a team of dedicated Putnam representatives.

For the fifth consecutive year, Putnam is the sole winner of the 2016 DALBAR Total Client Experience award for providing quality, accuracy, and client security. In addition, 2016 also marks the 27th consecutive year in which Putnam has received a DALBAR service quality award.

For more information or to set up a SIMPLE IRA, please call Putnam Retirement Plan Services at 1-888-661-7684.

* Annual fee waived if account balance is over $50,000.

A broad range of investment options

You can choose from a variety of Putnam mutual funds covering a wide array of investment styles.

If you want to invest based on:	You may consider:
Target retirement year	Putnam RetirementReady® Funds
Risk level	Putnam Dynamic Asset Allocation Funds
Targeted return	Putnam Absolute Return Funds

You can also build your own portfolio by choosing a combination of individual funds managed in different styles:

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.

Value funds look for stocks that have been overlooked by other investors and that may be selling for less than their true worth.

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

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

This material is for informational and educational purposes only. It is not a recommendation of any specific investment product, strategy, or decision, and is not intended to suggest taking or refraining from any course of action. It is not intended to address the needs, circumstances, and objectives of any specific investor. Putnam, which earns fees when clients select its products and services, is not offering impartial advice in a fiduciary capacity in providing this sales and marketing material. This information is not meant as tax or legal advice. Investors should consult a professional advisor before making investment and financial decisions and for more information on tax rules and other laws, which are complex and subject to change.

Consider these risks before investing: Our allocation of assets among permitted asset categories may hurt performance. The prices of stocks and bonds in the funds' 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 (the risk of bond prices falling if interest rates rise) and credit risk (the risk of an issuer defaulting on interest or principal payments). Interest-rate risk is greater for longer-term bonds, and credit risk is greater for below-investment-grade bonds. 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. Our use of derivatives may increase these risks by increasing investment exposure (which may be considered leverage) or, in the case of many over-the-counter instruments, because of 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. **For the 500 Fund and 700 Fund, these risks also apply:** REITs involve the risks of real estate investing, including declining property values. Commodities involve the risks of changes in market, political, regulatory, and natural conditions. Additional risks are listed in the funds' prospectus. You can lose money by investing in the funds. The funds are not intended to outperform stocks and bonds during strong market rallies.

For the portion invested in Putnam Retirement Ready Funds' allocation to Putnam Government Money Market Fund, these risks apply: *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.* The values of money market investments usually rise and fall in response to changes in interest rates. 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.

Each RetirementReady Fund has a different target date indicating when the fund's investors expect to retire or begin withdrawing assets for another savings goal. The dates range from 2020 to 2060 in five-year intervals, with the exception of Putnam Retirement Income Fund Lifestyle 1, which is designed for investors at or near retirement. The funds are generally weighted more heavily toward more aggressive, higher-risk investments when the target date of the fund is far off, and more conservative, lower-risk investments when the target date of the fund is near. This means that both the risk of your investment and your potential return are reduced as the target date of the particular fund approaches, although there can be no assurance that any one fund will have less risk or more reward than any other fund. The principal value of the funds is not guaranteed at any time, including the target date.

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 about any fund, please call Putnam at 1-800-225-2581. Read the prospectus carefully before making any investment decisions.

Putnam Retail Management

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