

Are you paying too much in income taxes and not saving enough for your retirement?

The Fidelity Advisor - SIMPLE IRA Plan presented by ADP and Fidelity Investments® can be the solution. It allows you to defer taxation on up to \$20,000 of compensation (\$22,000 if you are age 50 or older) on a tax-deferred basis for your retirement.

As a business owner, it allows you to receive a tax credit of up to \$1,500 if you establish a new SIMPLE IRA plan.

A SIMPLE plan makes it easy to pay yourself instead of the government

Take a deduction:

- You and your eligible employees can contribute up to 100% of your earned compensation, or up to \$10,000*, whichever is less.
- As the employer, you can match that contribution dollar for dollar, up to \$10,000* or 3% of your compensation, whichever is less.
- You can save (employee's contribution plus employer's contribution) each and every year.
- Any earnings grow tax-deferred until the money is distributed.**

Or, receive a tax credit:

- You may be able to receive a tax credit of up to \$500 a year for three years to cover eligible administration costs. That's up to \$1,500!

ADP and Fidelity Investments help simplify everything for you

ADP will:

- Assist with setting up the plan and payroll deductions.
- Calculate your matching contribution each pay period.
- Electronically transfer all contributions to Fidelity each month.
- Help make the entire process seamless, requiring minimal administrative effort on your part.

You want to save for retirement with pretax dollars.

You also want a plan with benefits that will attract and retain good employees.

But the last thing you want is the complexity of a 401(k) plan with all the time-consuming reports.

The Fidelity Advisor - SIMPLE IRA Plan presented by ADP and Fidelity Investments can offer what you want.

Fidelity Investments:

- Provides a flexible prototype plan document at no additional charge. This can make it easy and economical to set up your retirement plan.
- Offers a wide range of investment options—participants choose their investments and can switch between investments as their objectives change.
- Provides customer service to all participants virtually 24-hours-a-day (except when systems are unavailable due to scheduled maintenance).

Employer eligibility and other requirements

- The SIMPLE IRA is only for companies with up to 100 eligible employees.
- In order to sponsor a SIMPLE IRA, you cannot maintain any other employer-sponsored retirement plan such as a 401(k), Keogh, SEP-IRA, etc.
- The company can choose to contribute in one of two ways:
 - (1) You can match each employee's contribution—up to 3% of compensation. You may reduce your matching contribution to as low as 1% in any two years out of a five-year period. (Employee must contribute to receive a match.)OR
 - (2) You can make a 2% compensation across-the-board contribution (or a maximum compensation amount of \$210,000) to all employees. (No employee contribution required.)

Employee eligibility

Eligible employees must include:

- Employees who have earned a minimum of \$5,000 from your company during each of any two prior calendar years.
- Employees who are expected to earn at least \$5,000 from your company for current calendar year.

* Effective January 1, 2005, employees age 50 and older in 2005 may be eligible to receive an additional annual \$2,000 catch-up employer match to their SIMPLE IRA.

** Distributions will be taxed as ordinary income, unless properly rolled over to another IRA, and may also be subject to a 10% early withdrawal penalty if taken before age 59½. This penalty will be increased to 25% for the withdrawals made in the first two years of funding a SIMPLE IRA.

It's that SIMPLE.



The Fidelity Advisor - SIMPLE IRA Plan presented by ADP and Fidelity Investments is a tax-advantaged employer-sponsored retirement plan that enables you to help your employees prepare for their future.

For more information on the SIMPLE IRA Plan call your ADP SIMPLE IRA Specialist at **1 800 Y-SIMPLE (974-6753)**, mention Promo Code **165**, or visit us on our Web site at **www.adp401k.com**



Automatic Data Processing, Inc.
71 Hanover Road
Florham Park, New Jersey 07932-1597

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For more complete information about Fidelity mutual funds, including charges and expenses, please obtain a prospectus by contacting Fidelity Investments, 82 Devonshire Street, Boston, MA, 02109. Read it carefully before you invest.