



# Designed for people like you

## The Franklin Templeton Solo(k)

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We know how hard you work as a small business owner to build and grow a business that will make a lasting impact and create opportunities for others that did not previously exist. We also know that businesses survive because of the communities and individuals who are there to support them. Let us help you make retirement a reality by enrolling in a **Franklin Templeton Solo(k)**—because you deserve it.

### Get ahead with Wealth Studio

Small business ownership is hard, and we want to help you address sources of financial worries in a way that can help you to not just survive—but thrive.

**Wealth Studio**, a financial educational platform, is available to you at no cost and provides meaningful and intuitive engagement using modern modules with customizable and actionable information.

You can access it online or via the app, learn in a way that suits you best and track your progress. With 20% of small businesses failing within the first year and 30% failing within the second year, Wealth Studio will give you the tools you need to assist you in creating healthy and productive financial habits that may help you beat the odds.<sup>1</sup>

### KEY ADVANTAGES

#### Solo(k) vs. SEP IRA vs. SIMPLE IRA

A **Solo(k)** is an excellent method to maximize contributions and can be contributed to as an employer and employee. A **SEP IRA** works well for business owners who prefer to provide a retirement benefit to all employees (including themselves) by making employer contributions. A **SIMPLE IRA** is a great starter plan that encourages contributions from employees.

**For additional key comparisons of these solutions, see the inside of this brochure.**

### Solo(k) investment options

Balanced/Hybrid/Specialty		Domestic Fixed Income		Franklin LifeSmart Retirement Target Date			
Franklin Income Fund	FISRX	Franklin High Income Fund	FHIRX	Series 2025	FRELX	Series 2045	FLRJX
Franklin Managed Income Fund	FBFQX	Franklin Low Duration Total Return Fund	FLDRX	Series 2030	FLRWX	Series 2050	FLSNX
Franklin Utilities Fund	FRURX	Franklin Total Return Fund	FTRRX	Series 2035	FLRGX	Series 2055	FLSBX
Franklin/QS Moderate Growth Fund	LLMRX	Franklin US Govt Money Fund	FRQXX	Series 2040	FLSGX	Franklin LifeSmart Income Fund	FBRLX
		Franklin US Govt Securities Fund	FUSRX				
		Western Asset Core Plus Bond Fund	WAPRX				
International Developed Equity		International/Global Fixed Income		Large Cap Blend		Large Cap Growth	
ClearBridge International Growth Fund	LMGRX	BrandywineGLOBAL – Global Opportunities Bond Fund	LBORX	ClearBridge Aggressive Growth Fund	LMPRX	ClearBridge Large Cap Growth Fund	LMPLX
Franklin International Growth Fund	FNGRX	Templeton Global Bond Fund	FGBRX	ClearBridge Appreciation Fund	LMPPX	Franklin DynaTech Fund	FDNRX
Templeton Foreign Fund	TEFRX			ClearBridge Dividend Strategy Fund	LMMRX	Franklin Growth Fund	FGSRX
International Developing/ Emerging Equity		Large Cap Value		ClearBridge Sustainability Leaders Fund			
Templeton Developing Markets Trust	TDMRX	ClearBridge Large Cap Value Fund	LCBVX	Franklin Rising Dividends Fund			
		Franklin Equity Income Fund	FREIX				
Mid Cap Blend		Mid Cap Growth		Mid Cap Value		Small Cap Growth	
ClearBridge Mid Cap Fund	LMREX	ClearBridge Select Fund	CBSCX	Small Cap Blend		Franklin Small Cap Growth Fund	FSSRX
		Franklin Small-Mid Cap Growth Fund	FSMRX			Small Cap Value	

1. BLS.gov "Table 7 – Survival of private sector establishments by opening year." [https://www.bls.gov/bdm/us\\_age\\_naics\\_00\\_table7.txt](https://www.bls.gov/bdm/us_age_naics_00_table7.txt).

# What’s the difference?

## Distinguishing Solo(k) vs SEP IRA vs SIMPLE IRA

A **Simplified Employee Pension IRA (SEP IRA)** is a traditional IRA that offers tax breaks for small business owners who want to save for retirement. A **Savings Incentive Match Plan for Employees IRA (SIMPLE IRA)** is a start-up retirement savings plan for small employers who are not currently sponsoring a plan. Enrolling in a SEP IRA or a SIMPLE IRA may sound like a good option, but for self-employed individuals, the benefits of a **Solo(k)** are hard to ignore.

	Employer Eligibility	Employee Eligibility <sup>2</sup>	Funding Responsibility	Contribution Options
Solo(k)	Self-employed individuals or businesses with no common-law employees. A spouse can be included as an employee.	No common-law employees. Otherwise, no age or service restrictions.	Business owners can contribute as employer and/or employee.	Business owner can contribute as employer and/or employee.
SEP IRA	Self-employed individuals or any business that doesn’t currently maintain a retirement plan.	Generally, must include all employees who: <ul style="list-style-type: none"><li>• have reached 21 years of age,</li><li>• have performed service in 3 of the preceding 5 years, and</li><li>• earned at least \$750 in 2025 or \$750 in 2024.<sup>3</sup></li></ul>	Generally, employers only contribute to SEP IRAs. Employees can’t contribute to a SEP IRA through payroll deductions. They may be able to make traditional IRA contributions to the plan.	Employer can decide whether to make contributions from year to year.
SIMPLE IRA	Self-employed individuals or any business with 100 or fewer employees that doesn’t currently maintain a retirement plan.	No age restrictions. Employees must have earned at least \$5,000 during any 2 prior years (consecutive or non-consecutive) and expect to earn at least \$5,000 in the current year. <sup>3</sup> May exclude: <ul style="list-style-type: none"><li>• union employees subject to collective bargaining</li><li>• certain nonresident aliens</li></ul>	Employee payroll contributions and/or employer contributions.	Employee decides how much to contribute. Employer must make matching contributions or must contribute 2% of each employee’s salary up to the set maximum.

2. Employers can also choose less restrictive requirements.  
3. Internal Revenue Service. <https://www.irs.gov/retirement-plans>.

As your business grows and you start to hire employees, you must convert your Solo(k) to a traditional 401(k) as you will now be outside the rules for qualifying for a Solo(k). **We will work with you to make this transition easy and pain free for you and your new team.**

Employer Contribution Limits <sup>3</sup>	Employee Contribution Limits <sup>3</sup>	Withdrawals, Loans and Payments	Employer's Responsibilities
<p>Up to 25% of compensation not to exceed \$70,000 for the 2025 tax year and \$69,000 for the 2024 tax year.</p> <p>Contributions are deductible and aren't required every year.</p> <p>Total contributions (both employer and employee) can't exceed \$70,000 for the 2025 tax year (\$77,500 if age 50 or older) and \$69,000 for the 2024 tax year (\$76,500 if age 50 or older).</p>	<p>For the 2025 tax year, \$23,500 (\$31,000 for employees age 50 or older). For the 2024 tax year, \$23,000 (\$30,500 for employees age 50 or older).</p> <p>Can't exceed 100% of compensation.</p> <p>Can be either pre-tax or after-tax (Roth).</p>	<p>An employee can't take withdrawals until a specified event such as reaching age 59½, death, separation from service, or another event as identified in the plan document.</p> <p>The plan may permit hardship withdrawals, which may be subject to a 10% penalty if the employee is under the age of 59½.</p> <p>Loans are offered in the Franklin Templeton Solo(k).</p>	<p>Our program includes a prototype plan document and adoption agreement for employers to use to set up their plans.</p> <p>Annual filing of Form 5500 may be required. Plan administration duties include periodically updating or restating the plan. The Franklin Templeton Solo(k) is a full service plan that handles the above administration.</p>
<p>Up to 25% of the participant's compensation or a maximum of \$70,000 for the 2025 tax year and \$69,000 for the 2024 tax year, whichever is less.</p> <p>Contributions are deductible and aren't required every year.</p>	<p>Elective salary deferrals are not permitted in SEP plans. Individuals may make their regular IRA contributions (including IRA catch-up contributions for age 50 and older) to their SEP IRA.</p> <p>Talk to your financial professional about contribution limits and your specific tax situation.</p>	<p>An employee may initiate a withdrawal at any time, subject to current federal income taxes and a possible 10% penalty if the employee is under the age of 59½.</p> <p>No loans are permitted from SEP IRAs.</p>	<p>Complete Form 5305-SEP to set up a plan.</p> <p>No IRS reporting required.</p>
<p><b>Option 1.</b> Dollar-for-dollar match of employee contributions up to 3% of each employee's compensation (which can be reduced to as low as 1% in any 2 out of 5 years).</p> <p><b>Option 2.</b> Contribute 2% of each employee's compensation. Maximum compensation used to determine this contribution is \$350,000 for the 2025 tax year and \$345,000 for the 2024 tax year.</p> <p><b>Contributions are deductible and are required every year the plan operates.</b></p>	<p>For the 2025 tax year, \$16,500 (\$20,000 for employees age 50 or older). For the 2024 tax year, \$16,000 (\$19,500 for employees age 50 or older).</p> <p>Can't exceed 100% of compensation.</p> <p>Employees aren't required to contribute in any given year.</p>	<p>An employee may initiate a withdrawal at any time, subject to current federal income taxes. If under the age of 59½, the employee may be subject to a 25% penalty if the withdrawal is taken within the first 2 years of participation, and a possible 10% penalty if it's taken after the first 2 years.</p> <p>No loans are permitted from SIMPLE IRAs.</p>	<p>Complete Form 5304-SIMPLE or 5305-SIMPLE to set up a plan.</p> <p>No employer IRS reporting required.</p>

# The Power of Partnership

We drive client success through an unwavering focus on investment excellence delivered on a robust global platform. This is backed by investments in cutting edge technology and product innovation. In this way, our clients receive a consistent, coordinated experience and are empowered with an extensive range of specialized capabilities, all delivered through one trusted global partner.

We've broadened our capabilities by attracting leading public and private market investment managers to our firm. We nurture and protect the investment independence of these managers while providing them access to capital, technology, risk management and sustainability resources.

Alongside our investment offering, we equip our clients with the tools, services and knowledge necessary to actively plan for a better future and with a 75+ year tradition of closely held family ownership, we continuously focus on stability, innovation and long-term value creation.

Above all else, we always stay true to our commitment to create better financial futures together.

**Franklin Templeton is the world's top cross-border fund manager, with:**

**75+**

years of asset  
management experience

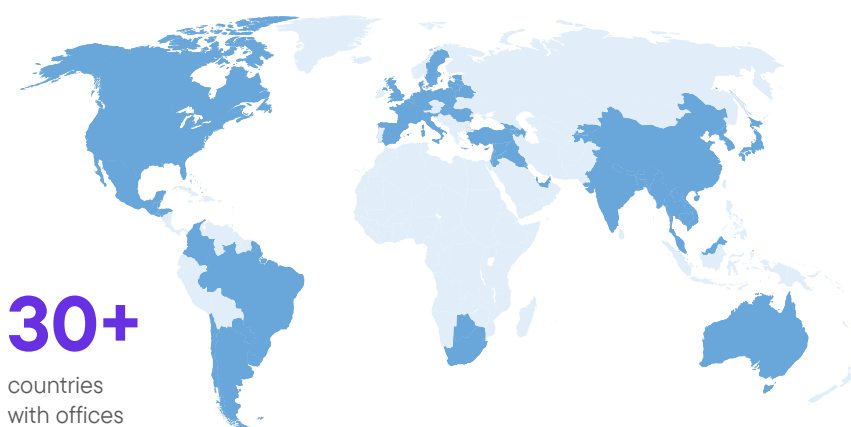
**~\$1.6T**

(USD) total assets  
under management<sup>4</sup>

**1,600+**

investment professionals<sup>5</sup>

**We have one of the industry's broadest global footprints**



**Investors should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. To obtain a prospectus, or a summary prospectus, if available, that contains this and other information about a fund, contact your financial professional. Read the prospectus carefully before investing. Class R shares are available only to eligible retirement investors.**

All investments are subject to risks, including the risk of loss.

**Diversification and asset allocation do not assure a profit or protect against market loss.**

This material has been provided for informational purposes only.

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, a forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial or tax professional. Franklin Templeton does not provide legal or tax advice.

4. AUM is as of December 31, 2024 and has been restated to include proforma AUM from Putnam Investments at the same date. Franklin Templeton closed its acquisition of Putnam Investments on January 1, 2024.

5. Approximate total. Investment professionals include portfolio managers, research analysts, research associates, investment support and executives of Franklin Templeton and subsidiary investment management groups.



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