

**Principal Variable Contracts Funds, Inc.**  
**Income Account, LargeCap Growth Account, Multi-Asset Income Account**  
**Federal Income Tax Information**  
**June 07, 2019**

The following information is being provided to you, prompted by the acquisitions of the following Accounts effective June 07, 2019:

<u>Acquired Fund</u>	<u>Acquiring Fund</u>
Income Account	Core Plus Bond Account
LargeCap Growth Account	LargeCap Growth Account I
Multi-Asset Income Account	SAM Flexible Income Portfolio

**Long-Term Capital Gain Dividends.** The Accounts distributed long-term capital gain dividends during the tax year ended June 07, 2019. Unless otherwise designated, long-term capital gain dividends are subject to a maximum tax rate of 20-percent, 15-percent, or 0-percent, depending on the shareholder's taxable income. To the extent necessary to distribute such capital gains, the Fund may also utilize, and hereby designate, earnings and profits distributed to shareholders on redemptions of shares as part of the Dividends Paid Deduction.

	<u>Per Share Long-Term Capital Gain Distributions (EX-DATE: 06/06/2019)</u>
Income Account	0.2140
LargeCap Growth Account	8.7869
Multi-Asset Income Account	0.0544

**Dividends Received Deduction (“DRD”).** For corporate shareholders, the percentage of ordinary income distributions (dividend income and short-term gains, if any) for the tax year that qualifies for DRD are as follows:

	<u>Deductible Percentage</u>
Income Account	5.72%
LargeCap Growth Account	100.00%
Multi-Asset Income Account	14.85%

The latest Federal Income Tax Information is available on Principal's Tax Center website.  
Website: <https://www.principalfunds.com/individual-investor/customer-support/tax-center>

Please consult your tax advisor if you have any questions.